WILMINGTON, NC

- Market #177
- 217,600
- Service economy
  - Tourism
  - Recreation
  - Retiree immigration
 Disconnect between board and WHQR manager leads to departure

By Mike Janssen | December 14, 2009

Stations struggling with mounting deficits often cut jobs, but the cuts rarely lop off the highest rank as they did at WHQR in Wilmington, N.C., a year ago.

MORE NEWS

After Losing $162,000 In ’07, WHQR Restructures

By Josh Spilker

Southeastern North Carolina's local public radio station WHQR has been operating in a six-figure deficit for the past three years. Friends of Public Radio, Inc., the operating company of WHQR said these numbers have led to the elimination of four high-ranking positions announced before Christmas and a restructuring of the station.

According to tax records, the station had operating deficits of $162,073 for the 2007 fiscal year, $135,851 for the 2006 fiscal year, and $120,215 for the 2005 fiscal year. 2008 fiscal year numbers were not
CRISIS OF 2008-09

- Net equity went from c. $800,000 to $0 in 5 years
- Over $400,000 in debt
- Credit card revoked by bank
- Vendors cut off credit
- Made payroll and paid essential bills
CRISIS OF 2008-09: CAUSES

- CPB-commissioned report (Dennis Hamilton)
  - Management errors; overextended financially
  - Lack of Board oversight
  - Impact of the Recession

CRISIS OF 2008-09: OPTIONS

- Alliance/license transfer to a local entity
  - UNC Wilmington declined
- Merger with another-market station
  - One declined, one interested
- Keep control local (not recommended)
  - Board chose this option
CRISIS OF 2008-09: RESPONSE

- Board dismissed top staff
- Slashed payroll and other expenses
- Board committee ran the station directly for nearly 2 years
- Kept the station afloat, but not moving ahead

FINANCES, MARCH 2016

[Graph showing WHQR Income from 2007-2016]
FINANCES, MARCH 2016

WHQR Expenses from 2007-2016

- Membership/Special events
- Station/Underwriting
- Personnel
- Radio

FINANCES, MARCH 2016

Net Income

- Net Income
STRATEGY

- Diversify funding
- Focus pledge days (26 > 16)
- Increase annual gifts
- Day Sponsors
- Leadership Circle
- Sustainers
STRATEGY

- Expand our base of support
  - Cinematique, other special events
  - Outreach
    - Co-sponsorships
    - Partnership Challenge
  - Big Board project (luncheon)
2012-16 STRATEGIC PLANNING

- Followed a year of workshops, self-assessments
- Several consultants and retreats
- Basis of the emPowering Our Future campaign
  - Preceded by assessment (feasibility study)
  - Goal of $1.5 million, including $110,000 in Estate gifts
  - Currently at 90% of cash goal; 392% of Estate goal

2012-16 STRATEGIC PLANNING

- Started Classical HQR (HD2 translator), re-branded HQR News
- Purchased facilities after renting for 30 years
- Eliminated debt, building reserve fund
- Replaced AudioVault, all computers in-house
- In progress: Digital Now technology; rebuild studios and offices
LESSONS LEARNED

- Get control of spending
- Diversify and enhance fundraising buckets
- Grow partnerships
- Engage the community through service and outreach
- Plan for growth