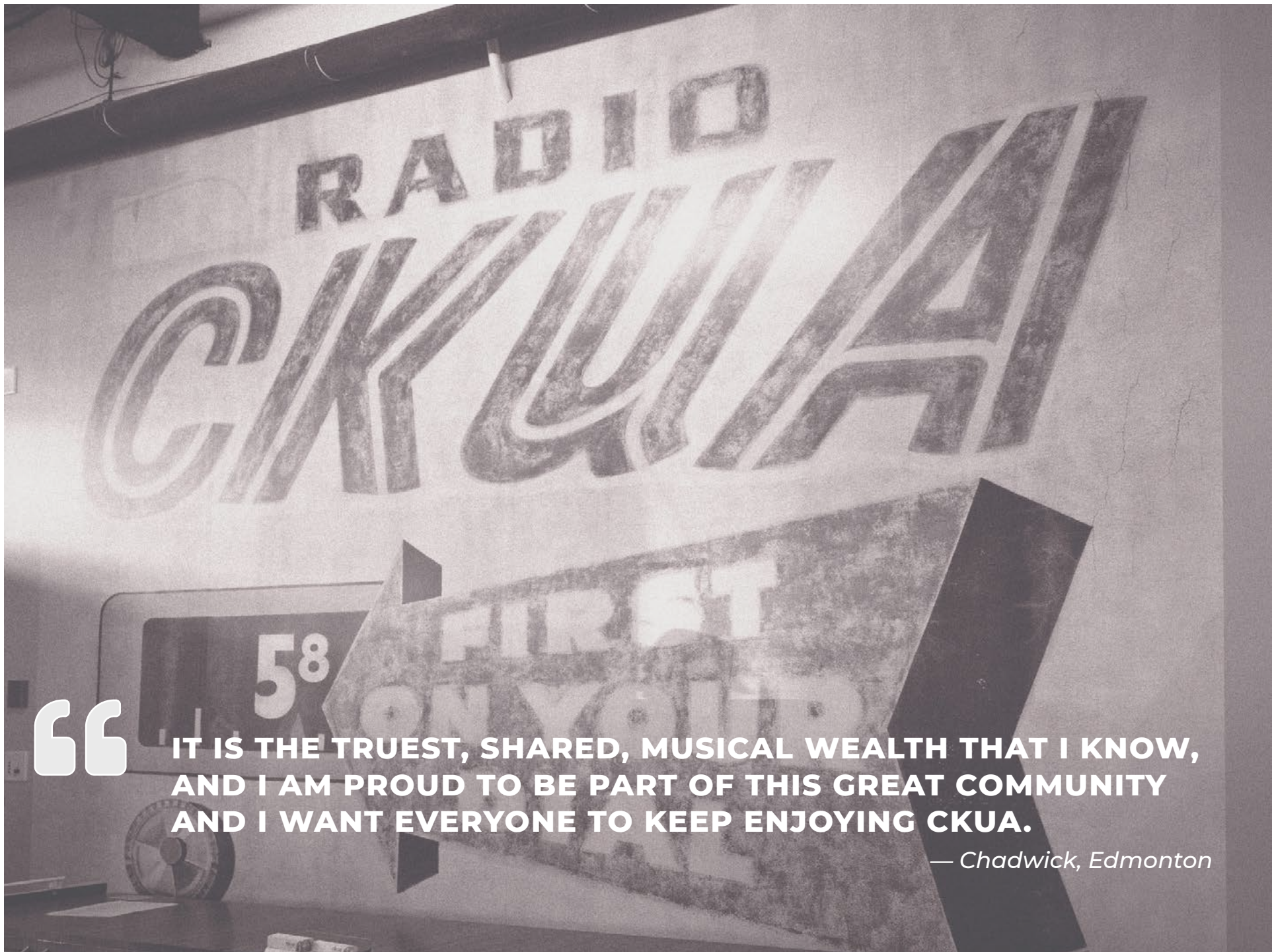




ANNUAL
REPORT | 2019-20



Alberta's Voice for Music, Arts & Culture



“

**IT IS THE TRUEST, SHARED, MUSICAL WEALTH THAT I KNOW,
AND I AM PROUD TO BE PART OF THIS GREAT COMMUNITY
AND I WANT EVERYONE TO KEEP ENJOYING CKUA.**

— Chadwick, Edmonton

MESSAGE FROM THE CHAIRMAN



TO THE MEMBERS, LISTENERS AND DONORS OF THE CKUA RADIO FOUNDATION WHO ARE ALL SHARING THE CHALLENGES OF THIS EXTENDED PERIOD OF COVID LOCKDOWN I SEND OUR HEARTFELT APPRECIATION FOR YOUR STEADFAST COMMITMENT TO THE ALBERTA-BASED CKUA RADIO NETWORK PROUDLY BROADCASTING AROUND THE WORLD.

CKUA experienced 2020 in common with all enterprises that had significant revenue and operating challenges, and yet once again, CKUA performed admirably, even brilliantly, under the difficult conditions as described in this Annual Report.

