

Draft Minutes for the regular National Finance Committee meeting September 23, 2014.

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

Attending: Jim Boyd, Lydia Brazon, Adriana Casenave, Brian Edwards-Tiekert (Chair), R. Paul Martin (Secretary), Tony Norman, Michael Novick, Raul Salvador (CFO), Barbara Whipperman, also attending were Zuberi Fields interim General Manager of KPFK, Quincy McCoy General Manager of KPFA, and Maria Negret Business Manager of KPFA.

Agenda:

1. Roll Call (5 minutes)
2. Agenda Approval (5 minutes)
3. Minutes Approval (10 minutes)
 - A. Minutes of September 9, 2014 public session
 - B. Minutes of September 16, 2014 public session
 - C. Minutes of September 18, 2014 public session
4. FY2015 Budget Review
 - A. PRA Budget Second Review (30 minutes)
 - i. Motion re: PRA Central Service Assessments
 - B. WBAI Budget First Review (30 minutes)
 - C. KPFK Budget First Review (30 minutes)
 - D. WPFW Budget First Review (30 minutes)
 - E. National Office Budget Second Review (15 minutes)
 - F. KPFA Budget Second Review (15 minutes)
5. New Business
 - A. Discussion re: WBAI Central Service Assessment (Marcus Jetter)
6. Adjourn - 11:00 Eastern

Motion: (Jim Boyd) "To approve the agenda." (Passed without objection)

Minutes Approval 8:38 PM (ET)

There were no draft minutes awaiting approval.

FY2015 Budget Review 8:39 PM (ET)

PRA Budget Second Review 8:39 PM (ET)

The CFO said that he had no new information, and that he had to talk to the Pacifica Radio Archive (PRA) Director and that they had to reconcile the budget and talk about some items.

Motion: (Lydia Brazon) “To postpone this item till Thursday.” (Passed without objection)

WBAI Budget First Review 8:43 PM (ET)

The WBAI Treasurer began to present the station’s draft FY15 budget proposal. The WBAI General Manager was not on the call.

The interim General Manager of KPFK announced that he was on the call and could only stay for 20 minutes.

Motion: (Michael Novick) “To table the consideration of the WBAI budget.” (Passed without objection)

KPFK Budget First Review 8:54 PM (ET)

The KPFK Treasurer went over the station’s draft FY15 budget proposal. He noted that through August 2014, the station has raised about \$2.8 million and they are budgeting a little over \$3 million for FY15. The KPFK General Manager noted that KPFK has increased their corporate match revenue significantly; their Web page helps to determine if an employer can help with grants. With the Fall on-air fund raiser they are starting to have listeners contribute one week in advance, and they are adding incentives. The General Manager said that they are running their on-air fund raiser more efficiently now and they are doing things they haven’t done before, like engaging in outdoor advertising campaigns, to attract new listeners. They are making calls to listeners who haven’t gotten their premiums, and they are projecting the use of less expensive premiums. Personnel expenses are budgeted to increase by about \$200,000, which includes contractually required raises. If necessary they will consider layoffs later in FY15, but the General Manager was concerned about running the station with fewer Paid Staff. The FY14 budget called for cutting two FTEs, but only one FTE was cut.

The committee discussed the report. There was a discussion of the fulfillment rate numbers and car donation revenue.

The KPFK local Finance Committee will look at this budget proposal next week.

Motion: (Michael Novick) “To meet on October 6, 2014, and take up the KPFK FY15 draft budget proposal then.” (Passed without objection)

WBAI Budget First Review 9:52 PM (ET)

The committee resumed consideration of the WBAI FY15 draft budget proposal.

The WBAI Treasurer said that the FY14 Listener Support revenue was not an actual number, the FY15 budget shows Listener Support at over \$1.5 million. With the projected 104 days of pitching this comes out to more than \$15,000 in revenue per day pitched. In FY14 WBAI pitched for 158 days. At the WBAI local Finance Committee there has been discussion about how realistic the projected daily tally should be for FY15, since in FY14 the station raised less per day pitched than what’s projected. The Treasurer is not sure but that there might be some revenue that’s not Listener Support in the Listener Support line. The CFO had noted that in the FY14 WBAI Income Statement there had been miscategorizations that lumped other revenue into Listener Support. The WBAI Treasurer does not agree with some of the numbers in the draft budget proposal.

It was noted that there are not forecasts for FY14 on most of the expense lines. Premiums were budgeted at about \$55,000 for FY14 and they're budgeted for about \$144,000 for FY15, while Listener Support is budgeted as being less in FY15. There are serious cash flow problems at WBAI. The WBAI local Finance Committee meets on October 1, and the WBAI LSB meets on October 8. The CFO reported that a lot of revenue that was not Listener Support has been lumped into that category, but he thought that the FY14 revenue projections were close. The CFO also said that there were no updates on negotiations with the Empire State Building regarding Tower Rent. The committee will ask the WBAI General Manager to be on the call once he gets complete expense forecast lines in the budget.

WPFW Budget First Review 10:14 PM (ET)

There was no presentation of a budget proposal for WPFW.

National Office Budget Second Review 10:15 PM (ET)

The CFO said he could get a finalized National Office draft FY15 Budget proposal for the committee on Thursday.

KPFA Budget Second Review 10:15 PM (ET)

The KPFA Treasurer, Business Manager and General Manager presented the revised FY15 draft budget proposal. Net revenue has not changed. They are projecting a fulfillment rate of 90%. They have issues with how the template calculates the premiums expenses. They are projecting a surplus of about \$29,000. They have 30 FTEs. The station will be getting a grant writer. Their fulfillment rate is higher with using a call enter to take the calls during the on-air fund raisers.

The committee discussed the KPFA draft FY15 budget proposal. It was noted that the April cash flow was negative; there was a discussion of deferring some expenses for that month. There was a discussion of how many days from KPFA's Fall on-air fund raiser would be in which fiscal year. Some members had difficulty opening the budget spreadsheet. The CFO and the KPFA Business Manager will work on the budget some more.

Adjourned 10:46 PM (ET)

Submitted by R. Paul Martin, Secretary.