



Radio Western Fiscal 2017/2018 Proposed Budget Narrative

January 2017 • Timothy Glasgow • chrwsm@chrwradio.ca

Overview:

Radio Western has been broadcasting 24 hours a day, 7 days a week on FM radio 94.9 since October 31, 1981. It can also be heard via a myriad of other ways including a web stream, smartphone apps, an iTunes station, and a Rogers cable channel. It currently has four full-time staff, 5 part-time staff and about 300 volunteers, about 140 of which are Western undergraduate students. Radio Western has a history of kickstarting the careers of many successful media personalities, including CBC Foreign Correspondent Adrienne Arsenault, ESPN/Sportsnet Blue Jays announcer, Dan Shulman, and Global News National Anchor, Kevin Newman. Radio Western offers students the ability to gain professional training and experience in broadcasting, news writing and reporting, live sports reporting, music and spoken-word program production and curation, audio recording engineering, video production, marketing and promotion, and social media/web site design and management. Radio Western also provides an essential media link to the general population of London and the surrounding area which can be used to promote many of the positive things happening at Western University.

Current Status:

At the end of August of 2016, Radio Western's Board of Directors terminated the employment of the Station Manager, who had been with the station for 12 years. In September, a temporary Interim Station Manager was hired to fill-in while the Board of Directors considered a permanent replacement. Subsequently, the Interim Station Manager was hired as the new permanent Station Manager and started on December 12, 2016. As it stands now, the only full-time employee who has been with the station longer than 7 months is the Program Director – hired only a year before. Therefore, this really is a very new Radio Western, with an entirely new vision of what the station could be.

What Has Changed:

We feel that too much of the station's budget in past years has gone into staff benefits and travel, and not enough into modernizing the station's facilities and programming. Fundraising and advertising revenues have been meagre, and many involved with the station have focused too much on the outside community and not enough on the undergraduate student experience. The changes in this proposed budget hope to help us bring the station's facilities up-to-date as well as allow us to promote a new image and an exciting new 'start' for the station. This budget starts with a \$1 reduction in student fee contributions from \$13.47 to \$12.47 per undergraduate student. Proposed budget numbers were calculated by looking at the last few years' budgets and actual revenues/expenses, and conservatively estimating where more money can be saved and where more should be spent. Our expenses have dropped due to eliminating staff benefits and some travel expenses, a reduction in insurance costs as well as the discontinuation of the UCC's occupancy fee, and we have allocated more funds to facilities upgrades and rebranding. Revenue is expected to increase due to the implementation of a non-undergraduate membership fee, as well as improved fundraising efforts and advertising sales. More specific comments are listed in the budget chart below.

Future Outlook:

Radio is continuing to hold up well in the media marketplace, particularly as consumers continue to move toward curated media (where someone chooses the specific content - in our case, music and spoken word shows) and away from on-demand content (where the user has to choose all the songs or shows themselves). The recent growth of Spotify, Apple Music, Tidal, and other online streaming services are good examples, but terrestrial radio is still the definitive curated media source. New volunteer interest in the station has increased significantly this past semester, and again, we expect continual increases in both fundraising and advertising revenue as we rebrand and promote the new, improved version of the station. For a more detailed look at Radio Western's future plans, see the document, *A Responsible Radio Western*, which was distributed prior to the January USC Meeting and is also available here: <http://bit.ly/2jG9JMR>.

Proposed 2017/2018 Budget Table:

	Last Year's Actual 2015-2016	This Year's Budget 2016-2017	Proposed Budget 2017-2018	Changes for 2017-2018	2017-2018 Comments and Change Information
CHRW Student Fees	382,875.40	375,600.00	369,498.57	-6,101.43	Carrie Passi's budget estimate of 29,631 students @ \$12.47 per student. This is dropped one dollar from last year.
CHRW Non-Student Fees			3,600.00	3,600.00	We estimate 120 non-students will each pay an annual membership fee of \$30 each.
CHRW Fundraising Revenue	7,975.35	8,000.00	10,000.00	2,000.00	If we build a better station, we expect better fundraising results.
USC Marketing Dept Revenue	2,393.75	1,800.00	5,000.00	3,200.00	If we build a better station, we expect more advertising sales.
CHRW Studio Rental Revenue		500.00	500.00	0.00	The Production Studio needs technical changes before it can be professionally rented out.
CHRW Training Revenue	0.00	1,200.00	0.00	-1,200.00	The Production Studio needs technical changes before it can be used as a production school.
CHRW Target Revenue	490.83	2,000.00	1,000.00	-1,000.00	Target Broadcast Sales is an external advertising sales agency based in Toronto. We cannot accurately control nor predict how much advertising revenue they will bring us.
CHRW Canada Summer Jobs Revenue		0.00	15,000.00	15,000.00	We've brought in \$16,845 in Canada Summer Jobs grants so far this year. Though it's difficult to predict, we expect a similar amount of success in the next fiscal year.
CHRW Bank Interest	2,565.79	1,800.00	1,800.00	0.00	This is not a major source of income.
Net Grants		0.00	0.00		Though we will be making efforts to secure other grant funding this year, we cannot predict nor guarantee any results.
TOTAL REVENUE	396,301.12	390,900.00	406,398.57	15,498.57	This 2017/2018 budget assumes a revenue increase of \$15,498.57
CHRW Full Time Salaries	143,467.68	182,796.00	173,160.00	-9,636.00	We have four full-time employees. This assumes no raises for Station Manager or Program Director, but adds a 3% increase for Marketing Director and the News, Sports, and Spoken Word Director
CHRW Part Time Salaries	20,297.72	24,882.96	33,157.50	8,274.54	We currently have five part-time employees, but we plan to decrease that to four.
CHRW Canada Summer Jobs Expense			15,000.00	15,000.00	This pays out the estimated Canada Summer Jobs Revenue estimated above.
CHRW Commissions On Sales	27.50	450.00	1,000.00	550.00	This is commission paid out to people who sell advertising for the station. If we estimate \$5,000 in sales above and offer a 20% commission, it works out to \$1,000.
CHRW Honoraria	420.00	1,200.00	2,500.00	1,300.00	This allows us to thank volunteers that have worked on specific projects with a small stipend
CHRW Remote Broadcast Expense	6,409.01	7,400.00	8,000.00	600.00	Historically this has been used for travel to remote broadcasts of sports, and the number of 'away' games we broadcast depends on Mustangs' successes. However, this year we expect to do more non-sports remote broadcasts from around campus and the city of London.
CHRW Full Time Staff Benefits	23,111.84	1,440.00	0.00	-1,440.00	We have eliminated all full-time benefits as a cost-cutting measure.
CHRW Part Time Staff Benefits	0.00	2,487.96	3,315.75	0.00	This is Vacation Pay, CPP, IE for part-time staff (budget 10% of P/T Salaries)
CHRW National Conf & PD	2,372.39	6,725.00	1,500.00	-5,225.00	We have cut this significantly. Instead of sending four people to the National Campus/Community Radio Convention, we may only send one.
CHRW Operating Supplies	1,484.36	1,200.00	1,200.00	0.00	This is for cables, chargers, batteries, etc.

