

Minutes for the regular National Finance Committee meeting July 27, 2010.

Meeting convened by the Secretary at 8:48 PM (ET) a quorum being present, the Chair being absent and the Secretary being present.

Attending: Alonzo Brown, Alberto Luera, R. Paul Martin, Simon Pius, Summer Reece, Tracy Rosenberg, John Wenger, Lavarn Williams, Bruce Wolf.

Agenda:

1. CFO Report

2. John Wenger issues

A. Do any other stations have the Assistant GM position? Ours might be called Assistant to the GM, but whatever.

B. Since I am the new kid on the block, I would love to look at the draft budgets from the other stations. I may have them in my email, but I don't recall any other than Houston's.

C. I am particularly interested in News Departments. LA's has shrunk to one person. How many are there in each of the news depts around the network?

D. Arbitron Ratings. Does each station get them? I propose to share ours with the rest of you to enable comparative analysis. LA needs to increase listenership, and I would like to know how each of you obtains most of your listeners, so that we might consider importing your best practices to LA.

E. Our LSB voted last year to increase our Arbitrons to the highest level of granularity to support analyses. I believe we pay for, and get, quarter hour numbers for every hour of the week. I say "believe" because our Interim GM has refused to provide them to our LSB when we passed a motion asking him to provide us with accounts at My.Arbitron.Com so that we can see all of our data. How can the NFC help us get our own Arbitrons from our uncooperative GM? Arlene, would you please "ask" him to cooperate with out LSB. If that fails, would you please order him to work with our LSB?

F. Metrics of Management Fatness? I would like us to develop metrics of the Management Fraction of payrolls, station by station, and department by department. These would support interstation comparisons, and might prove illuminating, particularly toward the goal of identifying best practices.

G. What is the NFC process for dealing with unbudgeted hires?

3. Allowing non-LSB members to participate in LSB Finance Committee executive session meetings

4. Question of whether stations are being double billed for sending Directors to PNB meetings.

The Secretary convened the meeting at 8:48 PM (ET), and noted that the Chair was absent. The Secretary asked if anyone would act as Chair pro tem. Alberto Luera volunteered to chair the meeting. There was no objection and Alberto Luera took the chair at 8:50 PM (ET).

The Chair pro tem announced that the people from KPFFK were not available at this meeting and that the CFO had suggested that the committee meet next week to deal with the KPFFK budget.

Motion: (Alberto Luera) "To adopt the agenda." (Passed without objection)

CFO Report 9:02 PM (ET)

CFO Lavarn Williams reported that we are now in the fourth quarter of FY10, and that this was always a time of pressures on cash flow in Pacifica. She noted that stations were holding shorter on-air fund raisers in August. She said that KPFFK would hold its Fall fund raiser in September and that the other stations would hold theirs in October. She noted that WBAI and WPFW had the worst cash flow problems and couldn't meet some expenses. Each station is devoting some part of a day to raising money for the Pacifica Radio Archives. She reported that Executive Director Arlene Engleheart wants a freeze on all hiring, and wants to cut back on consultants and those providing outside services, and she wants to look at discretionary funding. Each station needs a reserve. We have to pay past due major invoices. With WBAI that includes rent. There are serious cash flow issues, and we need to conserve. We need to think about the mission. The CFO said that she wanted the committee's buy-in.

Summer Reece took the chair at 9:11 PM (ET)

In response to a question the CFO said that WBAI had not yet paid its tower rent for July and had not yet paid the rent on its studios for June and July. She noted that WBAI also owed the National Office for health benefits and that the station's postal meter had had to be paid on Monday so that invoices could be sent out. WBAI owes about \$130,000 all together.

The CFO said she'd send the list of payables to the committee.

The CFO said that the Executive Director would send out a memo about hires, that General Managers would be hired, but all hires would have to be approved by the Executive Director.

The committee discussed the possibility that some hires had been made despite the hiring freeze.

The committee discussed stations pitching on each others' air and how KFCF is credited with pledges.

