

Minutes for the regular National Finance Committee meeting September 26, 2023.

Meeting convened at 8:36 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Kamau Harris, Kim Kaufman, R. Paul Martin (Secretary), James McFadden, Sean Kelly McPherson, James Sagurton (Chair), Elizabeth von Gunten also attending were Pacifica Executive Director Stephanie D. Wells and WBAI General Manager Berthold Reimers.

Agenda:

1. Convene Meeting
 2. Roll Call
 3. Adopt Agenda
 4. Minutes (5 minutes)
 5. Report from the Executive Director (45 minutes)
 6. Review the Draft FY23 WBAI Budget with actuals and Q&A (45 minutes)
 7. Adjourn no later than 10:15 PM (ET)
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Adopt Agenda

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

The Committee discussed the motion.

Amendment: (Kim) “In item #6 to swap out the review of ‘FY23 WBAI Budget with actuals and Q&A’ with ‘FY24 WBAI Budget.’” (Fails 0 for, 6 against, 2 abstentions)

The committee discussed the amendment.

Minutes 8:59 PM (ET)

Motion: (R. Paul Martin) “To approve the minutes of the August 22, 2023, NFC Meeting.” (Passed without objection)

A motion to approve the minutes of the August 22, 2023, NFC meeting had been passed at the September 12, 2023, meeting. Therefore the motion made to do so at the September 26, 2023, meeting was out of order and is null and void.

Report from the Executive Director 9:01 PM (ET)

The Executive Director told the committee that some divisions of Pacifica had submitted their FY24 budgets to the National Office. She said that she’d compared those draft budgets to the projected actuals for FY23 and also to the previous two fiscal years to see how close the draft FY24 budgets were. She said that the Central Services expenses had been difficult to calculate,

but that KPFK had figured out their Central Services fees. She sent the NFC what she called a simplified spreadsheet summarizing all of the total figures for each station on a single sheet. This sheet showed all stations except KPFT running end-of-year deficits for FY24. The spreadsheet showed that if Central Services fees were removed then all of the stations were projected to end FY24 in the black, but the National Office and Pacifica Radio Archives would then end up deeply in the red. Either way the spreadsheet showed Pacifica ending FY24 with a deficit of about \$485,000. The Executive Director said that this shows the importance of paying Central Services fees. She said that we're going to have to keep looking closely at expected revenue and expenses and be able to adjust the numbers.

The committee discussed the one sheet summary of all of the draft FY24 budgets.

In answer to a question the Executive Director said that the more detailed budgets that the NFC was used to seeing, covering several sheets of a spreadsheet and showing month by month details of the line items, were not for the NFC, but for the local Finance Committees to deal with. The Executive Director said that if the NFC had questions about an expense then we could break it down and see the details of that expense. The committee discussed this.

The Executive Director said that some stations had put bequests in their budgets and that this could not be done because bequests could not be counted on. The Executive Director said that Pacifica doesn't have the luxury of spending money on travel, conferences and training at this time. She went over some of the expenses and said that Central Services fees would be adjusted on a quarterly basis based on actual revenue during the year.

In answer to a question the Executive Director said that the project to get all of the Pacifica bank accounts under one nationwide banking institution was, "Moving along splendidly," with WPFW, WBAI and KPFT ready to make the switch.

There was a discussion of the application of the new Central Services formula. In answer to a question the Executive Director said that the new Central Services formula would be implemented as of October 1, and that this is reflected in the simplified budgets she'd sent the committee.

The Chair suggested that at a future meeting the NFC should discuss the past Central Services fee assessments for stations.

Review the Draft FY23 WBAI Budget with actuals and Q&A 9:35 PM (ET)

The committee considered again the WBAI draft FY23 budget proposal.

The WBAI General Manager said that he did not have a presentation to make this time. He said he had put the FY23 actuals into the budget. The committee discussed those actuals in detail. The General Manager told the NFC that WBAI had gotten some bequests and grants which had helped to lower the station's projected FY23 end-of-year deficit significantly from about \$341,000 in the original draft FY23 budget shown to the committee in February, to about \$144,000 in the one that was brought to this meeting.

The WBAI General Manager said that, among other things, he was planning to double or triple the revenue that the station had gotten from Public Service Announcement in FY23. It was

brought up during the meeting that the Total Expenses for FY24 from the simplified spreadsheet that the Executive Director had sent the committee were quite a bit higher than the actuals listed in the WBAI draft FY23 budget. The question was if there was some planned increase in Total Expenses for FY24. The General Manager said that he could look into that and that WBAI might need to reduce consultants, including reducing the paid morning show hosts. He said that Salaries & Related Expenses would go up a little bit because WBAI had negotiated a new Union Contract after 10 years. He said that as a result not only salaries but the Health Insurance expense would probably go up. He said he'd take a second look at that and would talk to the Executive Director and local Finance Committee about it. In the course of the discussion it was found that some mistakes in the WBAI draft FY23 budget spreadsheet were the result of formulas not having been updated. The WBAI General Manager said he had been working on those items and he hadn't finished the whole thing. The committee discussed some of the WBAI draft FY23 budget spreadsheet cells that should have been blank and some columns in the spreadsheet that did not add up correctly. The General Manager said that he had not updated all of the expenses, and some parts of the spreadsheet had not been added up, and it had been a lot of work. The one page spreadsheet that the Executive Director had sent the committee as a simplified preview of the FY24 budgets was at variance with some of the WBAI draft FY23 numbers. In the course of the discussion it was found that some cells in the draft FY23 spreadsheet had been filled in at the National Office and did not relate to WBAI, such as a listing for SCA revenue, which goes to the National Office and not to WBAI. Some differences were due to coding errors in the FY24 spreadsheet and those coding errors had not been sent to the National Office by the WBAI General Manager.

Motion: (Kim Kaufman) "To extend the time for this item and meeting by 15 minutes." (Passed without objection) 10:22 PM (ET)

The committee continued to discuss the WBAI draft FY23 budget proposal. The WBAI General Manager described how he had arrived at some of the figures in it. It was noted that this draft FY23 budget was being presented four days before the end of FY23.

Motion: (James Sagurton) "The NFC sends to the PNB the WBAI draft FY23 budget. It is a deficit budget." (Fails 0 for, 4 against, 2 abstentions)

The Committee discussed the motion.

Motion: (R. Paul Martin) "To extend the time for this item and the meeting by 5 minutes." (Passed without objection) 10:46 PM (ET)

The Committee continued to discuss the motion.

Adjourned 10:53 PM (ET)

Submitted by R. Paul Martin, Secretary.