

Finance Committee Adjourned Meeting – August 29, 2007

MINUTES

An adjourned meeting of the PNB Finance Committee was called to order at about 5:37 pm PDT by Chair LaVarn Williams with Terry Goodman serving as Secretary. The minutes of 7/19/07 were approved.

Attendance

Present: Baruti Bediako, Brian Edwards-Tiekert, Jane Gatewood (joined at 5:43 pm), Terry Goodman, Lonnie Hicks, Sandra Rawline, and LaVarn Williams.

Absent: Dave Adelson, Mike Martin, Berthold Reimers, and Thomas Ruffin.

Revised Agenda

- 1) Roll Call (5 minutes)
- 2) Approval of Minutes (5 minutes)
- 3) Next Meeting Thursday, September 13, 2007 @ 8:00 PM EDT (5 minutes)
- 4) CFO Report and Approved 2008 Budgets (90 minutes)
 - a. Motions to Approve Budgets
 - b. Motions Approved in July PNB Meeting
 - c. Motions forwarded to NFC by PNB
- 5) Financial Policies & Procedures Manual (5 minutes)
- 6) New Business (5 minutes)
 - a. Web Work Consolidation.
- 7) Adjournment

** Times are for guidance only **

1. Roll Call and Approval of Agenda

Williams mentioned problems accessing the Yahoo! Group and Edwards-Tiekert noted problems with the group's membership roster. *Goodman will assist Williams with group access and contact Adelson regarding roster problems: adding Martin and confirming Goodman's address.*

The Agenda was revised and approved without objection.

2. Approval of Minutes

The July 19th minutes were approved without objection on the motion of Terry Goodman at 5:40 pm.

3. Next Meeting

Motion from LaVarn Williams that the Finance Committee schedule a regular meeting for Thursday, September 13, 2007 at 8:00 pm EDT.

Motion passed without objection at 5:41 pm.

4. CFO Report & 2008 Budget Status

The CFO's report began at 5:42 pm and included an update of LSB budget approval status at each station. CPB HD Radio grants have been approved for KPFA and KPFK. Stations must raise matching funds if they are to secure these grants and purchase HD upgrade equipment, but the LSB-approved budgets do not reflect corresponding income or expenses.

4a. Motions to Approve Budgets

4a(1). WBAI Budget Consideration

Bediako explained the situation at WBAI and the LSB's request for waiver of the reserve requirement and for a 3-month extension on budget submission. There was detailed discussion of current WBAI financials.

Motion from Lonnie Hicks that the PNB Finance Committee has reviewed the request of the WBAI Local Station Board regarding its FY'08 budget in the context of current and projected income, debt, expenses, and cash flow. The committee finds that the financial situation at WBAI is critical because cash flow projections demonstrate that the station will not be able to meet its financial obligations. The committee recommends that the WBAI station management identify additional savings that would achieve a net surplus of 125 thousand dollars for the next fiscal year (FY'08) in a revised budget for submission to the WBAI LSB by September 5, 2007. In the event that the WBAI LSB fails to approve a budget within these parameters, the management of that station should submit its budget directly to the CFO before September 13, 2007 for PNB Finance Committee review. The committee further finds that the finances of WBAI are such that WBAI management must develop recovery plan targets for submission to the Pacifica National Board in September.

Motion passed without objection at 7:09 pm, with Bediako abstaining.

4a(2). KPFT Budget Consideration

There was discussion of the KPFT budget approved by the station's LSB.

Motion from LaVarn Williams that the PNB Finance Committee approves the KPFT budget for submission to the PNB.

Motion passed without objection at 8:01 pm.

Motion from LaVarn Williams that the NFC shall review budgets at the end of each quarter, to compare actual versus projected performance and determine if a recommendation regarding correction is required.

Motion ruled out of order.

Point of order from Brian Edwards-Tiekert that another motion is on the floor.

Well taken.

4a(3). KPFK Budget Consideration

There was discussion of the KPFK budget approved by the station's LSB.

Motion from Lonnie Hicks that the PNB Finance Committee has reviewed the budget approved by the KPFK Local Station Board in the context of current and projected income, potential expenses, and cash flow. The committee finds that the financial situation at KPFK is potentially serious because certain major expenses are not reflected in its budget, specifically legal contingency, GM transition, and CPB HD grant matching. The committee recommends that KPFK station management include these expenses and identify additional savings that would achieve a net surplus of 160 thousand dollars for the next fiscal year (FY'08) in a revised budget for submission to the KPFK LSB by September 5, 2007. In the event that the KPFK LSB fails to approve a budget within these parameters, the management of that station should submit its budget directly to the CFO before September 13, 2007 for PNB Finance Committee review.

Motion passed without objection at 7:30 pm.

4a(4). KPFA Budget Consideration

There was peripheral discussion of the KPFA budget in the context of other units, but *consideration of this item was postponed by meeting adjournment.*

4a(5). WPFW Budget Consideration

Action on this item was postponed pending LSB budget approval.

4a(6). National Office Budget Consideration

Action on this item was postponed pending finalization of other unit budgets.

4b. Motions Approved in July PNB Meeting

Consideration of this item was postponed by meeting adjournment.

4c. Motions forwarded to NFC by PNB

Consideration of this item was postponed by meeting adjournment.

5. Financial Policies & Procedures Manual

Consideration of this item was postponed by meeting adjournment.

6. New Business

6a. Web Work Consolidation

Consideration of this item was postponed by meeting adjournment.

7. Adjournment

Motion from LaVarn Williams to schedule an executive session of the committee on September 11, 2007, following a public teleconference.

Motion passed without objection.

The meeting was adjourned without objection to a time certain of 5:30 pm PDT on September 11, 2007 on the motion of LaVarn Williams at 8:13 pm PDT.

Terry Goodman, Secretary

These minutes were approved on 9/13/07.