

MINUTES

October 17, 2021

Teleconference

Local Station Board (LSB) Meeting

I. Call to Order / Opening Business 10:55 a.m.

a. Roll Call Taken

Michael Adler, Allan Beek (?), Fred Blair, Sandy Childs, Bella De Soto, Jan Goodman, Eric C. Jacobson, Evelia Jones, Ali Lexa, Rob Macon, Barbara Marbach, Michael Novick, Myla Reson (seated), Lawrence Reyes, Rocio Rivas, Paul Roberson, Jeanine Rohn, Oscar Ulloa, Polina Vasiliev, Beth von Gunten, Harvey Wasserman, Kiyana Williams resigned.

M. Calcada GM not available.

b. Land Acknowledgement by L. Reyes.

c. Appoint Timekeeper - Agenda J. Garry; Speakers R. Rives

d. Approve proposed agenda.

e. Pacifica Mission. by B. DeSoto.

f. Consider excused absence requests. Evelia Jones, Lydia Ponce, Mansoor Sabbagh, Robert Payne.

g. Appeal for funds for KPFK by P. Roberson.

h. After action report on prior motions: strategic planning meeting.

M. Novick reviews some of the mtgs that have been taking place and fund-raising initiatives discussed.

i. Setting of next meeting.

Motion to determine moving of LSB meeting day to 3rd Weds or 3rd Friday of the month at 6pm: (Weds 11/17; 12/15 OR Fri 11/19; 12/17) postponed awaiting GM availability.

Michael Adler (W), Allan Beek (EITHER), Fred Blair (F), Sandy Childs (W), Bella De Soto (F), Jan Goodman (W), Eric C. Jacobson (A), Ali Lexa (W), Rob Macon (EITHER), Barbara Marbach (W), Michael Novick (F), Myla Reson (W), Lawrence Reye (F)s, Rocio Rivas (F), Paul Roberson (F), Jeanine Rohn (F), Oscar Ulloa (N?A), Polina Vasiliev (F), Beth von Gunten (EITHER), Harvey Wasserman (W).

WEDS:8; FRI:8;

II. GM report (recording and written report) and discussion.

III. Public comment #1. - at 12:01pm.

IV. PNB Directors' reports and discussion.

Reports given by L. Reyes, B. von Gunten

Discussion and Q&A from A. Beek, J. Rohn, B. Desoto, E. C. Jacobson.

V. Public comment #2. at 11:37

VI. PNB Directors' response to Public comment. (L. Reyes)

VII. Treasurer and Finance Committee reports & discussion.

F Blair reviewed his financial report (attached).

Questions and discussion from J. Goodman, B. DeSoto, J. Rohn, L. Reyes, E. C. Jacobson, B. von Gunten.

VIII. Governance Committee

2 MOTION:

Membership policy on LSB committees (passed by KPFK LSB 5/16/21)

The pertinent section of the Bylaws regarding LSB Advisory Committees states:

Article Seven, Local Station Boards, Section 10: Local Station Board Advisory Committees

A. An LSB may, by resolution, designate one or more advisory committees, to serve at the pleasure, direction, and supervision of the LSB. Any such advisory committee shall include, at least, two (2) LSB members. Members affiliated with that radio station shall

be eligible for appointment to a committee. Station Advisory Committee members shall not be considered agents of the Foundation or the radio station and shall not have the authority to bind the Foundation or the radio station with which it is affiliated.

B. Meetings and actions of local station advisory committees shall be governed by the provisions of Section 6 of this Article of these Bylaws with such changes as are necessary in said provisions to substitute the committee(s) and its members for the LSB and its members, except that the time of regular meetings of committees may be determined by resolution of the LSB as well as a vote of the committee and that the committees shall not be required to meet in December or January unless they otherwise agree, or the LSB resolves that it should do so, and provided that notice of committee meetings shall be deemed adequate if announced at LSB meetings and, when feasible, posted on the station's web page. Special meetings of committees may also be called by resolution of the LSB or the committee. The LSB may adopt additional rules for government of any committee that are not inconsistent with the provisions of these Bylaws.

