Minutes for the regular National Finance Committee meeting May 28, 2013.

Meeting convened at 8:47 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Jim Boyd, John Cromshow, Marcus Jetter, R. Paul Martin (Secretary), Tony Norman, Michael Novick, Tracy Rosenberg (Chair), Manijeh Saba, Richard Uzzell, Barbara Whipperman.

Agenda:

1. Roll Call
2. Approve agenda
3. Approve minutes
4. Chair's report - CFO Introduction, BAI Update
5. Financial Reporting Update
6. Audit Update
7. Crowd-funding Proposal
8. Syndicated Programs and Fund Drive Pledge Handling

There was no one to stream the meeting, but the meeting audio was being recorded. The Chair attempted to get someone to stream the meeting, but as the hour was late the meeting began without being streamed.

Motion: (R. Paul Martin) "To adopt the agenda." (Passed without objection)

Approve minutes 8:51 PM (ET)

Motion: (Richard Uzzell) "To approve the minutes of the May 14, 2013, meeting as corrected." (Passed without objection)

Some corrections were offered and accepted.

Chair's report - CFO Introduction, BAI Update 8:56 PM (ET)

The Chair noted that the CFO was not on the call, she had invited him to attend several times.

There was a short discussion about joining the Finance Recovery Audit Task Force (FRAT), its makeup and the teleconference call details.

WBAI has paid the two payrolls, April 30, and May 15, that it owed the Paid Staff.

There was a discussion of a motion passed by the PNB mandating that the WBAI LSB and Staff prepare a two to three year survival plan for the station. It was thought that the PNB intended that it be a joint plan, but if more than one plan is submitted it will probably be accepted.

Financial Reporting Update 9:10 PM (ET)

The Chair noted that the NFC still doesn't have any financial statements and suggested that Treasurers try to get information from their station's Business Manager.

At 9:12 PM (ET) the committee was informed that the stream was now on. The Chair recapped the proceedings of the meeting up to this point for the benefit of anyone who was listening to the stream.

WPFW - There are no reports coming from the station's part time Business Manager. The WPFW Treasurer and Director disagreed on the reasons for this. The station is in the process of moving. The station just finished a three week on-air fund raiser with a goal of $400,000. They did not make that goal but during the meeting no one could say by how much.

KPFT - The station has finished its Spring on-air fund raiser, their goal was $300,000 and it ended with a tally of about $298,900. Most programs did better than they had recently. The station is looking to start a capital campaign for a new transmitter, they are currently running at reduced power. The transmitter runs hot and the air conditioning that keeps it within tolerances is expensive. The station is trimming expenses where possible. The station is combining off-air fund raising events with on-air fund raisers. KPFT's annual golf tournament has been postponed to December.

WBAI - The station has about $11,000 cash in bank, the May 30, payroll will be on time, and the June 1, Empire State Building rent will be paid on time. WBAI has signed a lease for space in a building in Brooklyn. The monthly rent will be $4,500. Combined with the $5,000 rent for the CCNY studios this will represent a savings of about $20,000 over the monthly rent for the 120 Wall St. Space, which in turn will represent a savings of about $240,000 a year. The General Manager is making sure that all of the phone lines, radio lines and other cabling issues are fully installed while the new space is being built out, and the studios will move when that's done. Once WBAI is operating exclusively out of the Brooklyn space the station will save about $25,000 a month over the rent at 120 Wall St. which will result in a savings of about $300,000 a year.

KPFK - The station took a break from its current on-air fund raiser over the Memorial Day weekend. The on-air fund raiser was heavily based on premiums. There is concern that a water purification system premium that raises money on the air rapidly may be costing the station too much. There are concerns that in the wake of FY13 budgeted Staff cuts station Management is making agreements to give more Paid Staff health benefits. It is hoped that crowd-funding will attract major donors. A project to restore the historic KPFK Studio A is being talked about. There is concern about cash flow.

KPFA - The station has a little over $300,000 cash in bank. The goal for the Spring on-air fund raiser was budgeted to be $725,000 but that may have been raised. The goal appears to have been missed by between $25,000 and $40,000. The KPFK Business Manager's computer died, they are reconstructing the data and it is nearly replaced. Having to keep track of donations that should count for KPFK during on-air fund raising complicates the accounting.

There was a discussion of the KPFA/KPFK split on-air fund raiser receipts issue.

Audit Update 10:00 PM (ET)

The Chair reported that there was nothing new on this topic. The accounting firm for this audit, Armanino Mckenna LLP, is good and they understand that there's a June 30, deadline for the completion of this audit. The PNB Audit Committee is meeting right now.

Crowd-funding Proposal 10:01 PM (ET)

The topic of off-air fund raising outside of what was projected in the budgets was discussed. KPFK is discussing using crowd-funding to raise funds to restore Studio A. KPFT is looking at using crowd-funding to raise money for a new transmitter. WBAI may look at trying it to raise money for some specific studio equipment.

The committee discussed the crowd-funding concept.

The committee agreed at this point in the meeting to talk about FY14 budget progress so far.

Budgets 10:30 PM (ET)

Some stations have made minimal progress toward getting a FY14 budget together, some stations will start soon, WBAI and WPFW are in the midst of moving and have not been able to begin yet, the WBAI Directors have been meeting with the station's General Manager to provide a PNB mandated written proposal for how WBAI will meet its financial obligations for the next three months.

Adjourned 10:49 PM (ET)

Submitted by R. Paul Martin, Secretary.