Minutes for the regular National Finance Committee meeting July 14, 2015.

Meeting convened at 8:38 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Lydia Brazon, Adriana Casenave, Bill Crosier, Brian Edwards-Tiekert (Chair), R. Paul Martin (Secretary), Tony Norman, Michael Novick, Cerene Roberts, Nancy Sorden.

Agenda:

Call to Order (5 minutes)

Agenda Approval (5 minutes)

Minutes Approval (5 minutes)

Minutes of June 23, 2015

Financial Statement Review (70 Minutes)

KPFA (10 minutes)
KPFK (10 minutes)
KPFT (10 minutes)
WPFW (10 minutes)
WBAI (10 minutes)
National Office (10 minutes)
Pacifica Radio Archives (10 minutes)

Unfinished Business

SCA motion (referred from PNB, then postponed to this meeting - 15 minutes)

New Business (10 minutes)

Motion from Roberts re: LISTSERV settings

Adjourn 10:30 PM (ET)
The committee reviewed the latest consolidated budget to actual profit and loss statements, which cover the period to the end of May.

The Chair noted that consolidated as a network the financial statement makes Pacifica look like it’s doing better than it is, showing Pacifica doing better than budget by about $144,000 YTD. Without the KPFA bequests the entire network would be significantly behind budget.

KPFA - The station has had windfall bequests totaling about $950,000. YTD the station is about $691,000 better than budget, with “Listener Support” slightly behind budget because Management scaled back on on-air fund raising after the bequests came in, all other revenue is on or close to target. Budgeting formulas may be off. Development staff has been playing catch-up with premiums expenses.

The committee discussed the report. Concerns were raised about cash flow. As of last week the station had about $400,000 cash in bank. The Summer on-air fund raiser has been cancelled, but the Fall on-air fund raiser will start in mid-September. KPFA has covered pension deposits for the whole network.

KPFT - The station is showing a slight surplus YTD, they’re under their revenue budget goal because they had $200,000 budgeted for replacing the transmitter and they haven’t raised those funds, the plan is to get a $100,000 loan from KPFA. Their revenue is greater than their expenses. They are trying to come up with a budget in time.

KPFT - The station is showing a slight surplus YTD, they’re under their revenue budget goal because they had $200,000 budgeted for replacing the transmitter and they haven’t raised those funds, the plan is to get a $100,000 loan from KPFA. Their revenue is greater than their expenses. They are trying to come up with a budget in time.

The committee discussed the report. As of last week KPFT needed about $18,000 more for the transmitter. Their Development Director is working on a major donor plan and is about ready to launch it. There was a question at the KPFT local Finance Committee about whether the $100,000 loan for the transmitter has been received yet or whether it was received a couple of months ago.

Motion: “That the NFC invite the General Manager of KPFT to the next meeting and hold an executive session at 9:30 PM (ET) to discuss personnel matters concerning individual employees related to the financial crisis at KPFT.” (Passed without objection)
WPFW - The new WPFW Treasurer said that she has been looking at the station’s finances. The station is moving and some people have left the station. She has some rough numbers for the station. They are about $125,000 short of budget on revenue YTD, but also about $42,000 lower on expenses through June.

The committee discussed the report. Through May the National Office had WPFW’s revenue coming in about $212,000 short of budget and $58,000 lower on expenses. There was a discussion of the WPFW numbers being different from the National Office numbers. The WPFW Spring on-air fund raiser did not go well, they will have a mini-on-air fund raiser next week, and another in August.

WBAI - The General Manager reported to the LSB that, “I currently can’t produce any substantial report on finances because I have 3 accounting interns that have been trained and are making all the entries into Quickbooks. Once that is completed, I will be able to run budget to actual, forecast and project 2016 budget.” The income statement from the National Office indicates that WBAI’s revenue is worse than budget by about $482,000, with “Listener Support” being about $172,000 short of budget. The WBAI General Manager’s report lumped other sources of income in with the tally from the Spring on-air fund raiser. “Salaries and Related” is up by $51,000, and the “Consultants” line is higher than budgeted. Total expenses are listed as being $101,000 better than budgeted, making for a bottom line of WBAI being about $381,000 worse than budgeted overall. A cash flow from WBAI would be helpful. They hope to have the local Finance Committee meet with the General Manager soon.