C. The general duty of advisory committees shall be to advise the LSB on the issues for which the committee was created. Advisory committees shall have only those duties and powers set forth by resolution of the LSB, which powers shall not include the power to: (1) approve any action which, under the California Nonprofit Public Benefit Corporation Law or these Bylaws, requires the approval of the Members, Directors, the LSB, or the Delegates; (2) fill vacancies on the Board, LSB or on any committee; (3) amend or repeal these Bylaws or adopt new bylaws; (4) amend or repeal any resolution of the Board or the LSB; (5) create any other committees of the Board or LSB; (6) approve or execute any contract or transaction; or (7) incur any indebtedness, or borrow money, on behalf of the Foundation or any LSB.

In order to regularize membership and election processes at KPFK Local Station Board committees, the LSB adopts the following policy protocol. LSB and non-LSB members who comply with these processes will be considered to be thereby appointed to said committee in accordance with Article VII, Section 10A.

In adopting this policy, the LSB recognizes the following standing committees to which the below protocol applies: Governance, responsible for drafting agendas for LSB meetings and considering procedural motions, Bylaws amendments, and other similar business; Finance, responsible for working with management on budget proposals and financial evaluation; Program Oversight, responsible for working with management to ensure that programming fulfills the Pacifica mission and serves the community, and that programming decisions and evaluations are fair and collaborative; and Fundraising, responsible for organizing and implementing the LSB's fundraising efforts. Committees to which the following membership protocol does not apply include the Personnel or other special management search or evaluation committees, whose membership is by election, or the Outreach Committee, a working committee whose membership is open to all KPFK members prepared to do the work of Outreach and Community Engagement for the station.

1. LSB Committees are generally open to listener and staff members of KPFK in good standing to participate, unless a particular meeting is in a closed session by reason of confidential or proprietary matters under consideration, or a if committee as a whole has an elected membership by virtue of dealing with confidential personnel matters.

2. Meetings and methods of participation shall be posted on KPFTX.org, on the kpfk.org website and announced at LSB meetings and on the periodic LSB reports to the listener

aired on the station. Cart announcements on air of LSB and committee meeting schedules are also desirable.

3. Members who wish to participate on standing, open LSB committees are encouraged to attend the first three committee meetings of the year, during which committee membership is established.

4. All LSB committees must have at least two LSB members.

5. Except for committees where membership is by election, such as management search and evaluation committees, all LSB members, up to a maximum of 12, who attend the first 3 meetings, or any 3 subsequent consecutive meetings, will be considered committee members in good standing and eligible to vote. (Members who have continued from the prior year are continuing members)

6. Any non-LSB-member who is a listener or staff member in good standing of KPDK, who attends the first three <<REVISION ADDS THE WORD REGULAR>> regular meetings of a committee, during which committee membership is established, <<REVISION DELETES THE FOLLOWING PHRASE: up to a maximum of one less than the number of LSB members on the committee,>>

will be considered a committee member in good standing and eligible to vote. Until the maximum is reached, non-members of the LSB may also join by attending any three consecutive meetings.

7. If LSB members or non-LSB members desirous of membership exceed the maximum, selection will be by lot.

8. All those attending committee meetings and respecting common rules of decorum, will have voice when recognized by the chair, even if not members of the committee, but only members will count towards quorum and have a vote.

9. Membership of the committee will be set at the third meeting, inclusive of all LSB and non-LSB members who have attended all three meetings, which will determine the quorum for future meetings (50%+1 of the total membership, including at least 2 LSB members).

10. Pro tem officers will be elected at the committee's first meeting of the year, with all LSB members in attendance able to vote. Permanent officers will be elected at the third meeting, following a roll call that determines the voting membership and quorum.

1) MOTION passed - Revision to Membership Policy on LSB Committees - passed 5/16/21 (see above)

Michael Adler (Y), Allan Beek (Y), Fred Blair (Y), Sandy Childs (N), Bella De Soto (Y), Jan Goodman (N), Eric C. Jacobson (Y), Ali Lexa (A), Rob Macon (Y), Barbara Marbach (N), Michael Novick (Y), Myla Reson (N/A), Lawrence Reyes (Y), Rocio Rivas (Y), Paul Roberson (Y), Jeanine Rohn (Y), Oscar Ulloa (N/A), Polina Vasiliev (Y), Beth von Gunten (A), Harvey Wasserman (N/A).

