

Minutes for the regular National Finance Committee meeting August 31, 2016.

Meeting convened at 8:32 PM (ET) a quorum being present, the Chair being absent and the Secretary being present.

Attending: Sam Agarwal (CFO), Nick Arena, Fred Blair, Adriana Casenave, Joseph Davis, R. Paul Martin (Secretary), Tony Norman, Michael Novick, Cerene Roberts, Barbara Whipperman.

Agenda:

1. Report from units on budget progress (10 minutes)
2. Timeline for dealing with budget approvals (20 minutes)
3. Central Services status (10 minutes)
4. Discussion of urgent short term financial measures (20 minutes)
5. Adjourn 10:00 PM (ET)

In the absence of the Chair the Secretary convened the meeting. The Secretary called for nominations for Chair *pro tem*.

Barbara Whipperman nominated Michael Novick. There were no other nominations for Chair *pro tem*. There was no objection to Michael Novick being Chair *pro tem*.

Michael Novick took the Chair. 8:34 PM (ET)

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

The committee discussed the motion.

Report from units on budget progress 8:50 PM (ET)

WPFW - The WPFW Treasurer told the committee that they have been working on a budget for the first 120 days of FY17 based on revenue realities. They are working with the Business Manager. A draft FY17 budget has been proposed to the WPFW LSB on August 10, 2016, but the LSB decided that it needed to be updated based on current negotiations with vendors. They will present the updated version to the WPFW LSB on September 14, 2016.

WBAI - The WBAI Treasurer told the committee that the National Office is handling the WBAI draft FY17 budget. The WBAI General Manager is being asked to send some information in to the National Office. In answer to a question about the next WBAI LSB meeting the WBAI

Treasurer said that the issue of the composition of the WBAI LSB is still in the courts.

The CFO said that the National Office has sent the WBAI General Manager some templates to fill out, so far no information has been returned. The CFO said that another problem for WPFW and WBAI is that their budgets are so much under water that it's difficult to know what realistic numbers can be put together. The CFO said that those two stations may have to submit deficit budgets.

KPFT - The KPFT Treasurer said that the KPFT local Finance Committee had looked at the numbers sent to them by the station's General Manager on August 25, and found most to be acceptable. Some did not pan out historically. They have some specifics they still have to talk about. The KPFT LSB has voted to leave the Program Director position open, which would save money. They are also trying to bring KPFT's minimum wage up to \$15 and hour. They are inviting the KPFT Business Manager to their next meeting to work on this. They hope to have a draft FY17 budget in the next two weeks. The KPFT LSB meets on September 14, 2016.

KPFK - The KPFK Treasurer said that their General Manager had submitted an incomplete draft FY17 budget on June 30, and that there has been no update to that. He said that the KPFK General Manager told the KPFK LSB 10 days ago that she'd give them the status of the union negotiations, but there has been no update. In response to a question the KPFK Treasurer noted that based on figures from the station's General Manager revenue is down 10% to 15% from the previous year, and that creating a draft FY17 budget was a Management responsibility and the KPFK LSB was waiting for the General Manager to make an updated proposal. The KPFK local Finance Committee meets on September 13, and the LSB meets on September 18.

Point of Order: (Michael Novick) "Call for the orders of the day." 9:06 PM (ET)

There was a discussion of the National Office draft FY17 budget. The CFO said that the budget he had already submitted will remain as such for some time. He said that the National Office is completing a balance sheet for FY15, and they are finding accrued liabilities from past years that are not properly reflected in the books. He said that significant changes have to be made and the FY15 and FY16 statements have to be adjusted. Those changes will affect the FY17 budget.

Motion: (Michael Novick) "To hold a special meeting on September 27, 2016." (Passed without objection)

The Secretary was asked to contact the Pacifica Radio Archives (PRA) about their draft FY17 budget.

The committee discussed getting the budgets in before the Meetings which have been set for September 20, and 27, 2016.

Motion: (Michael Novick) "That the procedure be that if there are any questions that arise regarding the FY17 budgets that people submit their questions to the NFC list to be compiled by the station's Treasurers to be submitted to the station's General Managers."

The Committee discussed the motion.

Amendment: (Barbara Whipperman) “To add at top, ‘In order to facilitate our next budget discussion,.’” (Passed without objection)

The Committee discussed the amendment.

Motion as amended: “In order to facilitate our next budget discussion that the procedure be that if there are any questions that arise regarding the FY17 budgets that people submit their questions to the NFC list to be compiled by the station’s Treasurers to be submitted to the station's General Managers.” (Passed 6 for, 2 against, 2 abstentions)

Point of Order: (Tony Norman) Call for the orders of the day. 9:29 PM (ET)

Timeline for dealing with budget approvals 9:33 PM (ET)

Motion: (Barbara Whipperman) "That we notify all 7 units that we will be discussing the FY17 budgets at our meetings of September 20, 2016, and September 27, 2016, and we are requesting that any budget documents they have be submitted to us by close of business on September 16, 2016, the Chair *pro tem* will send that request." (Passed without objection)

The Committee discussed the motion.

Central Services status 9:37 PM (ET)

In the course of the meeting the CFO sent the committee spreadsheets showing the “Status of Central Services and Healthcare Receivables and Collections from Stations” for the National Office, and another spreadsheet showing the Central Services payments paid and not paid for PRA. In answer to a question the CFO said that there has been no change in the National Office Central Services schedule since his last update of August 12, 2016. The National Office did receive about \$8,000 from WPFW for their Health Insurance premium. PRA was updated as of August 25, 2016. The CFO said that the National Office was counting pennies and putting bills on hold trying to make payroll for September 15. He said he has asked to PNB and National Office how to collect outstanding Central Services fees and how to not have stations get so far in arrears. He said that when the National Office helps stations to make payroll the National Office ends up short and has trouble making the National Office payroll.

There was a discussion of the large size of the Central Services fees that the stations are in arrears for. The CFO said he has asked the stations to send their Central Services fees but there’s not more he can do. There was a discussion of the PNB adjusting KPFK’s Central Services fees. There was a discussion of a Pacifica fund raising mailing to go out over Oliver Stone’s signature.

Discussion of urgent short term financial measures 9:47 PM (ET)

The committee discussed the idea of short term, no-interest loans. A small task force was

suggested. There was a complaint that General Managers are not forthcoming with some information.

Motion: (Barbara Whipperman) “To extend the time for this meeting by 10 minutes.” (Passed without objection) 9:59 PM (ET)

The possibility of conflicts of interest and legal issues regarding a small task force were discussed.

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

Adjourned 10:11 PM (ET)

Submitted by R. Paul Martin, Secretary.