

## **ZOLA LEVITT MINISTRIES, INC.'S**

### **December 13, 2012 Board Meeting**

The semi-annual meeting of Directors was held in the conference room of David Hitt's law firm, Hitt-Gaines in Richardson, Texas, on Thursday morning, December 13 at 11:30. David Hitt and Mark Levitt attended in person and teleconferenced with Jay Ledbetter, Don Parker, Henry Salmans, and Mark Nelson. We opened and closed the meeting in prayer. Those present were:

Mr. David Hitt, Chairman  
Mr. Mark Levitt, Executive Director, Secretary/Treasurer  
Mr. Jay Ledbetter, Director  
Mr. Don Parker, Director, Audit Committee  
Major Henry R. Salmans, III, Director, Audit Committee  
Mr. Mark Nelson, Director

#### NEW BUSINESS

1. ZLM's 33rd anniversary
2. Size of mailing list: **27,184**, including 216 foreign subscribers and 1,500 inmates. The 33% decline over the last nine months stems from adjusting our purge parameters by three months. 15 months for donors, 12 for purchasers, and 9 for those who never make contact. The objective is to reduce waste while inspiring sooner responses from recipients of offers to be restored to our mailing list for free.
3. Board members receiving newsletters?
4. Handouts
  - a. 2011 audited Financial Statements
  - b. ZLM's 2011 Form 990
  - c. Catalog/Supplement, Booklist, Airing Schedule, *Levitt Letter*, *Personal Letter*

These documents are posted at <http://www.levitt.com/about#docs>

5. Newest TV series: *Abraham: Father of Faith*, soon to be available on DVD

6. Stats on national television networks

**ABC-FAM** — 97 million households, up from 88 million  
2011: Mon — — Same (no increase)

**Daystar** — 60 million households  
11 Dish, 17 DirecTV, 9 Broadcast, 41 Cable  
2011: Wed — — Same (no increase)

**INSP** — 70 million households, up from 62 million  
Moved to Sunday mornings at 8:00 CT  
11 Dish, 17 DirecTV, 23 Cable  
2011: Wed — — Same (no increase)

7. Web traffic. [www.levitt.com](http://www.levitt.com) receives 4.52 million hits per month.

8. Overhauled website. Greg Hartwig, our ministry's webmaster, is presently working to update our website's store page to make it more streamlined and user friendly.

9. The Office Lease is due to expire in May, '14. Our rent remains at \$3,914 per month.

10. We produced 28 new programs in 2012 with 16 reprisals and 8 repeats. In 2011, we produced 26 new programs. In 2010, we produced 29.

11. ZLM has returned to TriNet as our PEO (Professional Employment Organization) that administers payroll, 401K, etc. Their health insurance offers better coverage at less expense than the Blue Cross option we had with the prior PEO, Oasis.

12. Projected Gross Revenue for 2012: **\$3,900,000** (a 16% decrease from **\$4,627,961** in 2011).

With projected expenses of \$4,000,000, the net loss will be approximately \$100,000. Departing from the ION network and moderately lowering our

television production budget should result in positive cash flow in the new year.

13. Projected Total Assets as of 12/31/11: **\$1,500,000** (a decrease of 14% from **\$1,741,670** as of 12/31/11.)
14. Compensation: the staff all received COLAs of 3.76%. Mark has not requested or received a raise since 2007.
15. We sent six To the Jew First (TFJ) Missionaries to Israel in 2012 (six in 2011, and 11 in 2009)—Dr. Todd Baker plus a qualified co-missionary that he has selected.
16. Contingency plans: David Brickner, the Jews for Jesus Director, reaffirms that J4J stands ready to assist ZLM with talent/management. Eitan Shiskoff (the pastor of a messianic congregation in Haifa) has continued making guest appearances on ZLP shoots in Israel. *Zola Levitt Presents* will feature Eitan in an interview regarding Tents of Mercy in Haifa. The Future Congress annual and online virtual conference, chaired by David Hitt, is another potential avenue of succession for ZLM.
17. Myles and Katharine have become progressively more comfortable teaching in front of the television camera, and our audience continues to embrace them. Nonetheless it makes sense for ZLM to recruit secondary spokespeople to augment their teaching and step should the need arise.
18. The ministry can acquire the group tour company, Travel Experience International, Inc. (TEI) for \$81,350, which is half of the value indicated in the December 11, 2012 analysis by CF Valuation Services, LL. Then ZLM would operate TEI as a for-profit subsidiary, which would make it more competitive with other TV ministry tours.

The ministry's board complied with the ECFA's requirements regarding transactions with related parties: 1) a material transaction is fully disclosed in the financial statements of the organization; 2) the related party is excluded from the discussion and approval of such transaction; 3) a competitive bid or comparable valuation exists; and 4) the organization's board has acted upon and demonstrated that the transaction is in the best interest of the organization.

19. For nearly six months, ZLM has been learning new approaches to donor relations and fund raising from Jewish Voice in Phoenix and Jews for Jesus in San Francisco. In November, Myles, Katharine, and Mark attended a Messianic Jewish Leadership Roundtable in Phoenix. One outcome has been an eight-panel promotional pamphlet that will mail with our ministry's January 2013 *Personal Letter* and March 2013 *Levitt Letter*.