Yes: 12; No: 3; Abstain: 2.

2) Motion fails - To urge the GM to order the disablement of the capability of the public to send one email that populates every email of every member of the LSB (lsb@kpfk.org) and to remain disabled until we can arrange moderation of abusive content.

Michael Adler (Y), Allan Beek (N), Fred Blair (Y), Sandy Childs (A), Bella DeSoto (N), Jan Goodman (A), Eric C. Jacobson (Y), Ali Lexa (A), Rob Macon (N/A), Barbara Marbach (A), Michael Novick (N), Myla Reson (N), Lawrence Reyes (Y), Rocio Rivas (A), Paul Roberson (A), Jeanine Rohn (N) Oscar Ulloa (N/A), Polina Vasiliev (N), Beth von Gunten (Y), Harvey Wasserman (N/A).

Yes: 5; No: 6; Abstain: 6.

IX. Programming Oversight Committee report by E. von Gunten.

X. Outreach Committee (November Town-hall) report by B. DeSoto

XI. Fundraising Committee report by J. Rohn and M. Novick.

XII. Public Comments #3 at 2:14pm.

XIII. New Business referred to Gov Cmte.

XIV. Adjourn - at 2:37pm.

KPFK

GM Report

LSB Monthly Meeting

Sunday October 17, 2021

Chair,

Good morning everyone. My first day as the new GM at KPFK was September 15, 2021. During this first month of my tenure, I received 803 emails from staff, unpaid staff, programmers, volunteers, directors of the LSB, members of several LSB committees, directors of the PNB, former members of the Boards, long-time listeners, contractors, and vendors. I can say that at least a half of those emails are, simply put, noise, interference, in most cases, toxic interference. My first point in this is asking you to please refrain from using this magnificent tool that is email lists. It doesn't benefit anyone. Nor the person is sending it, not the people caught in that list that don't need to know and don't want to know the resentment embedded in those messages. It is as easy as thinking, "what is the use of the email I'm going to send?" "Does it entails a specific action to be made by the recipient?" If the answer is no, please, don't send it. Get up, take a walk for a couple of minutes, and resume the task you were doing.

This introduction is to make you aware that nobody can do a job if it's constantly interrupted. You can say, "well, you don't have to answer all your emails. You don't have to read all the ones from folks if you already know what they're going to say". Actually, someone sent me this yesterday. The fact of the matter is that if you want to do the job you've been hired for, you have to read them all and answer them. If I don't read them, I don't know what they want from me. During this month, I configured a better picture of the situation at KPFK and Pacifica at large. I guess I only know a fraction of it, but sufficient enough to move ahead.

Yes, I've had to hit the ground running. I don't complain. I want to talk about three critical topics briefly: Financials, Programming, and Governance. It is useless that I describe here the diagnosis of the situation. Pacifica Foundation, and KPFK, have a solid army of people mastering diagnosis. The bottom line is besides plans, programs, new strategies, what do we accomplish tangibly every day? What do we do at the end of the day to overcome this situation? If we do the same we've been doing, we will get the same results. Hence we will no longer be able to sustain the station. On the governance turf, Pacifica has done the same she has been doing for years, overruling the responsible of the station, me as a GM, and laying off another non-union staff. I have no doubt outsourcing the financial department will positively impact the long run. Yet, the way it was conducted was irresponsible because that puts you, as the LSB, in a very odd situation, not to mention myself. But moving ahead, my goal is primarily to act, and maybe we'll have time to plan later. But now, if we see something, we have to solve it.

Let's start with financials. With the former Business Manager, I review the monthly account payable. From this review with him, now with people from NETA, it is clear there are some dysfunctions. This month we have started to move forward to spare, save, shave money from current vendors. Basically, I'm talking about telecommunication providers, meaning telephone services, internet, etc. We've taken the first steps to significantly reduce bills (sometimes getting rid of the vendor straightforwardly). And we've talked to other vendors to review their

statements and sometimes get rational explanations or amending bills.

