

Minutes for the regular National Finance Committee meeting April 28, 2020.

Meeting convened at 8:39 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Nick Arena, Teresa J. Allen, Fred Blair, Chris Cory (Chair), DeWayne Lark, R. Paul Martin (Secretary), James Sagurton, Anita Sims (interim CFO), Nancy Sorden, Polina Vasiliev, also attending was Pacifica interim Executive Director Lydia Brazon.

Agenda:

1. Convene meeting 8:30 PM (ET)
 2. Roll call
 3. Approve Agenda
 4. Minutes Approval (5 minutes)
 5. Election of NFC Chair and Secretary (15 minutes)
 6. Set NFC meeting schedule (5 minutes)
 7. Discussion of Preliminary Interim Financials (March) (30 minutes)
 8. Referred Motion from PNB (30 minutes)
 9. Discussion of the following motion (30 minutes)
 10. Questions of staffing at the National Office (10 minutes)
 11. Adjourn no later than 10:45 PM (ET)
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Motion: (Chris) “To adopt the agenda.” (Passed without objection)

Minutes Approval 8:44 PM (ET)

Motion: (Chris Cory) “To approve the minutes of the March 24, 2020 meeting.” (Passed without objection)

Motion: (Chris Cory) “To approve the minutes of the April 14, 2020 meeting.” (Passed without objection)

Election of NFC Chair and Secretary 8:46 PM (ET)

Election of Chair 8:46 PM (ET)

Sharon Adams nominated Chris Cory. He accepted the nomination.
Polina Vasiliev nominated DeWayne Lark. He was not on the call yet.

It was suggested that the committee go on to the election of the Secretary while we wait for DeWayne lark to get on the call. This was done.

Election of Secretary 8:47 PM (ET)

Chris Cory nominated R. Paul Martin. He accepted the nomination. There were no other nominations for Secretary so R. Paul Martin was declared reelected.

A member asked for and received confirmation that she was on the committee's mailing list.

The committee agreed to wait until DeWayne Lark got on the call to continue with the nominations for Chair.

Set NFC meeting schedule 8:50 PM (ET)

Motion: (R. Paul Martin) "To meet on the second and fourth Tuesdays of every month at 8:30 PM (ET) for the next 12 months." (Passed without objection)

The Committee discussed the motion.

Election of Chair 8:53 PM (ET)

The nomination process resumed.

DeWayne Lark declined nomination.

Fred Blair nominated James Sagurton. He accepted the nomination.

There were no other nominations for Chair. The two nominees spoke of their histories and ideas for the committee.

There was a discussion of how to run the election. It was agreed that Terry Goodman would be asked to collect and count the ballots. It was suggested that Michael Novick be asked to be an observer for the election.

Discussion of Preliminary Interim Financials 9:08 PM (ET)

The interim CFO told the committee that she has lightly reviewed the latest financials. She said that NETA has provided the March 21, 2020, narrative and P&L. She said that she'd only looked at the revenue part, and it was not as favorable as the previous month had been. She said that the consolidated net operating loss YTD is about \$154,000, and total revenue is down. She said that part of the revenue decline is because a large gift came in last year but not this year. She said that Listener Support had increased by about \$60,000 or about 1%. She said that Major Donor revenue YTD is about \$168,000 versus about \$1.6 million last year due to that large gift last year. She said that three stations are losing money, and that WPFW breaks even. She said that NETA has developed a process that these reports will go to the Business Managers and General Managers and all the NFC members after the Chair gets to review them.

The committee discussed the preliminary interim financials. The new process outlined by the

interim CFO was discussed. The interim Executive Director said that the PNB should deal with how these documents get distributed; that Pacifica hasn't had real policies for many things, but that it's important to have them now. The interim Executive Director suggested that the documents should say that they're a distribution pre-review by the NFC so when they forward the documents they will be within that context. There was a further discussion of the distribution of financial documents. It was suggested that the NFC should see balance sheets, and that the documents be sent to the NFC when they're generated, not right before the meeting. The Chair asked the interim CFO to copy the NFC mailing list with the financial documents when she sends them out. It was suggested that the words, "pending review by the National Finance Committee" be added to the Subject header of the E-mails containing the files.