Your previous Board of Directors resigned on August 13, 2020. Throughout the summer and fall a new Interim Board of Directors composed of four devoted CKUA supporters and donors, Bill Roggensack, Ken Regan and Mary Corbett and myself – along with former Chair Bud Steen, returning CEO Marc Carnes (Sept 2020), and the CKUA Leadership Team, Mary Phillips-Rickey, David Ward, Karla Schell, and Rod Setter worked tirelessly to stabilize CKUA. In Spring 2020, CKUA concluded the

first all-online Spring Fundraiser in CKUA history by raising the highest amount since 1997 when CKUA went off the air, by raising over \$765,000 in the pandemic fundraising environment. At this writing, after our 2020 Fiscal year concluded, CKUA followed this Spring accomplishment with a 2020 Fall Fundraiser raising over \$1.1 Million. We absolutely need these funds and more to continue to operate. These are incredible accomplishments. They deserve our acknowledgement and deep appreciation to all the participants.

The unsatisfactory events of 2020 that led to a new Board being installed should be cautionary. The CKUA Radio Foundation needs to be vigilant, informed and engaged. The redrafting of our bylaws is a significant first

step in establishing improved transparency and increased Foundation engagement. Our communication will continue to improve, that is a promise. The events of 2020 should be recalled in a similar fashion as the book written about the rebirth of CKUA in 1997 called “Radio Worth Fighting For”. Our CKUA History matters. CKUA has a colourful and unique story that we intend to vigorously celebrate as we advance to our centenary in 2027.

In 2021 the new Board and the Management team will advance our sustaining vision for CKUA. We will do all we can to stay financially viable in the rapidly changing media world. Our revenue model requires dedicated fundraising efforts at the Board Level and within the Foundation membership.

This has to be the focus of our efforts.

I wish to thank all of our donors, sustainers and advertisers for their financial support in 2020. I acknowledge our resilient, dedicated and resourceful management team and staff, fellow board members and of course our amazing on-air announcers who have all worked reduced hours and together sacrificed for the well-being of CKUA Radio.

Sincerely,

J. Lindsay Hood

MESSAGE FROM THE CEO



WHILE COVID IS THE DOMINANT THEME OF THE YEAR FOR EVERY BUSINESS, THE YEAR 2019/20 WILL FOREVER BE REMEMBERED AS THE YEAR OF COMMUNITY AND RESILIENCY FOR CKUA.

In November 2019, CKUA had the incredible thrill to celebrate Holger Petersen and the blues community he has steadfastly built over 50 years as the host of *Natch'l Blues* – Canada's longest-running blues program. In preparation for the event, an exasperated Grant Stovel was heard repeatedly commenting that there simply wasn't enough time in a two-hour show to acknowledge the occasion's immensity. He was right. But celebrate we did.

One of the fantastic things about radio is the intimacy of the medium and the relationships formed between distant strangers and hosts. This past year as COVID became the dominant force in our lives, we heard daily from our listeners. They openly shared with us stories about the stresses of navigating the uncertainty of the world around us. We equally heard stories of hope, comfort, friendship, and community that lifted our collective spirits.

The near silencing of the cultural sector reminded us of how important music, arts and culture is to our lives and our collective well-being. And we were humbled daily to hear how vital CKUA, as Alberta's Voice for Music, Arts and Culture, is in maintaining that connection between our listeners and this important community. It is a platform for aspiring and established Albertan and Canadian artists to present their craft. It is an integral part of a rich Albertan music ecosystem representing nearly \$3.0 Billion in annual activity and over 22,000 creative sector jobs each year.

LISTENERS REMINDED US THAT CKUA IS MORE THAN RADIO. IT IS WHERE WE CONVENE AS ONE COMMUNITY TO SHARE SOMETHING AS UNIVERSAL AND MEANINGFUL AS MUSIC AND STORY.

And the coolest part: CKUA is available to the world for free, thanks to the financial contribution of our listeners, grantors and business community, with the simple push of a button. Whether you work the rigs in Fort McMurray, tend bar in Edmonton, teach young fertile minds in Lloydminster, or sit in a corner office on the 30th floor of a Calgary high-rise, CKUA is your shared community. And thanks to the growing demand on digital networks, increasingly, we hear from ranch hands in Montana, young families in Russia, grape growers in Kelowna and artists in Chile – each and every one, through their time spent with CKUA, an honorary Albertan in their own right. This past year, radio industry trends saw a rise in listenership as more people were at home and tuning in.

CKUA also experienced this. 2019/20 capped a three-year trajectory of making necessary programming and business changes as part of our strategic plan to grow audiences. Our core audience demographic of 55+ remained consistent during this time while our target growth audience, representing an age demographic of early 30s to early 50s, doubled. Growth in audience numbers, however, does not immediately equate to new donors. It takes years to develop the habits and connections that convert listeners into donors. To do this, CKUA must continuously develop new hosts representing that target demographic and

new communications and community engagement strategies to match. We must equally adapt & refine our advertising and fundraising strategies to appeal to this new generation of donors. It is a generation with different ways of consuming media and different expectations around giving than our long-standing audience. The status quo is not possible in an increasingly competitive and ever-evolving media market. To make the necessary changes to build the CKUA community of tomorrow requires additional investment in people, skills, and technology over and above that which is needed to sustain today's organization.