In this report, I'm not going to talk about HR. But, let me say that I am looking forward to PNB's decision on the best last final offer to CBA (Collective Bargaining Agreement). Also, I would like you to know that besides the Business Manager, one of our board operators resigned yesterday. The financial goal would be to balance our FY22 budget against our lowest-income expectations. But, doing so without taking into account programming would be foolish. Because everything remains the same. Programming has to be remodeled, revamped. Implementing new programming has to be done cautiously. And once done, be patient, and be aware of fine-tuning some of the changes. Yet, programming isn't something that creates listeners/members overnight. We need some time, stability to regain trust among our listeners. I believe we've done lots of things adversely. Think about programming as a field. You can plant whatever seeds you want. But you have to take care of this field. You have to rain it, pull up the weed, and harvest the field if the season has been good. But you cannot constantly reap because every time you do, you are exhausting the crop. And here we are now, with a depleted crop.

Nevertheless, we've already started to move in the right direction by giving programmers some guidance and streamlining the grid. We need to air this field, so we need to gain time and not be desperate every payroll. Therefore, I don't know how, but some subsidies will have to come while we walk/run in the right direction.

Regarding revenues, we've started to work toward regaining the CSG grant from the CPB. If we succeed, the grant would be for FY2023. That means meanwhile, any support from this board trying to get any grant, contribution, gift, from large donors, etc., will be much appreciated, and I am personally committed to work along with these efforts.

Finally, regarding governance, let me tell you that although I appreciate the different committees from KPFK LSB, it is really complicated for me to attend all. I spoke with the Chair about the possibility of scheduling this monthly meeting on weekdays, preferably before 5 pm. I would appreciate it if you support this initiative. As always, feel free to send me all you think may help the station.

Thank you.

Good morning Director is being put in email format due to my Laptop key board not functioning properly. I will attach is documents for your edification regarding what's happening on the PNB and on a National Level. I beleive there are sercet caucus meeting of a majority of PNB Directors acting against the best interest of KPFK with the imposition of descions which disenfrashies the efforts of the KPFK Local Station Boards efforts to address our immediate concerns with imposing a National Plan where there is None In Place from the National Boards or Committees task to developed such immediate planning. I will report on behalf of the Committees that i'm involved in such as the PNB Election Committee, PNB Governance Committee and some public litigation from our Pacifica Legal Council please see attached.

Lawrence Reyes KPFK Listeners Director

Jan Goodman and her husband appeared in court today to argue that our suit to validate the Bylaw vote, and seek to recover money collected by New Day using our list after the vote should be transferred to Alameda County. Jan appeared as counsel to herself and her husband (Jerry Manpearl) as counsel to New Day. The court denied their motion and adopted the decision I attach, and told them that the allegations about using our list - an asset of Pacifica under state law- to raise money was a "very serious allegation."

We filed first because we knew that Jan and New Day would try to sue Pacifica in Oakland. We succeeded. We also learned that New Day has only one "member" and one officer, namely Beth Kean. It has no decision making body, has no internal bylaws, and that whatever is being sent out is all coming from Beth and Jan. The essence of democracy! And they have about \$10,000 in hand. (They assert that

Jerry Manpearl wants \$40,000 in fees to litigate the case.)

Case Number: 21BBCV00642 Hearing Date: October 15, 2021 Dept: A

Motion for Change of Venue

Calendar: Add-On 5

Case No.: 21BBCV00642

Hearing Date: October 15, 2021

Action Filed: July 22, 2021

Trial Date: Not Set

MP: Defendant New Day Pacifica

RP: Plaintiff Pacifica Foundation Inc.

ALLEGATIONS:

Plaintiff Pacifica Foundation Inc., a California Nonprofit Public Benefit Corporation ("Plaintiff") filed suit against Defendants New Day Pacifica, an Unincorporated Association, by its Chair, Sharon Kyle ("New Day"); Sharon Kyle ("Kyle"); Jan Goodman as Vice Chair of New Day Pacifica ("Vice Chair"); Jan Goodman ("Goodman"); Lyndon Foley, as Treasurer of New Day Pacifica ("Treasurer"); Lyndon Foley ("Foley"); Akio Tanaka, as Secretary of New Day Pacifica ("Secretary"); and Akio Tanaka ("Tanaka", and collectively, "Defendants"). Plaintiff alleges that it held a referendum for a bylaw amendment proposal circulated by New

Day, an unincorporated association of mostly Plaintiff's members, which failed. Despite this, Defendants publicly declared that the amendment proposal was adopted, and that they were now installed as Plaintiff's

officers with control over Plaintiff's assets.

