Minutes

WJFF Board of Trustees

August 17, 2016

6:30 PM – Town of Callicoon Town Hall

Trustees Present: Thane Peterson, John Nordstrom (phone), Jim Lomax, Kit Hulit, Barbara Demarest (phone), Pat Pomeroy, Anne Larsen, Kevin Gref, Ken Hilton, Tasa Faronii-Butler, Tim Bruno (phone), Kathy Geary, Martin Springhetti,

Trustees Absent: John Bachman (leave of absence)

The meeting was called to order by Pat Pomeroy at 6:43

Minutes

Revisions to the minutes: Anne noted that the draft minutes omitted the attachment of the Treasurer’s report. She also proposed adding a paraphrase of Treasurer’s comments to the body of the minutes. Barbara apologized for the omission of the Treasurer’s Second Quarter Report and agreed to attach them to the minutes. She opposed adding commentary to the body of the minutes, however.  Motion: Approve the minutes as revised. (Hulit/Hilton)

In favor: Bruno, Demarest, Faronii-Butler, Geary, Hilton, Hulit, Lomax, Nordstrom, Peterson, Pomeroy, Springhetti

Opposed: Gref, Larsen

CAB

Sandy Oxford (chair) submitted a report from the CAB. She recommended that Gloria Simm be appointed to the CAB. Motion: Appoint Gloria Simm to the WJFF Community Advisory Board (Hulit/Hilton). Unanimously in favor.

Public Comment

A member of the public spoke about his plans for a low watt station aimed at the local Jewish community to be known as WJNN.

General Manager’s Report

Adam presented his report (attached).

Adam was asked about the delay in signing the lease for the Goosetown Tower. He will follow up with our lawyer. He was also asked about improving coverage by raising our position on the tower. He suggested that we should determine whether there is a need for the Monticello translator since there is a window until Oct 31 for selling it to an AM operator.

Treasurer’s Report
Ken reported that revenue ytd is down significantly compared to budget, especially in the area of underwriting. Expenses are down modestly. Unbudgetted expenses have been encountered both from the broadcast problems and in conjunction with the Martinsons gift. Additional expenses will be incurred in conjunction with the gift. Ken will be looking in to taking out a loan or line of credit against the gift.

Committee Reports

A report from DCOC is attached. Thane noted the jazz event planned for 10/23 at the Cooperage.

Committee officers have been determined as follows: Nominating & Governance – Tim (chair), Kathy (secretary), DCOC – Jim (chair). Other committees will be meeting soon

Property Gift

Pat gave an update on the status of the Martinsons gift. The test holes were dug on the site to insure that there was no unusual materials buried. Pat shared the letter received from the State DEP. Pat indicated that the lawyers are ready to move ahead. At the time the deed is signed over to WJFF, there will be taxes and fees owed. Barbara will contact the Auditor regarding the requirements for an independent appraisal in order to book the asset to our balance sheet. Ken discussed the possibility of borrowing against the property to cover the costs of closing and securing it. Motion: Authorize the treasurer to investigate a loan against the property to defray property-related costs. (Springhetti/Faronii-Butler) In favor: Peterson, Nordstrom, Lomax, Hulit, Demarest (phone), Pomeroy, Gref, Hilton, Faronii-Butler, Bruno Geary, Springhetti. Opposed: Larsen

The meeting was adjourned at 9:12 (Hilton)
2016-07-20 General Manager’s Report

STL UPDATE
The STL continues to be problematic. Here is a rundown of the steps we have taken to correct the problem, and the path we intend to follow to reach a complete resolution.

1. **Barix units transmitting from Cable to DSL** - this was our first shot, and seemed to work well until the DSL began repeatedly malfunctioning, likely as a result of an aging infrastructure and distance of the tower from the nearest DSL station. The Barix units did not provide a “buffer” to cope with occasional dropout and so any glitch in the connectivity would immediately come through over the air. COST: $80/month

2. **Barix units transmitting from Cable to 4G, failing to DSL** - in lieu of a T1 connection, we switched the tower connection to 4G (cellular). This decision was partly the result of our terrible experience with DSL, and the advice of several engineers. COST: $450/month

3. **Comrex units transmitting from Cable to 4G, failing to DSL** - Switching from Barix to Comrex units enabled us to take advantage of several benefits: a larger available buffer meant that small drops in network connectivity would not be heard, as the onboard buffer would remain playing until the connection returned. Their advanced audio encoders made it possible to transmit CD-quality audio using less bandwidth than the Barix units consumed. Finally, using a Comrex unit at the tower makes it possible to connect our Honesdale studio directly to the transmitter, without needing to “hop” through Jeffersonville. This makes it possible to continue our broadcast when power or internet is out in Jeffersonville. COST: $3,000 equipment, $450/month