The Chair said that he was still waiting for an E-mail from the KPFA Business Manager because the numbers looked low for that station. He said it might be due to the current economic situation. He said that stations' financial situations looked to be deteriorating. The WBAI Treasurer said that the WBAI General Manager said that the sudden loss shown in the Income Statement through March 31, 2020, for WBAI for March was due to a larger than usual number of sustaining members dropping out of the sustaining member program or not paying in March due to not having incomes anymore due to the shutdown of businesses because of the current public health crisis. The Chair said that how to account for the interest on the loan without assigning it all to WBAI should be discussed. The Chair said that he had made a correction for that in the Income Statement under discussion. The Chair requested that the Treasurers send feedback on the Income Statement within a week.

Referred Motion from PNB 9:38 PM (ET)

The Chair went over the details of the motion regarding the Subsidiary Communications Authority (SCA) revenue that was referred to the NFC by the PNB. The interim Executive Director said that it is a complicated motion, and that the National Office has depended on this income cumulatively and that its loss would have to be compensated for.

The Committee discussed the motion referred to it by the PNB. The details of the management of the SCA service and how clients would be acquired was discussed. The issue of local Management possibly receiving some consideration from the SCA client was brought up as a reason for the acquisition of SCA clients to be centralized and not localized. The Chair suggested that the committee get more information on the subject and discuss this motion at the next meeting.

Discussion of the following motion 10:08 PM (ET)

Motion: (Chris Cory) "The NFC asserts that assets acquired or debts incurred by the various units belong on the books of the units from which they originate, in accordance with Generally Accepted Accounting principles." (Postponed to next meeting)

The Committee discussed the motion.

Motion: (Chris Cory) “To postpone the motion to the next meeting.” (Passed without objection)

Questions of staffing at the National Office 10:37 PM (ET)

A member said that the committee needed to go into executive session to deal with this topic. An objection was made because there had been no notice given of an executive session. There was a discussion of whether or not notice of an executive session had to be included with the seven days’ notice of the meeting in order to comply with FCC and CPB rules.

Motion: (Sharon Adams) “To extend the time for this meeting by 10 minutes and go into executive session.” (Passed without objection) 10:23 PM (ET)

The stream of the audio of the meeting was cut and the committee entered executive session at 10:23 PM (ET).

Attending: Sharon Adams, Teresa J. Allen, Fred Blair, Chris Cory (Chair), DeWayne Lark, R. Paul Martin (Secretary), James Sagurton, Anita Sims (interim CFO), Nancy Sorden, Polina Vasiliev, also attending was Pacifica interim Executive Director Lydia Blazon.

Note: The following motion was passed by the NFC at its May 12, 2020, meeting, “To lift the secrecy from the executive session held on April 28, 2020.”

A member asked who was now on the National Office payroll. The interim Executive Director named two persons who were hired as temporary, part-time workers. The member voiced her objections to the employment of those two persons, and she said that this should not be considered confidential information. Other members objected that these issues were not germane to the NFC’s mandate and that nothing done during this meeting was confidential and therefore going into executive session couldn’t be justified. Concerns were raised about compliance with CPB rules regarding Open Meetings.

Motion: (Teresa J. Allen) “To extend the time for this meeting by five minutes.” (Fails 5 for, 4 against, 1 abstention)

The Chair noted that we had to make a report out for the executive session.

Motion: (Chris Cory) “That the report out be, ‘The NFC met in executive session to discuss personnel issues of staffing at the National Office.’” (Passed without objection)

Adjourned 11:03 PM (ET)

Submitted by R. Paul Martin, Secretary.