Plaintiff filed a Complaint on July 22, 2021, and a First Amended Complaint ("FAC") on August 30, 2021, alleging five (5) causes of action sounding in: (1) Declaratory Relief; (2) Injunctive Relief; (3) Violation of California Corporations Code $\text{§ 6338(a)(1) \& (2)}$; (4) Accounting; and (5) Unjust Enrichment.

PRESENTATION:

The Court received the Motion to Change Venue filed by New Day on October 06, 2021; and the opposition filed by Plaintiff on October 14, 2021.

On October 07, 2021, the Court granted New Day's Ex Parte Application to shorten the time for hearing the

Motion to Change Venue and set the hearing date for the motion on October 15, 2021, with opposition to be

filed by noon on October 14, 2021 and served electrically, and reply to be filed by 7:00 a.m. on the date of

hearing and served electrically. Notice was waived.

RELIEF REQUESTED:

New Day moves for an order transferring the instant action to the Alameda County Superior Court. New Day

also requests attorneys' fees and costs incurred by New Day in making the instant motion.

DISCUSSION:

Standard of Review CCP § 397 Change Venue CCP § 397 Under CCP § 397 , the court may, on motion, change the place of trial in

the following cases: (a) When the court designated in the complaint is not the proper court; (b) When there is

reason to believe that an impartial trial cannot be had therein; (c) When the convenience of witnesses and the ends of justice would be promoted by the change; (d) When from any cause there is no judge of the court qualified to act; (e) When a proceeding for dissolution of marriage has been filed in the county in which the petitioner has been a resident for three months next preceding the commencement of the proceeding, and the respondent at the time of the commencement of the proceeding is a resident of another county in this state, to the county of the respondent's residence when the ends of justice would be promoted by the change. (Code

Civ. Proc., § 397.)

Merits ¶ " New Day argues that the correct venue for the instant action is in the Alameda Superior Court

pursuant to CCP § 395.2, 396, and 397. New Day contends that Plaintiff intentionally failed to disclose that

New Day was registered in Oakland, California, within Alameda County, when filing venue disclosures with

the Los Angeles Superior Court clerk, and intentionally avoided naming the single officer of New Day, Elizabeth Kean, a resident of Alameda County, and also intentionally and falsely named various Los Angeles

residents as defendants and officers of New Day. New Day argues that transfer of the instant action is mandatory pursuant to CCP § 395.2, which provides:

If an unincorporated association has filed a statement with the Secretary of State pursuant to statute, designating its principal office in this state, the proper county for the trial of an action against the unincorporated association is the same as it would be if the unincorporated association were a corporation and, for the purpose of determining the proper county, the principal place of business of the unincorporated association shall be deemed to be the principal office in this state listed in the statement.

New Day contends that it is a registered unincorporated association with its principal office in Alameda County, and so CCP § 395.2 applies here. New Day further cites to CCP § 396b(a) and argues that transfer of venue is mandatory:

Except as otherwise provided in Section 396a, if an action or proceeding is commenced in a court having jurisdiction of the subject matter thereof, other than the court designated as the proper court for the trial thereof, under this title, the action may, notwithstanding, be tried in the court where commenced, unless the defendant, at the time he or she answers, demurs, or moves to strike, or, at his or her option, without answering, demurring, or moving to strike and within the time otherwise allowed to respond to the complaint, files with the clerk, a notice of motion for an order transferring the action or proceeding to the proper court, together with proof of service, upon the adverse party, of a copy of those papers. Upon the hearing of the motion the court shall, if it appears that the action or proceeding was not commenced in the proper court, order the action or proceeding transferred to the proper court.

In opposition, Plaintiff first cites to *Easton v. Superior Court* (1970) 12 Cal.App.3d 243, 247, *Clapp v. Kramer* (1958) 162 Cal.App.2d 237, 239, and *Jhirmack Enterprises, Inc. v. Superior Court* (1979) 96 Cal.App.3d 715, 722 and argues that its choice of venue is presumptively correct. Plaintiff also argues that the

allegations in the FAC must be taken as true for the purposes of the instant motion, and that in any case, the individual defendants sued are residents of Los Angeles County, which makes this venue appropriate pursuant to CCP § 395. Plaintiff then cites to *Donohoe v. Wooster* (1912) 163 Cal. 114, 116 for the contention that a defendant is not entitled to have an action removed unless it appears that none of the other defendants are residents of the county in which the action is brought. Plaintiff's counsel asserts that Kyle and Goodman, at least, are Los Angeles County residents and have been personally served in the county. (Decl. Learned, ¶ 5.)

