

ZOLA LEVITT MINISTRIES, INC.'S

April 1, 2013 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 Monday morning, April 1 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, President
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 34th anniversary.
2. **Size of mailing list:** 25,428, including 200 foreign subscribers and 1,455 inmates. We just recently added a purge parameter of 18 months inactivity for major donors. The other parameters are 15 months for regular donors, 12 for purchasers and 9 for those who never respond. We hope to reduce waste while inspiring responses to our offers to be restored to the mailing list for free.
3. Board members receiving **newsletters**? Confirmed.
4. **Web traffic.** www.levitt.com receives 3.6 million hits per month.
5. **Revamped online store at website.** Greg Hartwig, our ministry's webmaster, has made our website's store page more streamlined and user friendly.
6. **Compensation:** in February, the staff all received COLAs of 1.7%. Mark has not requested or received a raise since 2007.

7. 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.
8. **On March 28, Jeffrey Seif sent Mark an email** offering to be of help to ZLM, offering “a guest spot, a piece for the Levitt Letter, or whatever.” Below is its text.
9. **The ministry acquired the group tour company, Travel Experience International, Inc. (TEI)** for \$81,350, which was half of the value indicated in the December 11, 2012 analysis by CF Valuation Services, LL. ZLM now operates TEI as a for-profit subsidiary.
10. **Benevolence check to Jay Ledbetter.** Upon learning last month that Promise Keepers abruptly laid off Jay with no severance or pay in lieu of notice, ZLM mailed him a benevolence check. Mark responded to an urgent email after weighing Jay’s decades-long history as a ZLM major donor (contributed a Datson 280Z back in the day) and legal adviser. The ministry's financial auditor advised that the board vote on whether to uphold this transaction with Jay and Mark recusing themselves.

Resolved: The board upheld this transaction by a unanimous vote with Mark and Jay recusing themselves.

11. **David Hitt for President.** The Texas Secretary of State asked ZLM to furnish a list of its officers and directors. David has been the Chairman since 2008, and Mark the Secretary. The state’s rules stipulate, however, that the Secretary can't also be the President. Therefore it made sense for the form to designate David to be both the President and Chairman of the Board.

Resolved: The board upheld this designation by a unanimous vote.

12. **Spokespeople Updates.**

- a. Isaac Levy. Ken is ready to invite Isaac to shoot some "Hebrew Moments" segments on ZLP while inviting people to tour Israel and support ZLM.
- b. Eitan Shiskoff's book, "What About Us?" His book is reader-friendly with an interesting table of contents, subheadings, and graphics. Ken and Mark are deliberating whether to shoot a single interview program rather than a series of three to four programs.

- c. Marty Waldman. Marty is available to serve as a temporary spokesperson for ZLM, and plans to retire from Baruch HaShem in five years, when his son is likely to fill his shoes. Marty invited Mark to attend a messianic leader Fireside Chat in Dallas on April 8, which will include Mitch Glaser, Jonathan Bernis, David Brickner, Michael Brown, etc.
 - d. Calev Myers. Ken and Mark believe Calev, an attorney in Israel who wrote *Identity Theft*, could make a decent co-spokesperson for ZLP.
13. **Fund Appeals on ZLP**. Mark has asked Berg Productions to ensure that each future TV program includes at least three sentences from Myles and Katharine related to fundraising. It has proven inadequate to merely thank the viewers for the contributions and hope that they'll conclude that ZLM depends on their continuing support. In addition, the time devoted to credits at the end of the program is required to be no more than that which is spent on making our ministry's needs known.
14. **LL Adoption Story Contest**. David Hitt suggested the ministry advertise in its Levitt Letter Bulletin Board for the most impactful "adoption" of a Levitt Letter, given away or left for a nonsubscriber to read.

OLD 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 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*.