As part of the investments necessary to build the CKUA of tomorrow, 2019/20 was the year we began to make critical, staged IT infrastructure investments. These investments were intended to enable better redundancies in our broadcasting infrastructure and new platforms to allow our staff and hosts better remote work conditions. COVID accelerated this digital adoption, resulting in a remarkable feat by the CKUA team. In two weeks between when COVID took hold and when we launched into our spring campaign, we broke CKUA apart into 30 home offices and 17 home studios. Located in three countries, three provinces and eight cities, CKUA managed to remain on the air to stay connected with our listeners when they needed us most.

THE TIMES HAVE CHANGED, BUT ONE THING REMAINS THE SAME: THOSE THINGS THAT MATTER IN OUR LIVES SEEM TO MATTER MOST DURING DIFFICULT TIMES.

Come April 1st, we were humbled but not surprised when we cautiously launched our spring fundraising campaign and saw our community spring into action. By the end of April, we had not only made our goal but surpassed it. More than \$765,000, the final tally was the single biggest fundraising campaign for CKUA since the million-dollar campaign that brought us back on the air in 1997.

The most significant change during the fundraising campaign was the loss of our phone room. Unable to bring volunteers together, we went entirely online for fundraising. In recent years, the trend towards online giving had grown to the point where more than 55% of our campaign donations came online. While COVID accelerated CKUA's digital technology adoption, it became clear that it had done the same for our audience. It is essential learning that will factor more prominently into our digital platforms and growth strategies in the future. Of course, the downside of this break in tradition is that we missed our volunteers. Ever the champions for CKUA, we heard from them in various ways online and on the air. And more importantly, we could feel their spirit leading the charge as part of the groundswell of support from our community.

Like all media sources, advertising revenues experienced a sharp decline in 2020. We are fortunate to have many long-standing partners—and CKUA listeners themselves—who could and chose to stay with us during the economic downturn. Our largest drop in revenues was in our arts and culture-related revenues. As the reality set in that live performances were not going to happen, contract cancellations ensued.

Even with cancellations, CKUA was able to pivot for the summer festival season. Working with many of our festival partners, we created a 'best of the fest' Festival Radio season. Drawing on past festival recordings and recent live interviews, Alberta held on to a provincial festival season semblance thanks to our friends in the industry. It should be noted that no other province in Canada has the infrastructure, or the opportunity, to achieve such a feat and collectively celebrate our arts community.

CKUA was also proud to partner with the Government of Alberta on two significant initiatives: during the height of the pandemic's first wave in April, the Department of Seniors and Housing expressed concerns over their ability to reach Albertans and provide critical lifeline and support information for seniors and their families. Working with them, CKUA helped reach out to citizens across the province who were unable or prevented from accessing critical information related to COVID and COVID relief programs through online means. As Alberta transitioned out of the pandemic's first wave, attention turned to helping put Albertan musicians to work in May. Working in partnership with the Department of Culture, Multiculturalism and the Status of Women, The National Music

Centre, Alberta Music and Stagehand, the video music series *Alberta Spotlight* was launched. Through this, 79 artists were showcased during June to September with on-demand music concerts available for free through ckua.com.

The ongoing loss in advertising and office rental revenues at Alberta Hotel resulting from COVID also overshadowed the excellent April fundraising campaign. At the early onset of the summer, it left us forecasting a loss for the year. After extensive scenario planning and reworking of the budget in an effort to protect

WHILE THERE WERE MANY SUCCESSES OVER THE YEAR AS A RESULT OF EMBRACING CHANGE AND CONTINUOUSLY PIVOTING THE BUSINESS OF CKUA, IT CAME AT SOME COSTS.

jobs, we were able to arrive at a solution. All employees of CKUA agreed to enter into either workshare or take a voluntary reduction in pay, resulting in a 20% work reduction in the organization and the need to entertain the periodic rebroadcasting of shows. Their sacrifice and resiliency through a period of such uncertainty embody the very essence that is CKUA. Their leadership and their contributions are to be recognized and commended.

Leadership during a crisis shines brightly while under immense scrutiny. It requires strength in the face of adversity. A refusal to quit, regardless of the pressure. Good leaders work in the best interest of the organization, united around a shared vision and purpose. These are the hallmarks of the kind of character that put CKUA on its best footing. To those who have put their best foot forward this past year, who have tempered uncertainty, created harmony and community, and stand with us today, thank you. We are immensely grateful and proud to work with such an exceptional and caring group of volunteers and professionals committed to serving our CKUA community.

Despite such a tumultuous year in so many respects, we humbly deliver this AGM report cognizant that we finished the year with a modest surplus. What's more, we were able to protect every person's job at a time when our peers in the media and arts and culture space were not so fortunate. This accomplishment is something of which all CKUA staff and stakeholders should be proud. It did not come easy.

This moment of pride and celebration, however, comes with lessons learned and a word of caution. COVID accelerated the pace of necessary change within CKUA. We challenged many assumptions about how we have done things in the past, and we have identified what is needed to create a robust, future-facing next-generation organization. Simultaneously, a reduction in 20% of work capacity for an organization of the size and complexity of CKUA, coupled with the speed of change, is not sustainable if we are to maintain and improve the quality of service that listeners expect of us and are willing to invest in. Furthermore, the need to make critical investments related to career transition planning, host recruitment and development, and ongoing technical upgrades adds another level of demands on the organization.