However we have found that the 4G is not reliable enough for radio. We are still experiencing occasional drops and “garbles” when the cellular network becomes unresponsive for long enough to exhaust the buffer on the Comrex system. To hold us over until a better solution can be reached, I have temporarily arranged access to a private network at our tower site and have engaged an engineer to assist in the configuration of our Comrex units. Here are the options which I have been advised remain worth exploring, roughly in the order of cost and difficulty:

- **Comrex units transmitting from Cable to Goosetown Microwave, failing to 4G** Goosetown maintains a microwave data network which they are in the process of upgrading to include more bandwidth. Once that upgrade is completed, it is likely that we will be able to hop onto it by installing a cablemodem at the jumping-off point in Beacon, NY and transmitting our signal by cable to Beacon, and then letting it reach our tower via microwave. It is certain that Goosetown would charge us for this service, but unlikely that the cost would be high. COST: ~$250/month

- **Comrex units transmitting from Cable to WJFF Microwave, failing to 4G** We would install a microwave transmitter on the roof of Catskill Harvest Market, and install a cablemodem there as well. We would use cable to transmit our signal from Jeffersonville to Liberty, where it would be microwaved to the tower site. Establishing our own microwave network gives us the benefit of being in complete control, but also puts the responsibility for maintaining the network squarely on us. It would also require us to hang a new piece of equipment on the Goosetown tower, increasing our rent. It seems likely that the rental cost
would be roughly equivalent to the cost of passing data through Goosetown’s existing microwave network, but we would also need to purchase the equipment to build the network. **COST: ~$3000 equipment, $1,800 installation, $150/month**

*Comrex units transmitting from Cable to Cable, failing to 4G*

Paying Time Warner Cable to install cable service at the tower site would enable us to transmit our signal via a single cable network, which would eliminate several failure points. The cost for this would be substantial - in the tens of thousands of dollars, as TWC does not presently offer cable at the tower site. **COST: $10,000 installation, $150/month**

*Point to Point Fiber Optic, failing to 4G*

For perfect reliability, this is the only option, and it is also by far the most expensive. The monthly cost for a point to point fiber network is substantial, and the cost to install fiber at the tower site would be in the tens of thousands of dollars. **COST: $10,000 installation, $650/month**

Approximate cost estimates:
- Cable drop at currently-serviced site (such as Beacon): $100/month
- Inclusion in Goosetown’s microwave network: ~$100/month
- DSL as primary or backup: $80/month
- 4G as primary source: $400/month
- 4G as backup source: $50/month
- Cable drop at non-serviced site: ~$10,000 initial investment, $100/month recurring
- Fiber drop at non-serviced site: ~$10,000 initial investment, $600/month recurring

It is my recommendation that we follow the options to move forward in the order I have laid them out. Our next step would be to try and get onto Goosetown’s existing microwave network. If successful, our monthly cost will drop and there would be no equipment or installation cost.

**Remote Broadcast**

At time of writing this, I have constructed and successfully tested a live-remote-broadcast device using existing station gear coupled with some of my personal equipment. This rig will enable us to broadcast live from any location with electricity and cellular or wifi connectivity. Our plan is to broadcast live from the Hispanic Cultural Heritage Festival in Monticello on Sunday July 19th. This will be our trial run of the system. If it works well, we will purchase the necessary equipment so the station is in full ownership of the system.

**Pledge Drive**

At time of writing, we are more than halfway to our goal of $50,000. We still have several “challenges” on hand from generous supporters, and have not yet added the “mailbag” to the tally. We presently anticipate the drive ending sometime around Wednesday July 20th.

**CPB Presentation**

At their request, I made a presentation to CPB in June outlining the policies we have to ensure compliance with their requirements, and demonstrating those policies in action. I also showed areas where WJFF goes above-and-beyond the CPB’s compliance requirements. At the end of
the presentation, CPB representatives indicated they had several comments on my presentation and proceeded to convey several compliments about our policies and the way I presented them, and made no critical remarks. They did make it clear that in addition to all the requirements we follow, we should be able to demonstrate on paper that the CAB has actually done the job of providing advice to the station’s board once each year. Although our CAB has met regularly since the CPB’s initial audit, they have never actually accomplished their duty to “advise the governing body of the station with respect to whether the programming and other policies of the station are meeting the specialized educational and cultural needs of the communities served by the station, and may make such recommendations as it considers appropriate to meet such needs.” Since the presentation I have not received any communication from CPB, nor do I expect to.