Second, Plaintiff argues that Kyle and Goodman hold themselves out to be New Days' "Chair of the Transition Board" and "Vice-Chair of the Transition Board". (Decl. Learned, ¶ 4, Ex. 1.) Third, Plaintiff argues that the parties have previously entered into an agreement that provided that any dispute as to the referendum would be brought in Los Angeles County. (FAC, ¶ 22, Ex. D.) Third, Plaintiff argues that New Day injured Plaintiff in numerous ways within Los Angeles County. Plaintiff argues that New Day should not be awarded any fees, and instead, Plaintiff should be awarded its attorney fees in the amount of \$8,480.

Paragraph 14 of the agreement referenced by Plaintiff, attached as Exhibit D to the FAC, states: Disputes about the process, including issues addressed first by the Committee described in Paragraph 11, will be resolved by a neutral selected by the parties, paid for by Pacifica. The parties, via counsel, will select a neutral upon submission of the Petitions. The parties agree to utilize arbitration, rather than court litigation, to resolve disputes, in the interests of speed and economy. Arbitration hearings shall take place as soon as possible, not later than 7 days of request, and a decision will be issued on the day of the hearing. If compliance does not take place within 5 days, enforcement may be sought by either party by a court of competent jurisdiction in Los Angeles County.

This agreement includes the signature of the counsel of both parties at the bottom. On review of the agreement, the Court finds that facts underlying the instant action are within the bounds of the "process" referenced in the agreement. In interpreting what "process" means, the Court looks to the agreement as a whole and notes that the agreement explains its purpose in its first paragraph: "in order to address issues which may arise should members of New Day Pacifica submit a petition to the Pacifica Foundation with proposals to amend the Pacifica Foundation Bylaws during 2021". As the instant action requests declaratory and injunctive relief relating to alleged actions that New Day has, and is, taking, after the parties disagreed with the result of the amendment proposal, the choice of venue provision in paragraph 14 appears to govern the action. The Court will thus deny the instant motion on this basis.

Further, even if the Court were not to consider the choice of venue clause, the Court may still grant the motion.

After taking into account the evidence provided by both parties, the Court finds for the purposes of the motion

only that New Day has sufficiently shown that Elizabeth Kean is the sole officer of New Day. (Decl. Kean, ¶ 5-6.)

Although Plaintiff argues that various defendants represent themselves to be officers on their webpage,

Plaintiff does not cite to authority for the contention that a public self-representation has the legal effect of

making a person an officer of an organization. For the purposes of the instant motion, the Court will consider

Kean the sole officer of New Day. Even so, the FAC alleges, at the least, separate and distinct causes of action

against Kyle and Goodman, including causes of action for violation of Corporations Code

§ 6338(a)(1) & (2),

accounting, and unjust enrichment. As Plaintiff has sufficiently shown that Kyle and Goodman are residents of

Los Angeles County, and as Plaintiff alleges causes of action against the two Defendants that are not reliant on

their alleged officer roles, Plaintiff sufficiently rebuts New Day's contention that the FAC improperly sued

various defendants in a bid to hold the case in Los Angeles County. To the extent New Day argues that these

allegations have no merit, the instant motion is not an appropriate venue for that determination. Thus, pursuant

to CCP § 395, which provides that "the superior court in the county where the defendants or some of them

reside at the commencement of the action is the proper court for the trial of the action", the Court will also

deny the motion on this basis.

RULING:

In the event the parties submit on this tentative ruling, or a party requests a signed order or the court in its

discretion elects to sign a formal order, the following form will be either electronically signed or signed in hard

copy and entered into the court's records.

ORDER

Defendant New Day Pacifica's Motion for Change of Venue came on regularly for hearing on October 15, 2021, with appearances/submissions as noted in the minute order for said hearing, and the court, being fully

advised in the premises, did then and there rule as follows:

THE MOTION FOR CHANGE OF VENUE IS DENIED.