The committee discussed the report. The National Office cash flow shows that WBAI has not made a “Central Services” payment since February, and is about $100,000 in arrears and has not paid for its employees’ health benefits for June or July, and did not fund a $7,000 pension contribution which adds up to about $127,000 which WBAI owes to the National Office. Although this is a smaller deficit than in years past it looks like WBAI wouldn’t be able to keep up with its bills even if the Empire State Building rent issue were resolved favorably for WBAI.

National Office - The Executive Director is in New York City this week. The accrued revenue for the National Office is about $21,000 short of budget. SCA income is under by about $9,000. “Salaries and Related” expenses is better than budget by about $110,000. “Administrative Expenses” are lower than budgeted by about $267,000. The National Office is outperforming its budget by about $604,000 almost all of which has been consumed by the stations. Old bills from previous years have debt service which is not reflected in this income statement.

The committee discussed the report. There was a discussion of the non-payment of “Central Services” fees and the impact it is having on the National Office.

Pacifica Radio Archive - The Pacifica Radio Archive (PRA) is showing revenue that’s about half of what’s budgeted. It was suggested that the Archives Task Force should have a discussion about PRA’s expenses.
The committee discussed the report.

Unfinished Business 10:06 PM (ET)

**Motion:** (Cerene Roberts) “That the NFC request of national Management a list of all the sub-carriers and the details of all existing contracts including date of contract, terms, amounts, other parties and any restrictions.”

The committee discussed the motion.

**Motion:** (Bill Crosier) “to postpone this motion and the SCA motion.” (Fails 2 for, 5 against, 1 abstention)

The committee discussed the motion.

**Amendment:** (Cerene Roberts) “To add at the end, ‘by July 27, 2015.’” (Passed without objection)

**Motion as amended:** “That the NFC request of national Management a list of all the sub-carriers and the details of all existing contracts including date of contract, terms, amounts, other parties and any restrictions by July 27, 2015. (Passed as amended 6 for, 1 against, 1 abstention)

**Motion:** (Cerene Roberts) “To extend the time for the meeting by 10 minutes” (Passed without objection) 10:26 PM (ET)

**Motion:** (Cerene Roberts) “To postpone the SCA motion to next meeting.” (Passed without objection)

New Business 10:26 PM (ET)

**Motion:** (Cerene Roberts) “That the Finance Committee Yahoo! group settings be adjusted so that member names and E-mail addresses are viewable by all members and that, at least until such a time as we have a permanent CFO, that the ED be added as a group member with access to all files.”

The committee discussed the motion.

**Amendment:** (Brian Edwards-Tiekert) “To strike all up to ‘and that’ and replace with ‘That the Secretary see to it that a roster of all committee members and their E-mail addresses be made available to the entire committee membership at any given time.’” (Passed without objection)

The committee discussed the amendment.

**Motion as amended:** “That the Secretary see to it that a roster of all committee members and their E-mail addresses be made available to the entire committee membership at any given time, and that, at least until such a time as we have a permanent CFO, that the ED be added as a group member with
access to all files.”

The committee discussed the motion.

**Motion:** (R. Paul Martin) “To divide.” (Passed without objection)

**Motion:** “That the Secretary see to it that a roster of all committee members and their E-mail addresses be made available to the entire committee membership at any given time.” (Passed 5 for, 0 against, 2 abstentions)

**Motion:** “That, at least until such a time as we have a permanent CFO, that the Executive Director be added as a group member with access to all files.” (Passed without objection)

Adjourned 10:44 PM (ET)

Submitted by R. Paul Martin, Secretary.