CPB has relaxed their requirements for compliance, but it is my recommendation that we continue to operate as if those requirements have not changed. If the board feels strongly otherwise, it would be appropriate to record the board’s desire with a motion and vote.
Treasurer’s Report

July 6, 2016  WJFF FINANCIAL REPORT ON THE 2ND QUARTER OF 2016

In April you received my report on the station’s 1st quarter fiscal position. Today I’m updating that report to include the 2nd quarter, the months of April, May and June. As with the earlier report, I’m providing you all with pertinent comparative financial data showing this year’s and last year’s data to give you some perspective. I’ve included comments and discussions throughout. I’ll end with some conclusions and recommendations.

A dominant thesis runs through the entire report: Just as last year’s unexpected (and unbudgeted) expenses resulted in an end-of-year budget deficit, unexpected (and unbudgeted) expenses through this year will likely result in the same. Last year it was the need for a new antenna and for placing that antenna on a new (and costly) tower. This year it is the unexpected and unbudgeted gift of the Catskill Harvest Market gift that is throwing our budget out of whack. I reiterate the concern I expressed in my 1st Quarter Report, these expenses will be our greatest “financial challenges” during 2016 (and probably 2017).

It’s instructive to also look beyond just last year to see some longer financial trends. Here, for instance, are the data from the January 1 Balance Sheets for each of the past five years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Assets</th>
<th>Fixed Assets</th>
<th>Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$353,227</td>
<td>$206,210</td>
<td>$585,835</td>
</tr>
<tr>
<td>2013</td>
<td>$389,375</td>
<td>$207,098</td>
<td>$625,138</td>
</tr>
<tr>
<td>2014</td>
<td>$367,665</td>
<td>$180,649</td>
<td>$567,214</td>
</tr>
<tr>
<td>2015</td>
<td>$343,252</td>
<td>$183,555</td>
<td>$535,911</td>
</tr>
<tr>
<td>2016</td>
<td>$294,840</td>
<td>$223,325</td>
<td>$527,269</td>
</tr>
</tbody>
</table>

Admittedly, the unexpected costs of the new antenna and tower relocation caused much of the decline seen between January 2015 and January 2016 in “current assets.” Replace the more than $41,000 spent on the antenna and its relocation and the January 2016 current assets would have been over $336,000, only slightly less than the prior year. And it deserves mention that we don’t really “close out” one fiscal budget year to the next. Sometimes we pay bills earlier in the year; sometimes we pay them later, when due. So the “current assets” on January 1 from year to year aren’t exactly comparable. Still, a pattern of declining current assets seems obvious.

I Balance Sheet Analysis

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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</tr>
</tbody>
</table>
Current Assets – Checking $52,554.87 *
Current Assets – Savings $26,710.68
Total Checking/Savings $79,265.55 $50,690.31

Note that the July 1, 2016 savings include $11,874.82 in a matured Wayne Bank CD plus $1,516.32 in Rainy Day Reimbursements (at $252.72/month) plus $13,314.79 remaining from the $54,660.06 Jeff Bank CD that we used to cover the costs of the location of the new antenna on the new tower. At our June 15, 2016 BOT meeting we passed motions memorializing these actions. I’ve asked Chrissy to create a separate income budget line for the monthly Rainy Day Reimbursement totals. You’ll remember that at our June 15 BOT meeting we approved a motion requiring a 2/3rds super-majority vote to expend any of those funds, so we’ll want to clearly mark and closely monitor them. We also agreed that the moneys remaining from the Jeff Bank and Wayne Bank CDs may be used “in part or whole” to cover the costs of “improving our station’s signal” and for “various unbudgeted expenses associated with the station’s receipt of the Catskill Harvest Market gift.” Here too I’ve asked Chrissy to create a separate budget expense line so that we can closely monitor those expenses.

Note above the comparative July 1 data on current assets. In 2015 we did not have separate checking and savings accounts, so we show only the total checking and savings

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanguard Mutual Fund</td>
<td>$128,413.95*</td>
<td>$128,483.95</td>
</tr>
<tr>
<td>Wayne Bank CD</td>
<td>$0</td>
<td>$12,189.37</td>
</tr>
<tr>
<td>Jeff Bank CD</td>
<td>$0</td>
<td>$54,632.22</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$8,362.97**</td>
<td>$9,868.38**</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$216,042.47</td>
<td>$255,864.23</td>
</tr>
</tbody>
</table>

*This is the 1st quarter figure.