PNB Director's Report to KPFK LSB

Beth von Gunten, PNB Director

October 17, 2021

Pacifica is reaching the financial limit of its ability to proceed with business as usual and is approaching an inflection point. In a long strong Pacifica tradition, those of our eight units in more robust condition financially have been prevailed upon yet again to lend a hand to those units currently under greater financial stress. At this point, those sources have been effectively all but exhausted. A day of reckoning looms.

Fortunately, managerially we've turned a corner. After an extended period of a serious dearth of leadership at KPFK, Miquel Calcada has stepped forward to take the helm as our new General Manager. While no one person can be expected to shoulder the burden alone, the presence of someone prepared to orchestrate our many mutual efforts can make a significant difference. It's been a long wait. We are fortunate finally to have him with us.

In another step forward, KPFK financial services have now been moved to and consolidated under NETA, the National Educational Telecommunications Association, reducing those costs by two thirds, a substantial reduction in excess expenses, and a move to further regularize our business practices. Pacifica National Finance Committee met in special session this month explicitly to deal with the KPFK financial crisis, in addition to its twice monthly regular meetings. We ratified the hard work so many have put into identifying and reigning in the worst of our long standing excess expenditures, finally approving a FY21 budget, at least in name, though its greater functional value will be as a guidance document in preparing a more realistic prospective FY22 budget. Work on that process continues. Given our current precarious financial predicament, Pacifica has applied for an EIDL loan, an Emergency Injury Disaster Loan, from the Small Business Administration. If granted, it would provide a loan of as much as \$2 million at 2.75% APR for a 30 years term, with a grace period of two years before a first payment would be due. Application has been made, but to the best of my knowledge there's no word yet on whether we'll be granted such a loan.

Debt is never to be taken on lightly, but EIDL loan rates are far preferable to what we're paying now on our considerable debt load. An EIDL loan would buy us time to get our financial house in order and capitalize on the recent progress we've made, bringing all audits up to date and getting budgets in place across the network.

That work continues apace. With FY21 budgets in hand for seven of the eight Pacifica business units, those can now inform the creation of a FY22 National Office budget, the NFC's intended first FY22 priority, followed then by all other units.

As reported at the most recent NFC meeting, of the other seven units, one is ready for immediate review, two more were ready to present to their Local Station Boards for approval, two of the smaller units anticipated no delay in completing their budgets, with the remaining two units, including KPFK, in need of significant further work.

With a more direct and complete connection to NETA, availability of financial documents is expected to improve. September year end closing financials usually take a bit longer to complete than other months, but NETA may well have them for us at the next NFC mtg.

That would mean we'd be ready on time for the next audit. At that point, the only remaining obstacle would be that we still owe the auditors for their work on previous audits. That debt must be paid first for us to be able to move forward with the current audit, in order to remain compliant with financial regulations. If granted, the EIDL loan could help meet that need.

Over the course of the last month, I've attended all regular and special national meetings for which I'm responsible to represent KPFK, including all Pacifica National Board, National Finance Committee, National Strategic Planning Committee, National Development Task Force, and other meetings, to assure that KPFK listeners and the LSB always have reliable representation at the national level.

I've recently been asked to chair the National Development Task Force and have done so on a pro tem basis for the last two meetings. If it pleases the Task Force, I've agreed to continue in that capacity on a regular basis beginning with our next meeting. The NDTF is in the process of identifying a number of

potential major revenue streams, laying out clear steps to realizing those possibilities, and accepting assignments to shepherd Pacifica through those processes.

Our current crisis has necessitated endless background work, collaborating with colleagues at the national level. Many from elsewhere have been more than generous with their time, efforts, and expertise in helping grappling with this existential crisis, for which I'm very grateful. Many thanks to the more experienced colleagues who help inform my work along the way.

I'm still relatively new to Pacifica governance. Each month that passes I understand Pacifica with greater depth, greater scope, piecing together a more complete understanding of what brings us to this moment.

Whatever insight I'm able to gain, I'm grateful for the opportunity to share with others by way of this Report and the extensive contact I enjoy with so many Pacificans throughout the month. Thank you all for your support and for making this work possible.