John Wenger issues 9:31 PM (ET)

A. Do any other stations have the Assistant GM position? Ours might be called Assistant to the GM, but whatever.

The answer was that some stations do, others don't and some have people doing more than one job and those people might be considered Assistant General Managers.

B. Since I am the new kid on the block, I would love to look at the draft budgets from the other stations. I may have them in my email, but I don't recall any other than Houston's.

It was pointed out that so far only KPFT and the Pacifica Radio Archives had submitted draft budgets. Others are being worked on. The CFO said she'd send out personnel information, and reminded the committee that such information was confidential.

C. I am particularly interested in News Departments. LA's has shrunk to one person. How many are there in each of the news depts around the network?

Committee members related what they knew of the News Departments at their stations. Some issues would have to be discussed in executive session.

D. Arbitron Ratings. Does each station get them? I propose to share ours with the rest of you to enable comparative analysis. LA needs to increase listenership, and I would like to know how each of you obtains most of your listeners, so that we might consider importing your best practices to LA.

KPFFK is paying \$21,000 a year for Arbitrons, WBAI is not getting Arbitrons

at all and other stations are getting some. The CFO gets copies of what the stations get. The Chair said that the PNB should have a policy statement on this, and she'd like information on what we're paying.

E. Our LSB voted last year to increase our Arbitrons to the highest level of granularity to support analyses. I believe we pay for, and get, quarter hour numbers for every hour of the week. I say "believe" because our Interim GM has refused to provide them to our LSB when we passed a motion asking him to provide us with accounts at My.Arbitron.Com so that we can see all of our data. How can the NFC help us get our own Arbitrons from our uncooperative GM? Arlene, would you please "ask" him to cooperate with our LSB. If that fails, would you please order him to work with our LSB?

This was discussed briefly, the Chair said that the PNB may need a motion on this.

F. Metrics of Management Fatness? I would like us to develop metrics of the Management Fraction of payrolls, station by station, and department by department. These would support interstation comparisons, and might prove illuminating, particularly toward the goal of identifying best practices.

Committee members told what they knew of their Management numbers, a pie chart was suggested.

G. What is the NFC process for dealing with unbudgeted hires?

Members related what they knew, the CFO said that the Executive Director would be sending out a memo on this. WBAI and WPFW were discussed briefly. It was pointed out that some of this information is confidential.

Allowing non-LSB members to participate in LSB Finance Committee executive session meetings 10:06 PM (ET)

R. Paul Martin brought up that the WBAI LSB Finance Committee had passed the following motion, "The Finance Committee asks the LSB to allow the Finance Committee members to be able to go into executive session with the understanding that members will have to sign a confidentiality agreement and be subject to the same conditions as LSB members." The question of whether or not this was allowed by Pacifica policy or if it was a good idea was debated. It was revealed that all of the stations have different policies regarding the composition of the local Finance Committees, and one station hadn't had a Finance Committee at all. The confidentiality of salaries was discussed. It was suggested that this matter needs to be discussed more and that a motion might be brought to the next meeting.

Question of whether stations are being double billed for sending Directors to PNB meetings. 10:36 PM (ET)

The question was raised if stations were being double billed for their participation in PNB meetings because they have to budget sending Directors to the PNB meetings but they already pay central services fees. The use to which central services fees are put and why the cost of sending Directors to PNB meetings is separate were explained. A desire to discuss the matter more in executive session was expressed. It was noted that two stations aren't making central services payments. The National Office gets 93% of its revenue from central services payments and so far in FY10 it has gotten \$1.4 million in central services and has had to face \$1.7 million in expenses.

It was noted that Pacifica will have to re-file its 990 forms because some minor things were missed on the audit, but the numbers remain the same.

Motion: (Summer Reece) "That the committee meet on August 3, and 24, and that we schedule an executive session for each meeting." (Passed without objection)

Motion: (Lavarn Williams) "To adjourn." (Passed without objection)

Adjourned 11:09 PM (ET)

Submitted by R. Paul Martin, Secretary