

Minutes for the regular National Finance Committee meeting December 10, 2013.

Meeting convened at 8:38 PM (ET) a quorum being present, the Chair and Secretary being present.

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

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Agenda:

1. Roll Call
  2. Approve agenda
  3. Approve pending minutes
  4. Chair's report re: Consolidated Budget and National Office Budget
  5. National Office Budget Reapproval
  6. Consolidated Budget Approval
  7. Quarterly Reports by Station (2)
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Motion: (Richard Uzzell) "To approve the agenda." (Passed without objection)

Approve pending minutes 8:41 PM (ET)

Motion: (Tracy Rosenberg) "To approve the minutes of the October 29, 2013, meeting." (Passed without objection)

Chair's report re: Consolidated Budget and National Office Budget 8:51 PM (ET)

The Chair reported that she had to do the Consolidated Budget herself. She found 2 problems. The KPFK budget affected Shared Services and that affected the Pacifica Radio Archives and the National Office. The KPFK FY14 budget can't be corrected so the figures in the Consolidated Budget have had to be corrected. The other item is the National Office budget. In lines #6100 and #6101 FICA and SUI. The National Office has about \$37,000 for SUI, which is way too much. She suggested adjusting this amount.

Motion: (John Cromshaw) "To approve the placement of the funds from the SUI excess in the National Office FY14 budget into the 'Other Dev't Expenses' category, line 116, General Ledger #6780." (Passed 6 for, 1 against, 1 abstention)

Consolidated Budget Approval 9:29 PM (ET)

The committee discussed the proposed Consolidated Budget as amended.

Motion: (Richard Uzzell) "To approve the Consolidated Pacifica FY14 budget." (Passed without objection)

Quarterly Reports by Station 9:36 PM (ET)

WBAI - The WBAI Treasurer reported that he has received only the Income Statement from the National Office that covers the first 11 months of FY13. Other information has been difficult to obtain. According to the Income Statement from the National Office WBAI was \$607,699 in the red as of August 31, 2013. Unfortunately, it looks like the rest of Pacifica is also in the red. As of that date WBAI's Listener Support was reported as being about \$2.3 million. The total Listener Support for FY13 will probably be very close to the 11 month figure. The total expense as of that date is \$3,050,000. Total FY13 expenses for the year will probably be a little higher than that figure. This is disturbing. WBAI has yet to completely turn its corner, but some things are improving. The arrears rent for 120 Wall St. is finally paid and will not be a future expense. Payroll for FY14 looks like it will be about one third of the FY13 payroll. The \$607,699 reflects how things were, not how they are now. The current large expense for WBAI is the severance owed the laid off workers, which is reported to be about \$235,000. WBAI had only paid about half of the Empire State Building rent by November 22. Cash in bank as of today is \$12,768. Management is projecting a net cash from the on-air fund raiser that has just started of \$184,000. Management is projecting a net surplus of about \$41,000 at the end of Q1 of FY14. This may be an optimistic estimate. The WBAI General Manager believes that the \$31,000 owed to WPFW will be paid back next week. WBAI is paying substantial bill backs to the National Office. As per an agreement between Pacifica Management and SAG/AFTRA, WBAI will continue to pay health benefits for the laid off workers until they get their severance pay. WBAI now has a new interim Program Director and maybe he will be able to get the station more listeners.

The committee discussed the report. There were questions about WBAI's total monthly expenses.

The Chair said that the CPB payments should be coming soon.

KPFK - The KPFK Treasurer sent a copy of the station's end of year statement to the committee. They have about a \$100,000 loss for FY13. It would be about a \$46,000 surplus without the transmitter expenses. They have not made the salary cuts they were supposed to do. The last on-air fund raiser was pretty successful. High premium costs are a concern. Car donations came in under

budget. For FY14 they anticipate an increase. They have embarked on a social media campaign for car donations. Cash on hand is low, they haven't gotten their second CPB payment, there is a difference between what the National Office and KPFK think that amount should be. The current on-air fund raiser is going well.

The KPFK Director said that the station had been going to change the company that they use for the car donations but according to the KPFK General Manager the current company made an attractive offer so KPFK will probably continue with them. The Director said this issue needs to be looked at. With regard to signal strength, KPFK may not be operating at full power. The station bought an antenna that was the wrong type. With regard to the on-air fund raiser KPFK lost a major fund raiser person who brought in a tremendous amount of money, which can cause problems in terms of the station's income stream.

The committee discussed the report. The ratio of premium expense to net income was discussed. The Chair said that maybe at the next meeting on January 7, 2014, the committee could discuss policies related to these issues.

Adjourned 10:29 PM (ET)

Submitted by R. Paul Martin, Secretary.