

Draft Minutes for the regular National Finance Committee meeting November 15, 2016.

Meeting convened at 8:34 PM (ET) a quorum being present, the Chair and Secretary being present.

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Attending: Nick Arena, Fred Blair, Adriana Casenave, Joseph Davis, R. Paul Martin (Secretary), Tony Norman, Michael Novick (Chair), Cerene Roberts, Barbara Whipperman and Director Nancy Sorden as an observer.  
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Agenda:

Call to Order  
Roll Call  
Selection of time keeper  
Agenda Approval (10 minutes)  
Minutes Approval (5 minutes)  
Audit Update (10 minutes)  
Review of SCA motion approved by PNB (30 minutes)  
Review of KPFT budget approved by KPFT LSB (45 minutes)  
New Business (20 minutes)  
Scheduling of additional meetings and budget reviews (10 minutes)  
Adjournment  
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**Motion:** (Barbara Whipperman) “To approve the agenda.” (Passed without objection as amended)

The Committee discussed the motion.

**Amendment:** (R. Paul Martin) “To add ‘Audit Update’ for 10 minutes after Minutes Approval.”  
(Passed 4 for, 3 against, 2 abstentions)

The committee discussed the amendment.

Minutes Approval 8:47 PM (ET)

**Motion:** (R. Paul Martin) “To approve the minutes of the September 27, 2016 public session meeting.” (Passed 5 for, 0 against, 4 abstentions)

Audit Update 8:50 PM (ET)

The Chair reported that the auditors had been paid an additional \$10,000 on Friday and one of the auditors had told him that it would be released. The Chair didn’t know if it had been received at the National Office. A member said that the interim Executive Director had said that there was still about \$10,000 outstanding. The Chair said that the interim Executive Director had said that it would be

released and that there would be no “going concern” statement included with the audit.

**Point of Order:** (Adriana Casenave) “Members need to ask for permission to speak and should mention their names. It’s difficult to know who’s talking.”

The Chair agreed with the point of order and asked members to state their names when speaking.

There was a question as to when the audit would be released and if Pacifica had paid \$50,000 for the 990 forms.

**Point of Order:** (Adriana Casenave) “I don’t understand what we’re doing here.”

The Chair said the question did not relate to the agenda item, and that the audit had been released on November 11. The Chair said he’d looked at the Pacifica Web site and the audit had not been posted yet.

There was a discussion regarding if it was in order for the NFC to discuss the expense of the audit.

Review of SCA motion approved by PNB 8:58 PM (ET)

The Chair read the following motion that had been approved by the PNB.

#### “SCA (SUBCARRIER) MOTION

Subsidiary Communications Authority (SCA) Income, informally referred to as a station’s ‘subcarrier(s)’ rental is currently applied to the National Office budget before individual stations’ monthly Central Service payments/shared services are assessed and therefore has the effect of reducing the overall amount due to the National Office from all the stations.

We are a family of stations and should collaborate with and support each other, however, the present application of SCA income obscures the contribution of individual stations and deprives individual stations of the ability to use subcarrier rental to offset the sometimes significant cost of using the space where the station’s antenna/transmitter is located; therefore,

Be it hereby resolved, that effective January 1, 2017, while all payments will continue to be collected by the National Office, ninety-five percent (95%) of SCA\* rental fees for use of any station’s subcarriers and/or High Definition channels shall be credited to that station’s Central Services accounts with the National Office as described below and the remaining five percent (5%) shall be retained by the National Office for such purposes as equipment, accounting, and legal and other related services:

Where a station owes itemized and documented Central Service payments to the National Office, 75% of each rental payment received by the National Office will be applied to the arrears and 20% to

current Central Service changes.

Where a station is current on its itemized and documented Central Service payments to the National Office, the full 95% of each rental payment received by the National Office will be applied to current Central Service charges.

Further, the Interim Executive Director is to provide confidential copy of all existing contracts to the respective General Manager and to the PNB within 30 days of passage of this motion, and

That an accounting of all SCA related income and expense since January 2009 including billing and payment of legal and collection fees, and maintenance and upgrade costs, and any other expense, be submitted to the respective General Manager and the PNB within 75 days of its passage of this motion, and further

The PNB shall be allowed a review period of up to 20 days for all pending and each future contracts.”

The Committee discussed the SCA motion that had been passed by the PNB. There was a discussion of whether the committee needed to go into executive session to discuss the specific details of this motion.

**Point of Order:** (Adriana Casenave) “Call for the orders of the day.” 9:31 PM (ET)

The Chair said he’d talk to the National Office financial Staff about the figures.

Review of KPFT budget approved by KPFT LSB 9:32 PM (ET)

The Chair asked the committee if it should consider this draft budget proposal at this time since neither the General Manager nor the Business Manager from KPFT were on the call.

The committee discussed the KPFT draft FY17 budget. Concerns were raised about Listener Support being lower than in the past. KPFT will not have a Program Director for FY17. A point was raised that some of the figures between the draft budget and some other financial documents from the National Office not matching.

New Business 10:15 PM (ET)

The committee discussed whether the KPFA draft FY17 budget would need to be re-done by the KPFA Business Manager in light of the SCA motion passed by the PNB. There was a discussion of getting the WPFW and WBAI draft FY17 budgets before the committee soon.

**Motion:** (Cerene Roberts) “That the NFC Chair shall coordinate with network station management to schedule their appearances at NFC meetings to discuss the budgets.” (Passed without objection)  
The Committee discussed the motion.

**Motion:** (Cerene Roberts) “To hold a closed session meeting at 10:30 PM (ET) on November 22, 2016, and to hold a closed session meeting at 10:00 PM (ET) on November 29, 2016.”

The Committee discussed the motion.

**Motion:** (R. Paul Martin) “To divide.” (Demand of a single member compels specified separate vote)

**Motion:** (Cerene Roberts) “To hold a closed session meeting at 10:30 PM (ET) on November 22, 2016.” (Passed 4 for, 3 against, 1 abstention)

**Motion:** (Cerene Roberts) “To hold a closed session meeting at 10:00 PM (ET) on November 29, 2016.” (Passed without objection)

**Motion:** (Cerene Roberts) “To adjourn.” (Passed without objection)

Adjourned 10:31 PM (ET)

Submitted by R. Paul Martin, Secretary.