

Minutes for the regular National Finance Committee meeting October 25, 2022.

Meeting convened at 8:34 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Grace AARON, Chris Cory, Elizabeth von Gunten, Kamau Harris, Julie Hewitt, R. Paul Martin (Secretary), James McFadden, Sean Kelly McPherson, James Sagurton (Chair), Susan Young also attending were Pacifica Executive Director Stephanie D. Wells and National Business Manager Markisha Venzant.

Agenda:

1. Convene meeting
2. Roll call
3. Adopt agenda
4. Minutes
5. Committee membership issues
6. Financial report from National Business Manager
7. Adjourn to closed session no later than 9:30 PM (ET)

Motion: (James Sagurton) “To adopt agenda.” (Passed without objection)

Minutes 8:46 PM (ET)

Motion: (R. Paul Martin) “To approve the minutes of the September 22, 2022, public session meeting.” (Passed without objection)

The Committee discussed the motion.

Committee membership issues 8:48 PM (ET)

The Chair said that the KPFK LSB had removed their previous Treasurer and had elected a new Treasurer and that there was controversy about whether it was done properly. He said he wanted the committee to discuss the matter.

It was noted by a member that this matter is going to be taken up by the PNB on the basis of faulty procedure.

The Chair said that the NFC did not have the jurisdiction to decide this matter.

A member noted that the former KPFK LSB Treasurer was not on the call.

The Chair said that the KPFK LSB had spoken and had sent the NFC what they purport to be their Treasurer and that Grace Aaron was therefore now a member of the NFC.

Point of Order: (R. Paul Martin) “The Chair had made an argument but had not made a ruling.” 9:03 PM (ET)

The Chair ruled that Grace Aaron was the KPFK Treasurer and was therefore a member of the NFC.

Motion: (R. Paul Martin) “To appeal the ruling of the Chair.” 9:05 PM (ET) (Fails 4 for, 4 against, 1 abstention)

The Committee discussed the motion.

The Secretary took another attendance roll call with the new member replacing the former KPFK Treasurer.

Financial report from National Business Manager 9:29 PM (ET)

The National Business Manager told the committee that she was still trying to make heads and tails of things. She said that a majority of her time was spent fielding phone calls from bill collectors. She said that when the former CFO contacted the vendors they got the phone number and now they call the National Business Manager seeking payment. She said that with bill collectors calling it was overwhelming. She said that another issue was that NETA had been using two systems *MAS 500* and *Great Plains* and now she had to bring everything over to *Great Plains*. She said that the Executive Director and she were working closely together trying to figure things out, but that there were some financial struggles.

The Executive Director told the committee that they were focusing on cash on hand and were working with the General Managers and Program Directors. She said that everyone was in on-air fund raising mode right now and drives were moving forward. She said that some on-air fund raisers were not going as well as anticipated and some were doing okay. She said that they were trying to get revenue in as much as possible and they were negotiating with vendors on payment plans. She said that as of the date of this meeting Pacifica had about \$133,608 cash, Aged Payables was \$1,947,537 which included unpaid Central Services fees, and that without Central Services the Aged Payables were about \$850,000. She said it was a balancing act and Pacifica was rich in assets but poor in cash. She said that she was working with the General Managers to increase listenership and that long term goals were being worked on on a daily basis. She said that working on the lack of cash, and meeting payroll and health premiums and other things needed to go forward.

In answer to a question about each station being able to make payroll the Executive Director said that she was hesitant to talk about not meeting payroll because she said that she wasn't sure that all of the information had been shared with the stations. She said that as of the day before this meeting we were about \$35,600 short of payroll. She said that they'd been working hard with the divisions and General Managers and calling past donors at the different stations to bring in enough funding to make payroll. She said that one division that had been unable to make payroll made it that day, and they had some extra that could be borrowed from. She said that the payroll account had \$163,441 in it and so Pacifica was short by about \$25,000. She said we needed about \$188,000 to fund payroll for this pay period. She said that we could borrow from other stations to offset that but it wouldn't be enough at this point. She said that the National Office account had been drained to meet payroll and six or seven small accounts that are part of the National Office and have not had money moved in or out of them for years had been drained leaving about \$10 to \$25 in each of those accounts. She said that there was also a shortfall for dental and for one station's complete health insurance premium. She said that they'd had to pay one station's health insurance premium of about \$4,200 that day or it would have been cancelled and we wouldn't have been able to renew it. She said that as of that afternoon we still owed money to the dental

insurance and that the insurer was looking to cancel dental insurance for all employees, but she was in the process of trying to negotiate that payment as well. She said that she'd been discussing this with the National Office and various committees and that individual stations not paying Central Services fees greatly affects the National Office, and that for months the National Office had been covering the payroll and health insurance shortfalls. She said that there was \$2,434 in the National Office account because it's been drained to make payroll. She said that she was looking at one division to lend that money, but we would still be shy by about \$3,500 to \$5,000. She said she was attempting to ask donors to bring in money. She said she had more confidence that afternoon than on the previous day that we'd make payroll. She said that this would happen again next month. She said that her plan was to discuss with the PNB sending an E-mail to the General Managers and employees telling them that they'd get paid and would probably have the same problem in November. She said that they would let employees know if pay would be delayed for two weeks. She said she was figuring out what to do about that. She said we need to know what we need in place to make sure we stay on the air if employees leave because they're furloughed, laid off or opt to leave if they're not being paid.

Motion: (Chris Cory) "To extend the time for this meeting by 15 more minutes." (Passed without objection) 9:47 PM (ET)

The Executive Director said that Pacifica can't continue to survive from paycheck to paycheck. She said that stations not paying Central Services fees was a problem.

The committee discussed the question of whether or not the NFC could consider in open session various contingencies that might need to be implemented if it looked like Pacifica couldn't make payroll in the next three weeks.

The committee discussed the National Business Manager having a lot of her time taken up by vendors calling about unpaid bills.

Call for the orders of the day: (James Sagurton) 10:01 PM (ET)

Adjourn to closed session

Adjourned to executive session 10:01 PM (ET).

Submitted by R. Paul Martin, Secretary.