As we look to the coming two years, we anticipate the economy and the business community will continue to be on shaky ground. Operating and project grants will continue to be elusive to CKUA. Our listeners' increased investment is our best hope in securing a vibrant and healthy future for CKUA.

As such, while it is highly unorthodox to end a recap of a tremendous year gone by with a rallying cry, exceptional times call for extraordinary measures. We sincerely thank those who contributed to the successes of the past year and look forward to your continued support. For those who have yet to join the community of CKUA supporters, now is the time. **DONATE. BECOME A MONTHLY SUBSCRIBER. SPONSOR YOUR FAVOURITE PROGRAM.** CKUA is yours for the making.

With immense gratitude,

Marc Carnes
CEO, CKUA Radio Foundation



PROGRAMMING AT CKUA: ADAPTATION, INNOVATION AND CREATIVITY

The twelve-month period from September 2019 through to August 2020 was one of the most dynamic periods in CKUA history.

Following the success of the October fundraiser, the program department welcomed a new Director, David Ward, in November. Long-time announcer Lionel Rault retired in February 2020, which precipitated numerous changes to CKUA's program schedule. Among them, the return of *The Listening*

Room with Cathy Ennis, Tony King's return to the daytime schedule with his program *Siesta*, David Myles' move to the daytime schedule, and a new late-night program (*Twilight*) with a revolving cast of guest hosts. On the heels of those changes came CKUA's April fundraising campaign. The entire on-air



THE ARRIVAL OF THE PANDEMIC AND THE ACCOMPANYING RESTRICTIONS IN MID-MARCH PROMPTED AN IMMEDIATE RESPONSE IN ORDER TO KEEP OUR PROGRAM HOSTS SAFE. SOUND EQUIPMENT AND LAPTOP COMPUTERS WERE RENTED WITH MANY HOSTS QUICKLY ADAPTING TO WORKING FROM MAKESHIFT HOME STUDIOS AND UPLOADING THEIR PROGRAMS.

playbook had to be rewritten and new technologies employed in order to cope with program hosts not being able to travel or be in the same studio together.

Zoom became our technology of choice and CKUA's production team was able to maintain live fundraising programming by connecting our control rooms in Edmonton and Calgary to 17 different home studios from Vancouver Island to Austin all the way

to Jamaica. The result?

CKUA's most successful campaign ever!

July brought another set of program schedule changes and CKUA listeners were treated to weekly programs from hosts Oskar Zybart, Brian Golightly, and Meg Wilcox. Also in July, *Thoroughfare* replaced *Siesta* as the name of Tony King's show.



In March of 2020, CKUA renewed its commitment to [showcasing the stories](#) of Alberta's music, arts and culture makers by launching weekday arts programming. Despite the challenges posed by COVID-19, CKUA has remained committed to celebrating the vibrancy, diversity, and resiliency of Alberta's arts and culture scene. Each week, our team of producers showcases the fascinating work being done by this province's cultural creators. Through these segments, you'll hear from emerging and established voices in music, visual & performing arts, film, television, poetry, literature, animation, comedy, and beyond. [In 2020](#), we shared 165 arts & culture stories, and we look forward to continuing that coverage in 2021! You can find our latest arts and culture segment at [CKUA.com](#).

{ 165
ARTS & CULTURE
STORIES IN 2020



With the cancellation of all of Alberta's summer music festivals, CKUA's sponsorship team created a new concept called **Festival Radio** which successfully evoked the spirit of those festivals by airing interviews with festival directors, artists, and volunteers alongside archival recordings of musical performances from past festivals that CKUA had partnered with.

All in all, when one considers the unique constraints brought on by the pandemic in 2020, CKUA's announcers, producers, and the entire staff of the program department rose to the challenge and served our listeners in ways previously unimaginable.



COMMUNITY ENGAGEMENT: FINDING OPPORTUNITY IN UPHEAVAL

When the fiscal year began on September 1, 2019, the Volunteer and Events Department had several rental events booked, some as far ahead as 2021. Myriad volunteer roles were also being scheduled and managed, ranging from venue ambassadors and school tour guides, to hundreds of volunteer shifts for the upcoming Fall Fundraiser.

SEPT
2019

AUG
2020

By the end of the fiscal year on August 31, 2020, all event rentals had been cancelled for the foreseeable future, the building was closed, and volunteer activities had been decimated.