## OLD BUSINESS

1. ZLM's 33rd anniversary
2. Size of mailing list: **40,554**, including 250 foreign subscribers and 2,487 inmates. Represents a decline of 9.5% from last spring.
3. Board members receiving newsletters?
4. Handouts
  - a. Pending 2011 audited Financial Statements should be available prior to our board meeting this fall.
  - b. Audited 2010 Financial Statements. (The audit committee, Rich and Don, commented that the financials are comprehensive and straightforward.)
  - c. ZLM's 2010 Form 990
  - d. Catalog/Supplement, Booklist, Airing Schedule, *Levitt Letter*, *Personal Letter*

These documents are posted at <http://www.levitt.com/about#docs>

5. Newest TV series: *Acts Then and Now — The Story Continues*, soon to be available on DVD
6. Stats on national television networks
 

**ION** — ZLM discontinued this airtime due to ION's increasingly secular lineup and diminishing viewer responsiveness. Bud Paxon, a devout Christian, sold the network years ago. Ion's filing for bankruptcy in 2009 marked a continuing decline. Jay concurred regarding ION's downward slide in the quality of its programming and asked Mark to explain what the

ministry has been doing to assist ION viewers locate *Zola Levitt Presents* elsewhere.

Mark responded that ZLM has been promoting, via the newsletters and [www.levitt.com](http://www.levitt.com), its new Roku channel, [www.levitt.tv](http://www.levitt.tv), and alternative airtimes. In addition, he explained, the Levitt Letter has invited readers to email the ministry's television syndicator for assistance in exploring all possible ways to watch our program.

**ABC-FAM** — 97 million households, up from 88 million  
2011: Mon — — Same (no increase)

**Daystar** — 60 million households  
Added a Friday late-afternoon broadcast  
11 Dish, 17 DirecTV, 9 Broadcast, 41 Cable  
2011: Wed — — Same (no increase)

**INSP** — 70 million households, up from 62 million  
11 Dish, 17 DirecTV, 23 Cable  
2011: Wed — — Same (no increase)

7. Internet broadcasting — In March, ZLP began broadcasting on its own Roku channel (details at <http://www.levitt.com/roku>). We still archive all new broadcasts at [www.levitt.tv](http://www.levitt.tv) as well as add classic episodes.
8. Overhauled website. Greg Hartwig, our ministry's webmaster, collaborated with Buzz Rocket Media to give [www.levitt.com](http://www.levitt.com) a modern, entirely new look. It is more streamlined and user friendly than ever. All the directors applauded the overhauled website, and Rich commented that online contributions are processed quickly and easily.
9. The Office Lease is due to expire in May, '14. Our rent remains at \$3,914 per month.
10. We produced 26 new TV programs in 2011. In 2010, we produced 29. For 2012, we project 27 new programs plus 17 reprisals with Zola. Myles and Katharine are warmly opening and closing the reprisals, and our viewers appreciate seeing Zola teach on the airwaves once again.

11. Oasis is still our PEO (Professional Employment Organization) that administers payroll, 401K, etc.
12. Estimated Gross Revenue for 2011: **\$4,586,851** (an 8.9% decrease from \$5,034,734 in 2010).

With expenses of \$5,218,919, the net loss is tentatively estimated to be \$632,068. The ministry's independent auditor will adjust this figure downward to reflect gains on investments and contributions that were postmarked in 2011 but not received until 2012.

13. Total Assets as of 12/31/11: **\$1,739,995\*** (a decrease of 26% from **\$2,352,659** as of 12/31/10.)
14. Compensation: the staff all received COLAs of 3.4%. Mark has not requested or received a raise since 2007.
15. We sent six To the Jew First (TFJ) Missionaries to Israel in 2011 (eleven in 2010, and fourteen in 2009). We project six TJF missionaries for 2012 as well—Dr. Todd Baker plus a qualified co-missionary that he will select.
16. Issue for discussion: Should the documents at [www.levitt.com/about#docs](http://www.levitt.com/about#docs) include the contract that Jeff submitted two days prior to his resignation in March 2011? Such transparency would address some of the curiosity about his resignation. However, the ECFA probably would agree that the document is confidential.  
**Resolved**: It would be counterproductive to post the contract.
17. Contingency plans: David Brickner, the Jews for Jesus Director, reaffirms that J4J stands ready to assist ZLM with talent/management. Eitan Shiskoff (the pastor of a messianic congregation in Haifa) has been making guest appearances on ZLP shoots in Israel. *Zola Levitt Presents* featured Eitan in segments of our TV series on Psalms and anticipates he will participate in future series as well.
18. Regarding the most current issues facing ZLM that the board discussed during its fall meeting:
  1. Transition to new spokespeople, Myles and Katharine — complete.
  2. Pursuit of ECFA certification — successfully acquired. (See <http://www.ecfa.org/MemberProfile.aspx?ID=31258>)

3. Improvement of Charity Navigator Accountability/Transparency rating — received their highest rating of four stars on December 23, 2011.
  4. Upgrading TV broadcasting outlets. We applied some of the savings from leaving ION to acquiring an additional airtime on Daystar. In addition, viewers with Internet access can use a Roku box to watch [www.levitt.tv](http://www.levitt.tv) on their television sets.
  5. Our webmaster Greg and assistant syndicator Andrea have taken the baton on helping Myles and Katharine to maintain our social media outreach.
20. Myles and Katharine have proven to be wonderful to work with for all concerned, including Berg Productions, our bookkeeper Cynthia, and Mark. Whatever issues they raise with constructive criticism have been easy to sort out to everyone's satisfaction. They become progressively more comfortable teaching in front of the television camera, and our audience continues to embrace their presence at this ministry's helm. PTL!