I'm more than willing to respond to questions, comments, suggestions, and civil critique. But given recent episodes of trolling, I will qualify that by stating plainly that I recognize no obligation to acknowledge or respond to ad hominem attack, defamation, or other forms of verbal abuse.

Nevertheless, I remain ready to serve.

In peace, for Pacifica,

Beth von Gunten

KPFK LSB, PNB Director

KPFK Treasurer's Report OCTOBER 2021

FY20 KPFK Financial Stats from Pacifica Consolidated P&L 9.31.2020 (Audited)

Average Monthly Operating Expenses: \$290,700. Dollars

Average Monthly Payroll + Benefits: \$174,418. Dollars

FY20 Total Operating Expenses: \$3,488,398.74 Dollars

FY20 Listener Support: \$2,518,165.38 Dollars

FY20 Total Revenue: \$2,790,821.60 Dollars

FY20 Profit/Loss: (\$697,577.14 Dollars)

FY21 KPFK Financial Stats from Pacifica Consolidated P&L 8.31.2021 (NOT Audited)

Average Monthly Operating Expenses: \$265,409. Dollars

Average Monthly Payroll + Benefits: \$145,196. Dollars

FY21 Total Operating Expenses: \$2,919,499.55 Dollars

FY21 Listener Support: \$2,062,665.41 Dollars

FY21 Total Revenue: \$3,062,379.54 Dollars

FY21 Profit/Loss: (\$142,879.99 Dollars)

FY22

KPFK Financial Stats from Pacifica Consolidated P&L 10.01.2021 (NOT Audited)

Average Monthly Operating Expenses: ~\$250,000. Dollars

Average Monthly Payroll + Benefits: ~\$140,000. Dollars

FY21 Total Operating Expenses: \$000.00 Dollars

FY21 Listener Support: \$60,000.00 Dollars

FY21 Total Revenue: \$000.00 Dollars

FY21 Profit/Loss: (\$0.00 Dollars)

KPFK Station Financial Status:

The Financial situation at KPFK has now passed a threshold: whereby the Station can bring in enough Income to pay Operating Expenses. We are no longer operating in normal business

financial manner, and something will have to be done or the Pacifica Board may have to shut down this unit in order to save the rest of the Radio Network. What can go on doesn't!

The current Fall Fund Drive that started October 5th is doing very badly; the Daily \$ Dollar Average is around \$5,000.00 Dollars per Day (12 days). This about the same as the Summer Fund Drive in July, and is the source of our Crisis. The Total \$ Dollars Pledged is currently around \$60,000.00 dollars as of this Saturday. This is a very Bad and Unsustainable situation. As too the Fund Drive performance itself, the major fundraisers are the same standard, usual Programmers: Margaret Prescod, Maggie LePique, Roy Tuckman, Global Village and Christine Blodale. Everyone else is far behind in their \$ numbers to them.

The KPFK Finance Committee met on Wednesday, October 13th, 2021, but was prevented from proceeding when two members used dilatory objections to delay implementing the Agenda for 45 minutes. The meeting finally proceeded when GM Miquel Calcada went ahead with his report without regard to the greatly delayed agenda or the Chair. One important Announcement made: our Business Manager, Barry Brooks, was replaced by Pacifica's Accounting Consultants NETA as a cost saving measure by the Pacifica PNB Board. Also, the GM informed us that our Telephone system is being reorganized, restructured, and redesigned to remove redundancies and reduce costs by 80% over current levels; this will reduce our costs in FY22 by approximately \$85,000.00 Dollars later this fiscal year. Plus, additionally we will have the latest Radio and Telephone technologies to run our Studios and Operations after this upgrade/restructuring is done. Other cost reducing measures are also being undertaken now. I don't have KPFK's Operating Administration Bank Account Balance this month.

But, KPFK has met its Payroll, these last few months, by borrowing money from other Pacifica business-units because of our low fund drive income. I don't know if we met last week's Payroll or not because of the Chaos at the Finance meeting on Wednesday.

These are My Options and Truths as I see them.

Thank You for Your Time.

Sincerely,

Fred Blair

KPFK 2021 LSB Board Treasurer

KPFK Finance Committee Chair

Pacifica PNB National Finance Committee (NFC) Member

KPFK LSB Listener Member/Delegate