

Draft Minutes for the regular National Finance Committee meeting December 9, 2014.

Meeting convened at 8:37 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Jim Boyd, Brian Edwards-Tiekert (Chair), R. Paul Martin (Secretary), Tony Norman,
Michael Novick, Raul Salvador (CFO), Barbara Whipperman

Agenda:

1.Call to Order

2.Agenda Approval (5 minutes)

3.Minutes Approval (5 minutes)

- A. Minutes of October 14, 2014 public session
- B. Minutes of October 16, 2014 public session
- C. Minutes of October 23, 2014 public session
- D. Minutes of November 19, 2014 public session
- E. Minutes of December 9, 2014 public session

4.Budget followup

- A. PRA Fund Drive
- B. KPFK Fulfillment

5.New Business

6.Adjourn - 10:30 Eastern

Motion: “To approve the agenda.” (Passed without objection)

Minutes Approval 8:40 PM (ET)

Motion: (Barbara Whipperman) “To approve the minutes of the October 14, 2014, meeting.” (Passed without objection)

Motion: (Barbara Whipperman) “To approve the minutes of the October 16, 2014, meeting.” (Passed without objection)

Budget followup 8:42 PM (ET)

PRA Fund Drive 8:42 PM (ET)

The CFO reported that there had been a significant shortfall in the Pacifica Radio Archives (PRA) on-air fund raiser. About \$60,000 to \$70,000 was raised, the goal had been \$150,000. The CFO said that PRA can pay their bills for the next couple of months, but after that it will be difficult.

The committee discussed this report.

KPFK Fulfillment 8:49 PM (ET)

The Director from KPFK reported that the goal was a fulfillment rate of 89% over a 4 month period. In October collections were above what was in the budget, but subsequent months were below budget. The KPFK Local Finance Committee met with the KPFK interim General Manager and Business Manager, they didn't have the November financials, they had the November MEMSYS reports. MEMSYS showed October above the projected fulfillment rate but November below the projected fulfillment rate. This puts the KPFK FY15 budget in question. The highest rate was about 83%. Many subscribers put themselves on a monthly sustainer program, the interim General Manager is looking at what cuts will need to be made. KPFK is currently doing an on-air fund raiser, and will also do a silent drive. The interim Executive Director is coming to KPFK to talk about Union and pension issues. She will discuss voluntary layoffs and attrition. There are cash flow problems.

The committee discussed this report. It may be necessary to revise the KPFK FY15 budget, depending on what comes out of the talks with the Union. The CFO said that he's seeing discrepancies between the MEMSYS reports and bank receipts. Bank receipts are showing more collection than on-air fund raiser totals from MEMSYS. The CFO said that at KPFK there really isn't constant communication between the Business Department and the Development Department; he said that he needs to go deeper into the issue and look at the discrepancies. He said that he needs to establish procedures at KPFK like those at KPFA where there is constant communication between the Business and Development Departments. There was further discussion on this point.

The Chair polled the stations regarding their finances.

KPFT - Reported that they had not received any contingency plans from Management. They are looking to start on such a plan in January. Any Staff cuts would have to happen after the first of the year. They usually do a 10 day silent campaign in December.

WPFW - Reported that they start their soft drive this week, and everything is pretty good financially. There will be some savings with the interim General Manager stepping down.

WBAI - Reported that the Fall on-air fund raiser fell about \$84,000 short. To make that up the station pushed a premium where people could attend a three day Transformational Hypnosis Workshop and "become Certified in Neuro Design Engineering™ & Transformational Hypnosis." WBAI is budgeted to do a nine day on-air fund raiser in December, there has been no announcement from Management yet on the dates for that. The Treasurer and local Finance Committee are having problems getting information from Management.

KPFA - Reported that they'd told the Business Manager and General Manager that if they came up short they'd have to start talking about a Plan B. KPFA's finances seem pretty good for these first two months of FY15, the station started with a cash flow problem. There is no specific plan so far. One Major Donor gift is not materializing and that's a concern. They have a 12 day on-air fund raiser scheduled for December.

National Office - The CFO reported that the National Office in good shape. They have good

projections through the end of December, however Central Services payments are not coming in as they had been planned. The National Office is also having to help stations with payroll and health benefits payments. SCA income and affiliates collections are on schedule. The CFO was concerned that if Central Services fees are not paid the National Office could run out of money by January.

KPFK - Reported that there are different figures in the MEMSYS reports. There was a discussion of this.

In response to a question the CFO said that he could probably start generating the 2014, financials once he got the 2013, balances. He said that the financial records at KPFK, WBAI and WPFW are not in good condition. The CFO said that right now his attention is on the audits; he's hoping to get the documents needed so that the auditors can restart the FY13 audit by mid-December. The auditors are owed about \$70,000 and they want a partial payment of half that amount.

There was further discussion regarding the MEMSYS figures and the bank figures, especially for KPFK.

New Business 9:47 PM (ET)

A discussion was begun on the issue of the actual cash flow situation throughout Pacifica. Most stations' budgets project a small surplus at the end of FY15, but some stations have unpaid bills from FY14 that are much larger than those surpluses. The CFO said he would send the committee ageing reports, and would send them to the respective General Managers. The PNB has authorized the hiring of more financial personnel for the National Office.

The committee discussed when to meet next. The CFO said he would have consolidated actuals through the end of November for the committee, but he's having a hard time getting information from the stations for FY14.

Motion: (Michael Novick) "To cancel the meeting set for December 23, 2014, and schedule a meeting for January 5, 2015." (Passed without objection)

Motion: (Brian Edwards-Tiekert) "To hold an executive session meeting on January 5, 2015, starting at 10:00 PM (ET)." (Passed without objection)

Adjourned 10:15 PM (ET)

Submitted by R. Paul Martin, Secretary.