**Some of these accounts receivable are likely “bad debt,” old pledges that will not be paid. Chrissy, our auditors and I will examine them, and if necessary adjust them.

Last year at this time we had $39,821.76 more in total current assets; this is the approximate cost of our new antenna and its relocation last autumn.

As noted above, my worry is that our continued expenditures for the unbudgeted costs associated with acceptance of the Catskill Harvest Market will create a cash flow challenge and result with us being in the red at the end of the fiscal/calendar year. We are about to launch our summer pledge drive; it and our Sound Support funds should add $40,000+ in the next month to our checking account. And we should be receiving our CPB grant early this autumn.
So we may be OK. But I’m also certain that unexpected future costs will require us to dip into the savings account, something for which we had not planned.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets (Current and Fixed)</strong></td>
<td><strong>$453,599.22</strong></td>
<td><strong>$451,917.08</strong></td>
</tr>
</tbody>
</table>

As you can see, in total assets we’re almost exactly where we were this time last year.

**II Profit & Loss: Previous Year Comparison**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income to July 1</td>
<td>$76,715.65</td>
<td>$108,143.52</td>
</tr>
<tr>
<td>Total Expenses to July 1</td>
<td>$138,966.10</td>
<td>$189,683.18</td>
</tr>
<tr>
<td>Net Income to July 1</td>
<td>$-62,250.45</td>
<td>$-81,539.66</td>
</tr>
</tbody>
</table>

**Key Differences/ Similarities**

- Sound Support Income: $23,311.02 vs. $11,000.50 (2016 vs. 2015)
- Pledge Drive 1 Income: $29,849.45 vs. $39,137.50
- Broadcast Cable Expense: $3,409.19 vs. $12,376.92
- Broadcast Fiber Opt Expense: $0 vs. $3,337.15
- Dues/Programming Fee Expense: $19,832.30 vs. $24,657.11
- Tot Indep Contractor Expense: $8,014.89 vs. $16,231.65
- Total Payroll Expense: $68,015.98 vs. $67,216.03
- Total Utilities Expense: $7,293.82 vs. $13,725.88

**III Profit & Loss: Budget v. Actual**

Are there areas where our income or expenses to date seem out-of-line for our budget? Keep in mind that we’re half way through the budget year. We hope to be at or above 50% on income lines and hope to be less than 50% on expense lines.

<table>
<thead>
<tr>
<th></th>
<th>Actual to Date</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Income</td>
<td>$6,271</td>
<td>$35,000</td>
</tr>
<tr>
<td>Underwriting Income</td>
<td>$7,062.60</td>
<td>$28,000</td>
</tr>
<tr>
<td>Total Member Income</td>
<td>$59,580.47</td>
<td>$165,000</td>
</tr>
<tr>
<td>Total Income</td>
<td>$76,715.65</td>
<td>$353,430</td>
</tr>
</tbody>
</table>
IV  Financial Challenges on the Horizon

As I said above (and in the 1st Quarter Report), during the last six months of our budget year the unbudgeted expenses related to the acceptance of the Catskill Harvest Market gift will probably force us into tapping our savings account, thus throwing our budget into deficit. Having to hold the CHM for at least one year, as required by the donor, will require us to pay over $20,000 in local property taxes alone, not to mention the costs of a year’s utilities and basic upkeep. It’s important that, as soon as possible, we decide what our plans for the CHM will be. If we choose to remain at the Jeff Studio and sell the CHM property, we’ll likely just have temporary cash flow difficulties – shortages that will be resolved with the sale of the CHM. But if we choose to move our broadcast facility to the Catskill Harvest Market, I recommend that we immediately launch a capital project – besides considering the sale of the Green House and a portion of the CHM property.

Ken Hilton, WJFF Treasurer

July 6, 2016
Board Correspondance

To the Board of Trustees of WJFF:

I wish to respond to the comments made by Midge Maroni concerning her failure to be re-elected to the Board of Trustees of WJFF.

In her statement, she cites: “Misleading financial statements, especially those attempting to conceal repeated deficits.” As Board Secretary, I send financial reports to all of the Trustees each month. These reports, generated by the bookkeeper from our accounting system QuickBooks, include the Balance Sheet, the Profit and Loss versus Actual and the Profit and Loss versus Prior Year. The purpose is to make sure Trustees are fully informed of the stations financial condition. The station bookkeeping is audited by a CPA firm and we have received clean audits. We have, in fact, had expenses in excess of revenues, due primarily to the extraordinary expenses of having to quickly vacate the county tower where we paid no rent for 20 or so years to a rented tower facility. This was discussed at board meeting after meeting as reflected in minutes and tape recordings and has not been concealed in any way.

