Draft Minutes for the special National Finance Committee meeting August 28, 2013.

Meeting convened at 8:40 PM (ET) a quorum being present, the Chair and Secretary being present.

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

Agenda:

Continuation of consideration of the KPFK draft FY14 budget

Continuation of consideration of the KPFK draft FY14 budget 8:41 PM (ET)

The committee resumed its consideration of the KPFK draft FY14 budget proposal. The committee included in its discussions consideration of the "minority report" that questioned some of the numbers that had been presented to the NFC. The CFO said that in th next couple of days he should be able to send preliminary Profit & Loss statements to the Managers and the LSBs. The CFO said that KPFK's "Listener Support" through July, is $2,687,773 vs. $2.563M budgeted, Premiums cost is $440,424 vs. $252,484 budgeted. The CFO said that the National Office is trying to update Depreciation and he estimates that it amounts to about $59,770 which suggests about $5,900 a month for that item. Premium shipping cost is $70,500 to the end of July. The CFO said that "Salaries and Related" through July was budgeted for $1,174,458 and other related expenses were about $296,850. The Year to Date budget for Salaries and Related is $1.317M, about $150,000 over budget. The overage is mostly due to taxes and benefits.

The committee discussed premium and development related costs and the ratio of premium cost to the station to the prices set for obtaining premiums. The nature of the premiums offered was also discussed.

Depreciation and the way it's treated in the budget was discussed.

The possibility of a further force reduction at KPFK was discussed.

Motion: (Tracy Rosenberg) "On the KPFK draft FY14 budget proposal to make "Listener Support" Line 5, General Ledger #5000 $3.0M; "Personnel Costs" line 62, $1.679M; "Major Donor" Line 8, General Ledger #5752 to $40,000; "LSB Election Expenses" Line 69, General Ledger #6595 to $26,000; adjust "Depreciation" Line 68, General Ledger #6655 to the actual $70,800; "Direct Mail - Printing" Line 128, General Ledger #6771 to $19,100 and "Direct Mail - Postage" Line 129, General Ledger #6772 to $14,351; to reduce "Premium Packing/Shipping" Line 135, General Ledger #6752 to $50,000; "Total Revenue" Line 22, to $3.43M; "Total Operating Expense" (prior to "Shared Services") Line 30, to $2.829M; "Total Shared Services" Line 34, to $592,000; "Net Income (Net Loss)" before ("Capital Items") Line 36 to $8,476."

(Passed 7 for, 3 against)

Amendment: (Raul Salvador) “In the main motion to strike ‘“Personnel Costs” line 62, $1.679M,’ and strike reducing ‘“Listener Support” Line 5, General Ledger #5000 $3.0M’” (Fails 4 for, 6 against)

The Chair reminded the committee that the next meeting will be on Tuesday, September 3, 2013.

Adjourned 11:54 PM (ET)

Submitted by R. Paul Martin, Secretary.