

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

Meeting convened at 10:00 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Jim Boyd, Adriana Casenave, Brian Edwards-Tiekert (Chair), Marcus Jetter, R. Paul Martin (Secretary), Tony Norman, Raul Salvador (CFO), Barbara Whipperman, also attending were Zuberi Fields interim General Manager of KPFK and Michelle Price General Manager of WPFW.

Agenda:

1. Roll Call (5 minutes)
2. Agenda Approval (5 minutes)
3. Minutes Approval (5 minutes)
 - A. Minutes of September 23, 2014 public session
 - B. Minutes of September 25th, 2014, public session
 - C. Minutes of October 6, 2014 public session
 - D. Minutes of October 14, 2014 public session
 - E. Minutes of October 16, 2014 public session
4. FY2015 Budget Review
 - A. WBAI Budget Discussion (30 minutes)
 - B. KPFA Budget final approval (10 minutes)
 - C. WPFW Budget final review (10 minutes)
 - D. KPFT Revised Budget Approval (5 minutes)
 - E. National Office Revised Budget Approval (5 minutes)
 - F. KPFK Budget Review and/or discussion (25 minutes)
5. Adjourn - 11:15 PM (ET)

The Chair apologized to anyone listening to the stream for the late start of this meeting, the executive session that preceded it went over time.

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

Minutes Approval 10:02 PM (ET)

Motion: (Tony Norman) “To approve the minutes of the September 23, 2014, meeting.” (Passed without objection)

FY2015 Budget Review 10:03 PM (ET)

WBAI Budget Discussion 10:03 PM (ET)

The Chair explained that the committee has not yet received the WBAI draft FY15 budget proposal. He noted that WBAI couldn't pay its last payroll and had needed help with the previous one.

The CFO reported that WBAI had not been getting revenue that should have been forwarded to it from the credit card pledges from the Fall 2014, on-air fund raiser. The company that handles this, Global Payments, was withholding payment due to the large number of complaints about premiums that had been paid for by credit card but which had not been received and which resulted in charge backs. The number of charge backs hit the company's threshold for withholding payments; the CFO said that the threshold is 1%. So the company did not pass the money along. The CFO reported that the charge backs had also caused an overdraft on WBAI's bank account. The CFO spoke to the company and told them that all of the Pacifica stations use their services and the other stations have a good record with them and not so many charge backs. The company then agreed to resume passing money along to WBAI. This all resulted in delays in WBAI getting money from the Fall on-air fund raiser. Some NFC members voiced concern that Global Payments might tap their bank accounts if WBAI can't pay any future charge backs.

The committee discussed what to do in the absence of a revised WBAI draft FY15 budget proposal.

Motion: (Barbara Whipperman) "To proceed with processing all budgets without the WBAI budget. Forward all finished budgets to the PNB and request that PNB deal with the WBAI budget and financial problems."

Amendment: (Jim Boyd) "To delete all after 'Forward all finished budgets.'" (passed 4 for, 3 against, 1 abstention)

Amendment: (Brian Edwards-Tiekert) "To add the following at the end:

'The National Finance Committee reports the following to the Pacifica National Board

WBAI has been incapable of producing a balanced budget with transmitter rent at current levels. Should WBAI secure a rent reduction, it appears to be incapable of paying back rent, even at reduced rates. Even without paying rent, WBAI is currently unable to meet current obligations, including payroll and postage for mailing premiums. The National Finance Committee recommends that the PNB direct national management to explore and develop operational proposals for alternatives to business as usual." (Passed as amended without objection)

Amendment: (R. Paul Martin) "To strike 'to business as usual.'" (Passed without objection)

Motion as amended: "To proceed with processing all budgets without the WBAI budget.

The National Finance Committee reports the following to the Pacifica National Board:

WBAI has been incapable of producing a balanced budget with transmitter rent at current levels. Should WBAI secure a rent reduction, it appears to be incapable of paying back rent, even at reduced rates. Even without paying rent, WBAI is currently unable to meet current obligations, including payroll and postage for mailing premiums. The National Finance Committee recommends that the PNB direct national management to explore and develop operational proposals for alternatives.” (Passed without objection)

KPFA Budget final approval 10:37 PM (ET)

The Chair reported that KPFA Management had done a cost benefit analysis of the call center and will use a volunteer call room for the station’s next on-air fund raiser, they will use the call center for rollover calls. The station’s draft FY15 budget proposal now shows a surplus of \$77,000, and this draft budget proposal was approved by the KPFA LSB.

The KPFA Treasurer said that a large change in the budget proposal is that the Business Manager got the health benefit costs reduced.

The committee discussed the KPFA draft FY15 budget proposal.

Motion: (Barbara Whipperman) “The National Finance Committee recommends the KPFA budget to the Pacifica National Board for approval.” (Passed without objection)

The WBAI Treasurer reported that he had just received the revised WBAI draft FY15 budget via E-mail.

WPFW Budget final review 10:52 PM (ET)

The WPFW General Manager and the WPFW Treasurer discussed getting the latest revision of the WPFW draft FY15 budget proposal approved by the WPFW LSB.

Motion: (Marcus Jetter) “To postpone consideration of this item to the next meeting.”

The committee discussed the motion.

Amendment: (Marcus Jetter) “To postpone consideration of the WPFW FY15 draft budget proposal to the November 11, 2014, meeting.” (passed 5 for, 2 against, 1 abstention)

The committee moved the agenda after the above vote and it was considered that the amendment above had the force of a main motion after having been passed.

KPFT Revised Budget Approval 11:13 PM (ET)

The committee discussed the revised KPFT draft FY15 budget proposal. There was not agreement regarding what KPFT owes to the National Office. It was reported that the KPFT Business Manager has not revised some parts of the draft budget.

Call for the Orders of the Day: (R. Paul Martin) 11:29 PM (ET)

Motion: (Brian Edwards-Tiekert) “To postpone review of the KPFT budget until Tuesday, and request that before then:

1) Pacifica’s CFO reconcile KPFT's intercompany accounts to resolve any disputes over what KPFT owes the National Office, and

2) Pacifica’s CFO make any modification to the KPFT budget requested by the NFC that the KPFT Business Manager is unwilling to make.”

Amendment: (Jim Boyd) “In 2) change ‘budget,’ replace with ‘cash flow.’” (passed 2 for, 1 against, 4 abstentions)

Amendment: (Jim Boyd) “To strike ‘unwilling to make’ and replace it with ‘has not made.’” (passed 5 for, 1 against)

Motion as amended: “To postpone review of the KPFT budget until Tuesday, and request that before then:

1) Pacifica's CFO reconcile KPFT’s intercompany accounts to resolve any disputes over what KPFT owes the National Office, and

2) Pacifica’s CFO make any modification to the KPFT cash flow requested by the NFC that the KPFT Business Manager has not made." (Passed without objection)

The Chair apologized to the interim General Manager of KPFFK for not getting to his station’s draft budget proposal and said that the NFC would do the KPFFK budget at the next meeting.

Adjourned 11:39 PM (ET)

Submitted by R. Paul Martin, Secretary.