CHRW UCC Occupancy Fee	29,618.67	31,229.04	0.00	-31,229.04	Our UCC Occupancy Fee has been discontinued for 2017/2018
CHRW Advertising/Promotions	7,285.61	6,630.00	8,500.00	1,870.00	We expect an increase in promotional costs for rebranding the station and getting the word out.
CHRW Services/Maintenance	3,385.20	3,600.00	3,600.00	0.00	We need some room upgrades: acoustics, electrical, paint.
CHRW Equipment	10,072.38	3,600.00	15,000.00	11,400.00	This is typically new non-capital equipment such as CD players, amplifiers, microphones, headphones, but we expect to need to do a lot of technical upgrades to computer hardware/software and networking equipment.
CHRW Telephone	9,943.51	11,760.00	11,760.00	0.00	This covers the phone lines linking the station to the transmitter site, as well as each phone line at Radio Western, plus the mobile broadcast uplink.
CHRW Postage/Courier	855.63	600.00	600.00	0.00	This covers mailouts for fundraisers.
CHRW Copying/Printing	5,431.08	5,875.00	4,500.00	-1,375.00	We expect some extra printing for rebranding, but still have dropped it from last year.
CHRW Office Supplies	856.51	1,200.00	1,000.00	-200.00	This covers office supplies. We think we can do with less.
CHRW Subscriptions	3,009.94	3,340.00	6,000.00	2,660.00	This covers Google and Basecamp, but as more software companies move to a subscription model (Adobe CC, Avid Pro Tools, Filemaker Pro), we need to budget more here to stay current.
CHRW Volunteer Recognition/Ent.	1,166.11	2,100.00	1,100.00	-1,000.00	Annual Volunteer party and awards. We are significantly reducing this to better use funds elsewhere.
CHRW Association Fees	4,238.44	2,220.00	2,220.00	0.00	This pays for our memberships to the National Campus/Community Radio Association, the Community Radio Fund of Canada, and the Pillar Nonprofit Network.
CHRW Insurance	9,818.82	10,028.00	7,500.00	-2,528.00	Site and liability insurance for the station and transmitter site. We have found a significantly less-expensive insurer this year.
CHRW Auditor Fees	10,268.74	10,500.00	10,500.00	0.00	This pays for our PriceWaterhouseCoopers annual audit.
CHRW USC Administration Fees	6,300.00	6,300.00	6,300.00	0.00	The USC charges \$525 per month for services.
CHRW SOCAN	7,394.17	7,488.00	7,488.00	0.00	This pays royalties to songwriters & copyright owners to allow us to play music on the air, as well as stream show archives on the Internet.
CHRW Transmitter Operations	18,093.29	19,200.00	20,000.00	800.00	This covers rent, hydro and Rogers costs at the transmitter site.
CHRW Technical Expense	25,297.64	7,200.00	10,000.00	2,800.00	This pays for outside technician pay and service parts.
CHRW Employer Health Tax Expense	348.81	1,800.00	0.00	-1,800.00	This is no longer required.
CHRW Employer CPP/EI Expense	1,877.34	12,276.00	12,276.00	0.00	This is Canada Pension Plan and Employment Insurance costs for the four full-time employees.
CHRW Pension Plan	0.00	4,248.00	0.00	-4,248.00	We have eliminated the additional secondary full-time pension plan.
CHRW Bank Fees And Charges	608.63	2,000.00	2,000.00	0.00	This is based on last year's expense.
CHRW WSIB Expense	0.00	0.00	850.00	850.00	This is a Workplace Safety & Insurance Board fee.
Total Annual Expenses	353,461.02	381,775.96	370,027.25	-12,576.50	This 2017/2018 budget assumes an expense decrease of \$12,576.50
Net CHRW	42,840.10	9,124.04	36,371.32	28,075.07	