I also served as a member of the Nominating and Governance Committee in both 2015 and 2016. I found that the 2015 Election Report, while voluminous, omitted what I considered to be some important matters and when I was unsuccessful in convincing the majority of the committee to incorporate my concerns, I wrote a “Minority Report”. I asked fellow committee member Larry Grosberg to join me in that report which he agreed to do. The report is entirely fact based and focuses on resolving issues encountered in the 2015 election and improving the conduct of the 2016 election. There is no name calling in the report. I append it in its entirety for readers to judge for themselves. I am flabbergasted by statements that: “Larry Grosberg implied in a minority report that I was a “sexist and racist”.” Ms. Maroni also states: “It’s sad to me that Barbara Demarest signed Larry’s statement because I believed she and I could disagree and still respect each other.” I made clear on numerous occasions that I was the author of the report. I was pleased that the bulk of the issues which came up in the 2015 election and were cited in my report were resolved in the 2016 election.

I do not consider Ms. Maroni to be a whistle blower. I do find that she has made some personal and unjustifiable accusations.

Signed,

Barbara Demarest

Appendix: “Minority Report”

WJFF Trustee Elections 2015

In our view, most of the significant issues regarding the trustee election process are omitted in the report approved by a majority of the 2014-2015 Nominating & Governance Committee. Those voting to approve that report were: Midge Maroni (report author), Kevin Gref, Sonja Hedlund, and Anne Larsen.

Qualifications for trustees
The bylaws require that trustees be “at least 18 years of age; a volunteer in good standing of the Corporation; a contributing member of the Corporation in accordance with membership levels set by the Board from time to time; and a citizen of the United States of America”.

All candidates were at least 18 years of age and citizens of the United States of America. Volunteers in good standing were: Hilton, Springhetti, Morrow, Lomax, and Peterson. Simms, Lederman, and Kuhn were not volunteers. “Contributing members of the corporation” is not defined in the bylaws. We generally consider any contributor to be a member. Those making a contribution between January 2014 and June 2015 were: Hilton, Springhetti, Hulit, Morrow, Peterson, Lederman, and Lomax. Simms and Kuhn did not make a contribution to the organization between 1/14 and 6/15.

Swearing in of new trustees and Election of Officers

New trustees were not sworn in until the following month rather than at the Annual Meeting as prescribed in the by-laws. The July meeting was presided over by the outgoing vice-president, Midge Maroni since the outgoing president, Sonja Hedlund, was not re-elected by the board (volunteer-elected). The Election of Officers was delayed until late in the July meeting contrary to the opinion of the majority of the Executive Committee when setting the agenda for the meeting and contrary to the request of several trustees at the meeting. This effectively deprived newly elected trustees and officers a portion of their term.

Other process issues

In addition the following issues caused significant contention among trustees during the election process and should be resolved prior to the 2016 election:

1. What weighting should trustees apply when evaluating candidates (e.g. assumption of workload, professional skills, domicile, gender, ethnicity)?
2. When should a determination of whether to expand the number of trustees on the board be considered?
3. Should incumbent trustees be voted “up or down” before voting for new trustees?
4. Should the Nominating and Governance Committee vet a slate of recommended candidates for the board or should all candidates meeting the qualifications specified in the by-laws be included on the ballot?
5. How should the balloting be performed?
6. Who should count the ballots?
7. How many rounds of balloting should be performed if all vacancies are not filled on the first ballot?
8. Are trustees whose terms expire as of the Annual Meeting eligible to vote for trustees?
9. Are trustees elected by volunteers eligible to vote for board-elected trustees at the Annual Meeting?

We recommend that the Board of Trustees insure that these questions are resolved prior to the 2016 Board elections.

Barbara Demarest
Larry Grosberg
CAB Report

Recommendations to WJFF BOT (based on CAB meeting 8/8/2016)

- CAB be allowed to present at the beginning of BOT meeting – CAB will strive to provide BOT with summary of their recommendations so they can be included in meeting packets.
- BOT create a membership committee to focus on 1) building new membership member 2) member retention.
- WJFF should continue to be in relationship with the youth that organized Black Lives Matter event in Monticello 8.6 and be responsive to other youth they request that the station to be present at an event.
- CAB recommends Gloria Simms to the BOT for appointment to the CAB.
- CAB requests clarification from the BOT on the policy related to WJFF who host regular programs for the station or perform other major volunteer services (i.e., coordination of volunteers or programming).