**SO: HOW TO MEASURE THE ACTIVITIES,
AND SUCCESSES, OF THIS DEPARTMENT?**

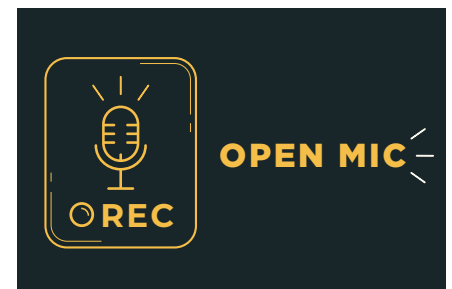


The first thing to note is that shortly after the pandemic began, and under the encouragement and imagination of the leadership team, the department refocused and rebranded as Community Engagement. With this mandate, we were able to explore how to bring CKUA out into the community in ways we hadn't thought of previously. We implemented a new Volunteer Management system, Better Impact, that allowed us not only to keep in close touch with more than four hundred volunteers across the province, but also vastly improved the accuracy of volunteer records and significantly reduced the time it took to report on things such as volunteer activity and other key metrics.

For the Spring Fundraiser, we made the difficult decision to forgo the beloved volunteer phone room. For many volunteers, the fundraiser is a biannual highlight, where friendships are forged and strengthened, where people enjoy the community of like-minded souls, and where the closed doors of the quiet studios are thrown open and all are welcomed into a high-spirited and communal conversation. We had to find a way to keep the volunteers feeling like they are an integral part of CKUA. So we asked these beloved volunteers to tell us their 'Tales of the Pledge Room', and we recorded, produced, and aired these snippets throughout fundraiser. Instead of calling our phone volunteers, donors were encouraged to go 100% online. We managed to recruit a handful of volunteers to assist with online donations and other tasks. And we succeeded. Our Spring Fundraiser was our strongest ever.

The other big success that we're proud of is the reimagining of what used to be called 'filler' (airtime that has not been designated for programming) from perfunctory messaging to audience engagement and storytelling. Listeners are regularly invited to use the Open Mic feature on the CKUA app to tell us what's happening in their world, from how they're coping during the pandemic, to sharing their CKUA stories or messages for hosts. We take these submissions and craft them into on-air spots that edify and amuse. It's also a way for us to make sure we're listening - that our communication is a two-way street between us and our audience. To date we've added more than 100 different voices to our airwaves through the Open Mic project. It's been a fun, surprising, and often poignant adventure that we look forward to expanding in the coming year.

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Right now, planning as far ahead as even three months seems almost foolhardy, but we are buoyed and encouraged by the stalwart and unflagging support of our CKUA community. We have been graced by listeners who tell us that CKUA keeps them grounded, provides a sense of normalcy, and keeps them feeling connected. So we face the future - the 'unknown country' - with courage and confidence in the thousands and thousands of volunteers, donors, and listeners that together make up the CKUA family.



COMMUNITY SNAPSHOT: A FOCUS ON BUILDING AN ONLINE COMMUNITY

In our effort to amplify our on-air voice, we are placing increased focus on our digital communications strategy, with an aim to generate interactivity at all times. One of the ways we are doing that is through sharing dynamic listener-generated content, such as essays or short stories for our newsletter and website that they and we circulate to other current and potential listeners.



24,855 SUBSCRIBERS
ENJOY OUR DYNAMIC
WEEKLY NEWSLETTER

We are striving to convey that CKUA is a shared, inclusive enterprise—that the work we do is only possible thanks to musicians, announcers, artists, their fans, and our fans and donors. Our approach is one that fosters open and engaged conversation, which our metrics have borne out. When we can hone that synchronicity between an announcer, an artist, a listener, a donor, a partnering organization, and even a sponsor or brand, everyone benefits from the connection and receives attention.

Using our social platforms like Twitter, Facebook, and Instagram and being more intentional with tagging artists, announcers, guests, and other partners, is enhancing the circulation of our content and growing our online community.



