



NEWSLETTER – DECEMBER 2016

Article 2: KFFF Governance and Finances



KFFF Governance and Finances

KFFF is overseen by a Board of Directors and governed through by-laws.

Board members are volunteers. Each has areas of focus and provide leadership for a number of initiatives or committees. They meet with the Executive Director and the Producer each month, by phone, to receive updates and provide direction.

KFFF 2016-2017

Board of Directors

- Val Stinson, Chair
- Glen Pilant, Vice Chair
- Tom Witaneck, Treasurer
- Kim McDowell, Secretary
- Chris Barker
- Chuck Lesniak
- Diane Litke
- Charlie McCormick
- Stuart Vexler

KFFF Governance and Finances

Now for some more specific information. The board recently voted to change the fiscal year from January - December to October - September. This change aids in tracking revenue for each festival.

In October of each year, festival packages go on [sale](#), RV sites are paid for, and annual storage fees from those who store their trailers or RVs on site are paid. All of these income streams are associated with the festival that occurs the following year, so changing the fiscal year places the revenue data in the same fiscal year in which it will be used.



KFFF Governance and Finances

The board reviews and approves the budget for the next fiscal year by the end of September so it can be loaded and tracked from Day 1. To prepare a budget, the Executive Director

- Reviews historical data,
- Identifies operational changes,
- Projects the financial impact of those changes, and
- Submits the budget to the board for review and approval;

...with enough lead time to make changes requested by the board. Then the board votes for final approval of the budget prior to October 1.

KFFF Governance and Finances

- This year, after combing through every dollar collected and every expense incurred in the previous 12-month period, it was determined that -- if we made absolutely no operational changes -- KFFF could expect a shortfall in excess of **\$90,000** for 2016-17.
- Obviously, this is not acceptable. While combing through the data, notes were taken. The KFFF staff collectively developed and projected a number of operational changes. In total these changes improved the projected bottom line by almost **\$100,000**, bringing the net projection for the year to nearly **\$8,000** to the good.

KFFF Governance and Finances



The KFFF leadership has asked this community on a number of occasions, "Is it important that we sustain the festival so that one day folks will celebrate 100 years?" The response has been a resounding, **"Yes!"** In order to do that, a sustaining operational model must be put into place.

To see the changes being made to build a sustainable operation, read Article 3, "What's Changing."

KFFF Governance and Finances

In October a Volunteer Retreat was held at the ranch.



Because some of the strategies impacted the Volunteer Staff, the KFFF leadership wanted to let the volunteers know about the festival's needs and the changes.

KFFF Governance and Finances

One of the strategies:

Require Volunteers to be Foundation members in order to receive "Vetted" status.



For those of you who follow Facebook, you may recall a post made that day which translated this to say, ***"There is a rumour going around that the BOD for KFF is considering charging \$100 [for] a veteran band. Is this true?"***

KFFF Governance and Finances

What came to light is that "Vetted" status means a lot to the volunteers; it is an honor, or recognition bestowed for work above and beyond. Requiring they become members in order to receive this honor crossed a line that felt very onerous to them. Hence, this initiative has been rescinded.

And, strategies to make up the \$15,000 of revenue this initiative was projected to yield are being explored.

KFFF Governance and Finances

However, in the discourse that surrounded this issue,
what came to light was that

**many volunteers have no idea that membership dollars
directly support the festival.**



An interesting note: In October, 2015 we received \$575 from memberships.
In October, 2016 we received \$5,850 from memberships.

KFFF Governance and Finances

In the aftermath, many volunteers have generated ideas for one-time fund raisers. Some of these ideas will be implemented.



However, the goal is to build a sustaining operational model, and that is not done with one time efforts.

KFFF Governance and Finances

The challenges needing to be resolved are recurring each year. Therefore, the answers must be fundamental operational changes.



Perhaps the most important one is as simple as - sell more tickets. To that end, festival marketing is starting earlier and plans for an aggressive social media campaign are in the works.

KFFF Governance and Finances

And, if you would like to help, simply bring out your family, friends, or neighbors who have never come to the festival and let's “Kerrvert” them!

