

Minutes for the regular National Finance Committee meeting April 11, 2023.

Meeting convened at 8:41 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Teresa Allen, Elizabeth von Gunten, Kamau Harris, Julie Hewitt, R. Paul Martin (Secretary), James McFadden, Sean Kelly McPherson, James Sagurton (Chair) also attending was Pacifica Executive Director Stephanie D. Wells.

Agenda:

1. Convene meeting
2. Roll call
3. Adopt agenda
4. Minutes (5 minutes)
5. Nominations for Committee Officers, postponed until tonight (5 minutes)
6. Report from the Executive Director (30 minutes)
7. Review of Latest Financials (15 minutes)
8. Review of Central Services Formula (30 minutes)
9. Select Budget time lines (30 minutes)
10. Adjourn no later than 10:15 PM (ET)

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

Minutes 8:43 PM (ET)

Motion: (R. Paul Martin) “To approve the minutes of the February 14, 2023, NFC meeting.” (Passed without objection)

Nominations for Committee Officers, postponed until tonight 8:44 PM (ET)

Motion: (Elizabeth von Gunten) “To postpone committee elections till the next meeting.” (Passed without objection)

The Committee discussed the motion.

Report from the Executive Director 8:51 PM (ET)

The Executive Director sent the committee the “Pacifica Foundation Consolidated Monthly Income Statement For the Five Months Ending Tuesday, February 28, 2023” which she had gotten just before the meeting.

She told the committee that the potential buyer for the KPFK building had backed out and it’s

back on the market again, and is no longer in escrow. She said that the potential buyer had backed out within the time limit and so they got everything except \$100 back from their initial deposit. She said that brokers were again showing the building. She said that they were averaging between three and four showings per week. She said that she's been talking to some individuals in New York and also in Los Angeles who are looking to put together five or six investors who invest in real estate and who might want to buy the building. She said that she'd been talking to them for a month or so and that they would buy the building and Pacifica would then rent it from them. She said that they're also talking about buying out the loans Pacifica has outstanding.

The Executive Director said that she'd been meeting often with a person in New Mexico who's a part of Pacifica's affiliate network. That person's station has been getting Corporation for Public Broadcasting (CPB) funding for 27 to 28 years. She said that the Pacifica Affiliates Network (PAN) Director had put her in contact with him and he's been extremely helpful in giving Pacifica information on how to apply and on the best use of our time in applying for CPB funding this year. She said that PNB Director Jim Dingeman has been instrumental in arranging those meetings. She said that the General Manager from that New Mexico station met with her and all of the Pacifica General Managers to see what we need to do with regard to forms and getting information about ratings in order to apply for CPB membership. She said that Pacifica will have to send the CPB our Nielsen ratings for the Spring of FY21, the Spring of FY22 and for the latest quarter. She said that in the next week or so she would meet with the General Managers and the Business Managers to go over those details. She said that it had been thought that the deadline for applying for membership in the CPB had been May 24, but the CPB had announced the day before this meeting that the application deadline was May 8, for new applicants and they had just released the application forms. She said that she'd been talking to a lot of CPB people on the phone and she was seeing about fixing the problems that had gotten Pacifica's CPB membership revoked in the first place.

The Executive Director said that since Pacifica is applying for CPB membership as a single non-profit organization and not as five radio stations that there will be no problem with the audience size requirement and Pacifica will meet the minimum number of paid employees that the CPB requires. She said that Some but not all of the faults listed in the 2013, letter from the CPB had been corrected and she was having to go back to correct some things on some forms. She said that we also needed to submit the FY23 budgets as well.

In answer to a question the Executive Director said that it would be ideal if we could approve all of the budgets by the next NFC meeting. She said that she had a rough idea of what those budgets would be, and that revisions could be made. She said that she would submit what she could and give an explanation. It was noted that some of the draft budgets require negotiations with Unions. The Executive Director said that since Pacifica is applying as one non-profit foundation the budget required is the consolidated budget, not five separate ones.

In answer to a question the Executive Director said she could give the NFC and the PNB's Development Task force a report on Pacifica's efforts to increase revenue.

The committee discussed whether or not Unpaid Staff and volunteers' time spent working for

Pacifica could be included as in-kind donation gifts to stations.

Review of Latest Financials 9:27 PM (ET)

The Executive Director said that KPFT and WPFW had gotten their consolidated financials, and the other stations haven't had a chance to look at their financials yet. She said she's sent each station their individual financials, and then sent them the National Office and consolidated financials; then she and the National Business Manager go over them with the General Managers.

The committee discussed having formulas in the consolidated Income Statement not just numbers, and it was noted that the KPFK numbers for YTD were actually from the entire previous year and made KPFK's current finances look worse than they were with regard to Central Services. The Executive Director said that even NETA had had problems with that. In reply to a question about the readability of the spreadsheets she said she'd talk to the National Business Manager.

Review of Central Services Formula 9:46 PM (ET)

The committee once again discussed a new Central Services formula. Suggestions were made regarding what the parameters of the formula should be.

Motion: (Elizabeth von Gunten) "To extend the time for this meet to 10:35 PM (ET)." (Passed 7 for, 1 against, 1 abstention)

The Committee continued to discuss a new Central Services formula.

Motion: (James Sagurton) "To extend the time for this meeting to 10:45 PM (ET)." (Passed without objection) 10:33 PM (ET)

The Committee continued to discuss a new Central Services formula.

Motion: (Elizabeth von Gunten) "The NFC recommends that the PNB pass the following motion, 'That the central services formula shall be 15% of total station revenue (all inclusive) calculated every month on a six month rolling average, starting nine months before the current month, with the exception of any station suffering acute financial distress (as determined by the PNB), for which central services shall be 8%, for a period of no more than one year, with the remaining 7% to be accrued.'" (Passed 6 for, 3 against)

The Committee discussed the motion.

Adjourned 10:52 PM (ET)

Submitted by R. Paul Martin, Secretary.