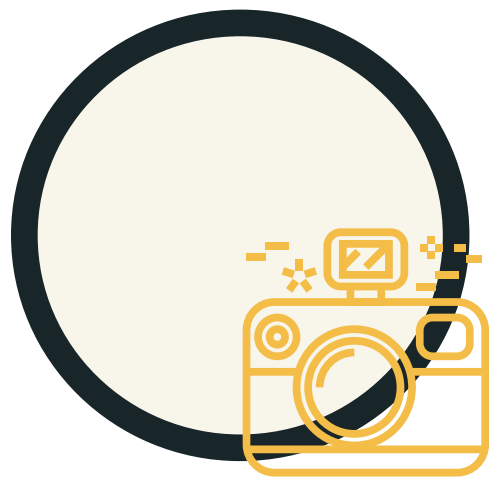
WEBSITE
VISITS

AVERAGE
70,200
MONTHLY



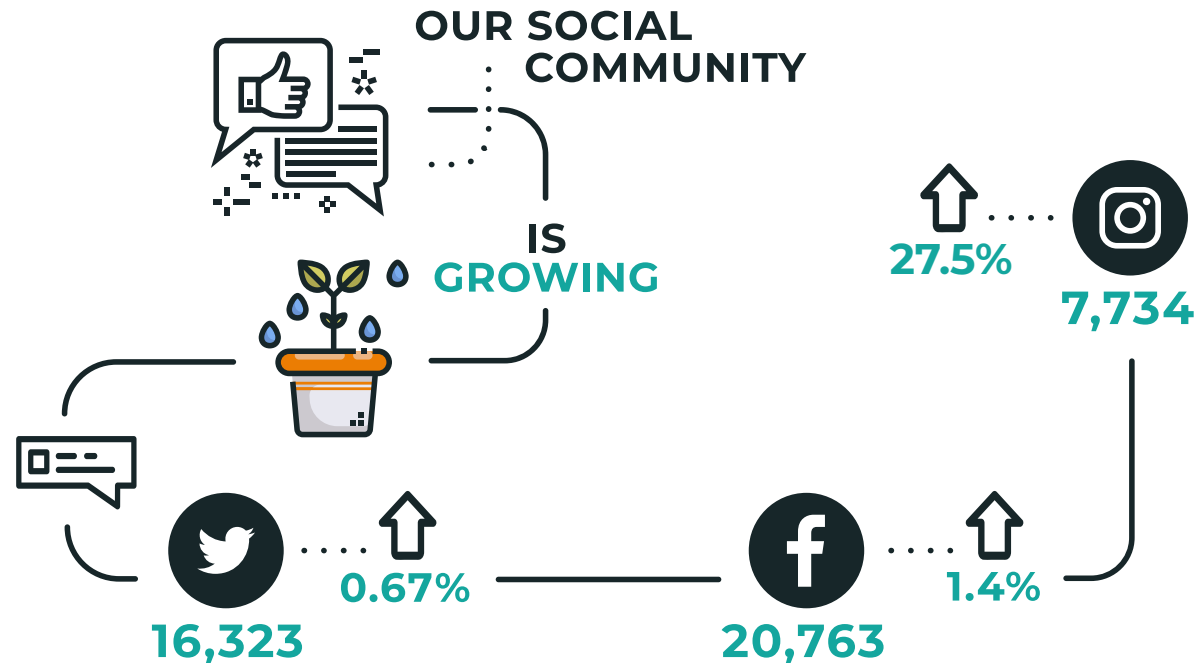
↑
13%

average
viewing time
has increased



We are experimenting and tweaking our communications to optimize best outcomes. We are learning new things each week and adapting accordingly to provide each thing we make—whether on-air or digitally—with a better than fighting chance to be seen and heard in a crowded and competitive media landscape.

Though we're proud of our efforts and the ideas and workflow we've implemented, we also recognize that an ever-evolving media landscape requires requisite responses by CKUA. So, we're mindful of trends and digital media discourse and always ensure that we apply our knowledge and instincts, so that our communications strategy is as dynamic and strong as possible.



There has been just under **2000** new subscribers on [CKUA's Instagram](#) page since April 2020, with **1/2** of the most liked content being BIPOC-focused.

The [Alberta Spotlight](#) landing page was in the top **5** most visited website pages for the duration of the program, averaging **2,300** visits/month. Amidst venue closures, it was very much an online hub for Alberta's music scene, and still does well, even though the program is on pause.

FINANCIAL HIGHLIGHTS

THE 2020 POSITIVE BOTTOM LINE OF \$76,298 IS DUE TO MANAGEMENT'S COMMITMENT TO IMPLEMENTING EXTREME COST CONTAINMENT MEASURES AND CHANGES IN ECONOMY AND OPERATIONS FROM COVID-19.

Donation revenue decreased by only 3% in spite of the lockdown.

Sponsorship & promotional sales decreased by \$169,000 or 28% due entirely to the lockdown.

Tower rental year over year change is the result of less cost recoveries in prior year.

Grant revenue total of \$311,901 includes both current and deferred operating grants.

Amortization of deferred capital contributions of \$508,594 – 2020 included an additional recognition for items that had been fully amortized.

CKUA is a participant in the Federal Workshare Program. It was instrumental in avoiding layoffs. The savings in 2019/20 are approximately \$68,000.

Programming - savings for non-workforce categories were largely as a result of avoided costs associated with festival and arts and culture cancellations.

Travel expenses reduced due to COVID.

