

Minutes for the regular National Finance Committee meeting October 6, 2014.

Meeting convened at 8:33 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Jim Boyd, Lydia Brazon, Adriana Casenave, Brian Edwards-Tiekert (Chair), Marcus Jetter, R. Paul Martin (Secretary), Tony Norman, Michael Novick, Raul Salvador (CFO), Barbara Whipperman, also attending was Michelle Price General Manager of WPFW.

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
- D. Minutes of September 23, 2014 public session
- E. Minutes of September 25, 2014, public session
- F. Minutes of September 26, 2014 executive session.

4.FY2015 Budget Review

- A. PRA Budget Second Review (30 minutes)
- B. WPFW Budget First Review (30 minutes - time permitting)
- C. National Office budget final review (15 minutes)
- D. KPFA Budget third review (15 minutes, time permitting)
- E. KPFK Budget second review (15 minutes, time permitting)
- F. WBAI Budget (if available) third review (15 minutes, time permitting)
- G. Set additional meetings for budget consideration (if necessary):

5.Adjourn - 11:00 Eastern

Motion: (Barbara Whipperman) "To approve the agenda." (Passed without objection)

Minutes Approval 8:35 PM (ET)

Motion: (Jim Boyd) "To approve the minutes of the September 9, 2014, meeting." (Passed without objection)

Motion: (Jim Boyd) "To approve the minutes of the September 16, 2014, meeting." (Passed without objection)

FY2015 Budget Review 8:36 PM (ET)

PRA Budget Second Review 8:36 PM (ET)

The CFO reported that the Pacifica Radio Archives (PRA) Director objected to the proposed methodology of computing Central Services for PRA, he didn't think it was fair to PRA. The CFO said that he was still working with the PRA Director on some budget issues, especially salaries.

The committee discussed the PRA draft FY15 budget proposals, and examined compromises that would leave PRA with a surplus of about \$20,000 at the end of the fiscal year.

Motion: (Brian Edwards-Tiekert) "To meet the budgeted expenses of the Pacifica Radio Archive not covered by other sources of income in fiscal year 2015, PRA Assessments shall be a fixed cost set at 2.0% of the prior 4 years' (2010-2013) average annual listener support for each station." (Passed without objection)

The committee discussed the overall PRA draft FY15 budget proposal some more.

Motion: (Brian Edwards-Tiekert) "To postpone approval of the PRA budget until our next meeting (10/14/14), and request the following changes before then:

1. Reflect the Central Services income under the new formula;
2. Delete the 'Other Income' line from operating income;
3. Move pension catch-up payments to 'Cash and Capital.'" (Passed without objection)

WPFW Budget First Review 9:04 PM (ET)

The committee was told that the WPFW General Manager would be on the call in about 45 minutes.

Motion: "To table this item till 9:45 PM (ET)" (Passed without objection)

National Office budget final review 9:05 PM (ET)

The committee discussed the National Office draft FY15 budget proposal. The issue of getting the stations to send in their Central Services payments in a timely way was discussed. Some changes to the National Office draft budget proposal were suggested. As a result of the discussion the committee agreed to consider the National Office draft FY15 budget proposal at the next meeting.

WPFW Budget First Review 9:31 PM (ET)

The WPFW General Manager called in and this item was taken up at this time.

The WPFW General Manager said that the station would have made its FY14 budgeted revenue if they had gotten the CPB funds. She said they would do on-air fund raisers differently in FY15. They plan to do “silent drives” to raise the budgeted amount of revenue. In April WPFW went from 60% of their authorized signal strength to 100%. They capitalized on that, and their Spring on-air fund raiser was good. For the FY15 budget proposal they’re using the results of that on-air fund raiser to calculate how they should do in the future on-air fund raisers. They’re doing programs with someone who owns a restaurant chain and they are planning to get performance grants. She said that the station is doing well on its Web site income and they are doing events that do not cost money up front. They are more active with social media than they had been. They expect the other revenue numbers to be about the same as they had been last year. They will be taking \$70,000 from their restricted funds for moving to another rental location. She said that the WPFW Staff had been working at three quarter time but that as of August they are working full time. They have 15 people on Staff. They are using consultants for some positions. They have hired a part time news person at \$15 an hour for 20 hours a week. They have also hired a volunteer coordinator at \$15 an hour for 20 hours a week to handle their unpaid programmers.

The committee discussed the WPFW draft FY15 budget proposal. WPFW currently has nine FTEs. Some committee members couldn’t read the budget spreadsheet because it came up with errors in many cells. The projected increase in WPFW’s revenue was discussed. It was noted that no Pacifica stations had gotten CPB funds last year. The WPFW General Manager went over a number of events that the station has planned to raise money. There was a frank discussion regarding optimism and pessimism. Concerns were raised about the increased personnel costs in the budget proposal. Projected grants income and an increase of programming expenses were discussed. The role of “business partners” and how that’s different from underwriting was discussed.

It was agreed that the CFO and the WPFW General Manager would work some more on the station’s FY15 budget proposal in light of the issues brought up during the NFC’s discussion.

Motion: (Brian Edwards-Tiekert) “To meet on Thursday, October 16, 2014, at 8:30 PM (ET).” (Passed without objection)

Motion: (Michael Novick) “To extend the time for the meeting by 15 minutes.” (Fails 2 for, 5 against, 2 abstentions)

Adjourned 11:14 PM (ET)

Submitted by R. Paul Martin, Secretary.