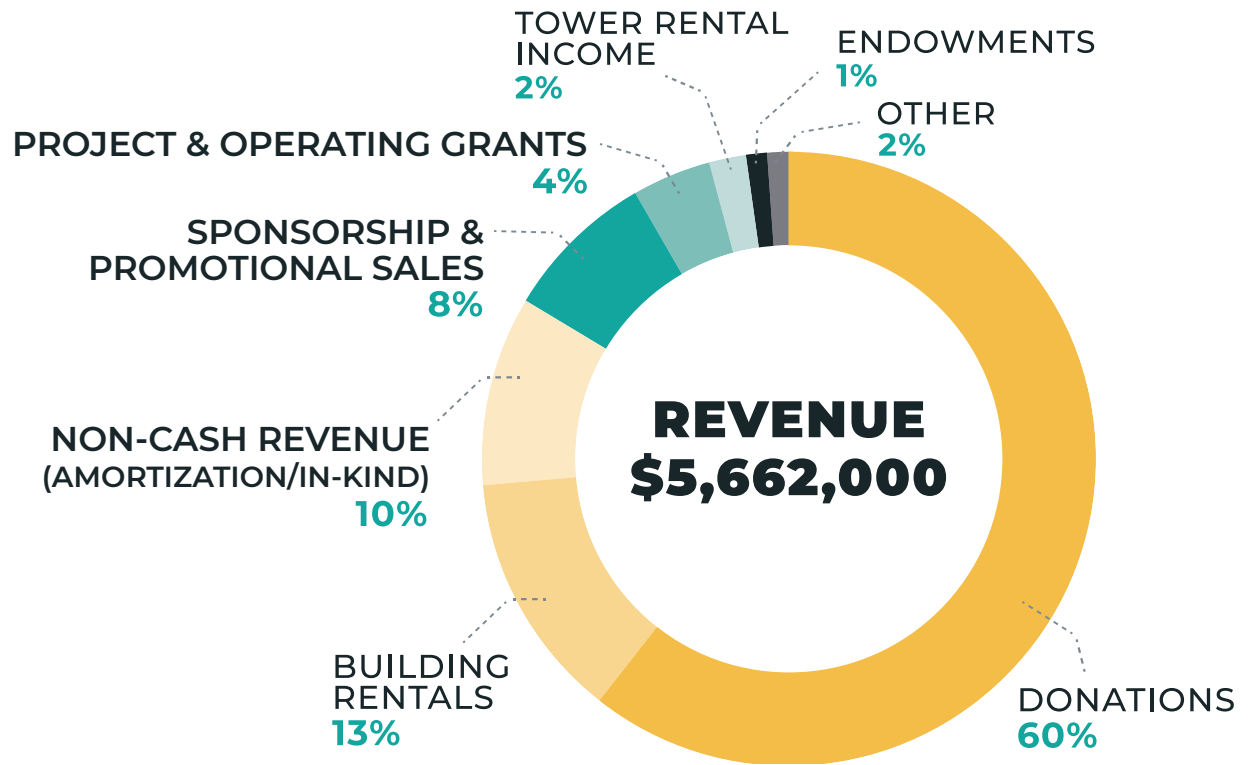
Onetime expenses in 2018/19 only: website build, transmitter changes.

THIS PAGE SHOULD BE READ IN CONJUNCTION WITH THE AUDITED FINANCIAL STATEMENTS, [FOUND HERE](#)

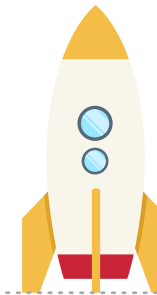
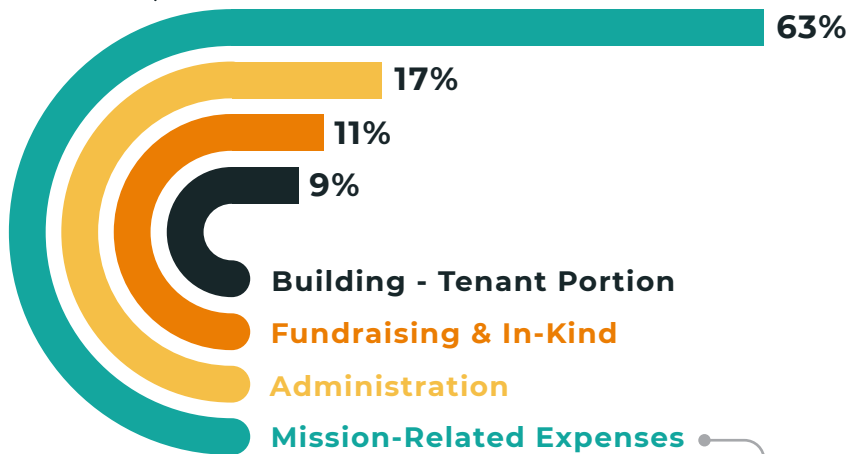
CKUA achieved overall cost savings of approximately \$608,000 from 2018/19 to 2019/20 in workforce costs, which includes salaries, benefits, contract announcers and production and tower and transmitter monitoring services. The largest part of the reduction came through restructuring in External Relations and a smaller amount in Programming.

Building and land account for 94.5% of the asset net value shown on the financial statements. Other asset categories are either fully amortized or nearing full amortization.

The cash position of the company remains strong with over \$2M available in internally controlled cash and short term investments.



EXPENSES
\$5,595,000



28% = TRANSMITTERS & STUDIOS
26% = PROGRAMMING
9% = SALES & MARKETING

63%



MISSION-RELATED EXPENSES: A DEEPER DIVE

The simple joy of pushing a button and instantly accessing CKUA anywhere in the world, at any time, using your preferred platform is a complex process to bring to life.

The following infographic demonstrates the depth of expertise required to run a modern, independent radio station. This investment ensures the wide variety of quality, locally-relevant, non-repeat programming, and reliable 24 hours a day, 365 days a year service that listeners and donors expect from CKUA.



CKUA IS ON THE AIR
8,760 HOURS/YEAR

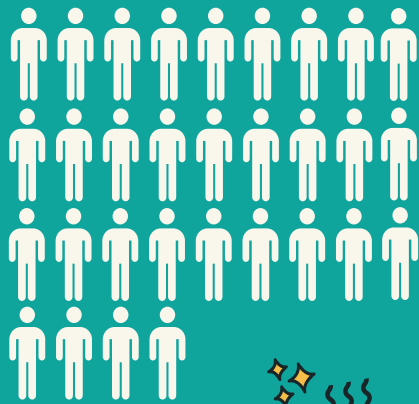


4 bars = 40 hrs

16 bars = 126 hrs

1 bar = 8 hrs

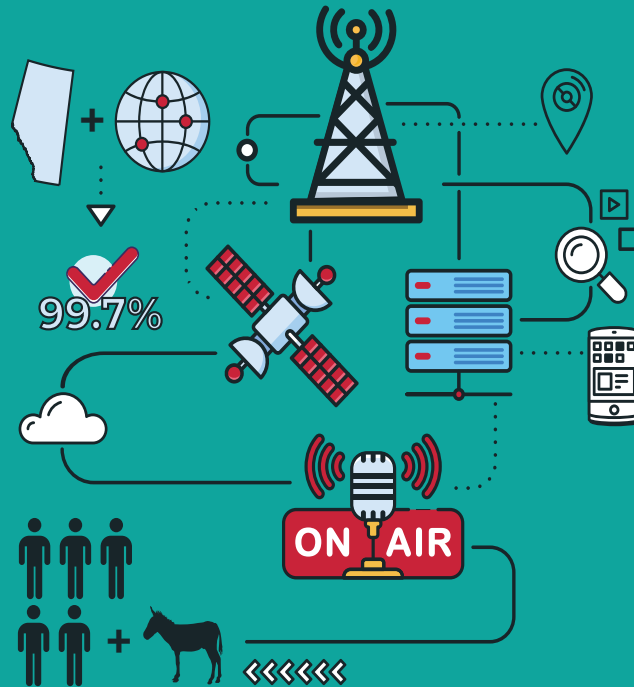
A traditional workweek is 40 hours. CKUA's is 126.



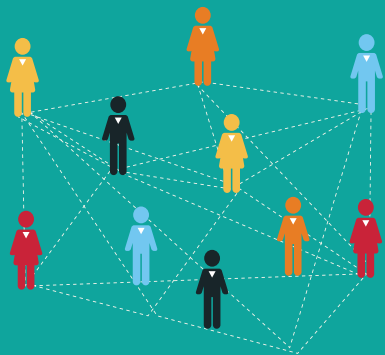
31 HOSTS

PRESENT 126 HOURS

OF FRESH CONTENT PER WEEK



It takes a team of 5 (+ 1 donkey) to keep a provincial and world-wide technical infrastructure running at a success rate of 99.7% uptime per year



Every hour of programming assembled involves the direct input of 10 people from different specialty areas



CKUA regularly reports and is accountable to 12 professional and regulatory bodies to stay in business



COMMUNITY SUPPORT

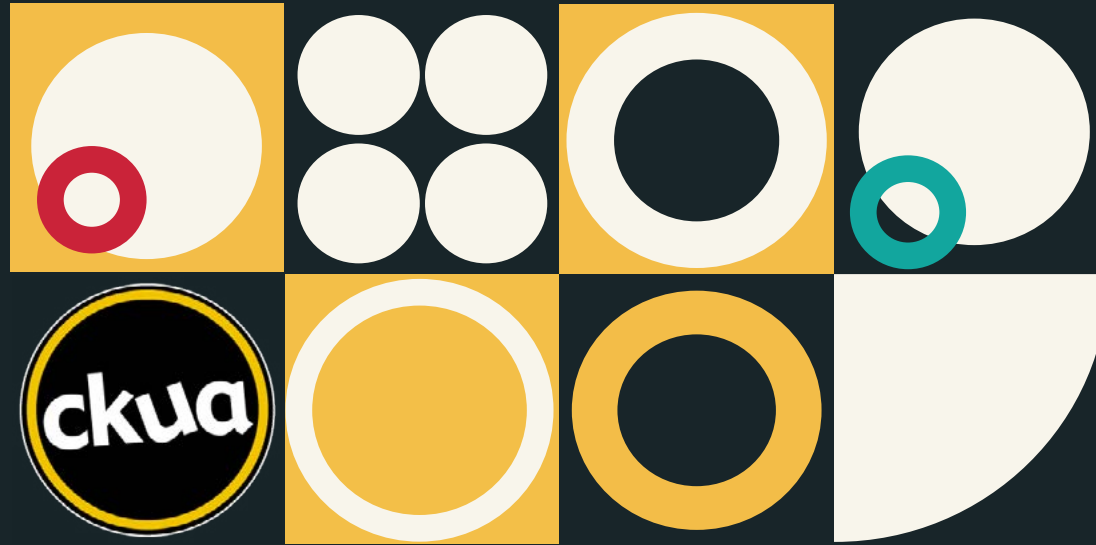
THE CKUA COMMUNITY CAME TOGETHER TO RAISE OVER \$3.397 MILLION IN 2019-20

CKUA exists because of [your support](#). As donors, volunteers, corporate sponsors and grantors you generously give your energy, passion and funds to keep this station thriving. Thank you for creating strong, independent radio and making each moment of connection and musical discovery possible [this year](#).



GRANTORS





Alberta's Voice for Music, Arts & Culture



CKUA is a radio station that all radio stations should strive to be. It provides so much support for the musical and artistic community and it continually provides the world with beautiful, new and unheard music.

— Hector, Medicine Hat