

Minutes for the regular National Finance Committee meeting September 14, 2021.

Meeting convened at 8:35 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Teresa J. Allen, Fred Blair, Lynden Foley, Elizabeth von Gunten, Julie Hewitt, R. Paul Martin (Secretary), James Sagurton (Chair), Anita Sims (interim CFO).

Agenda:

1. Convene meeting 8:30 PM (ET)
2. Roll Call
3. Adopt Agenda
4. Chair's Announcements (2 minutes)
5. Minutes Approval (3 minutes)
6. Set Next Meeting Date; Schedule an additional meeting Tuesday September 21, with an Executive Session (10 minutes)
7. INTERIM CFO Report (20 minutes Report and Q&A)
8. Review July Financials (Anita Sims presenting 40 minutes)
9. Review Draft FY21 KPFK Budget Non Personnel Expenses (20 minutes Q&A)
10. Budget Timelines for FY22 (10 minutes)
11. Adjourn no later than 10:15 PM (ET)

Motion: (James Sagurton) "To adopt the agenda." (Passed without objection)

Chair's Announcements 8:38 PM (ET)

The Chair said that the committee would probably not go into an executive session at this meeting. He said that the motion passed at the last NFC meeting recommending to the PNB that it direct the General Managers, Business Managers and Directors of each budgeted unit to update all entries for month-end closing and provide NETA a check register electronically of everything that was paid for the month was passed by the PNB.

He said that an updated KPFK draft FY21 budget would be sent to the committee.

Minutes Approval 8:40 PM (ET)

Motion: (R. Paul Martin) "To approve the minutes of the August 24, 2021, meeting." (Passed without objection)

Set Next Meeting Date; Schedule an additional meeting Tuesday September 21, with an Executive Session 8:41 PM (ET)

Motion: (James Sagurton) "That the NFC schedule a regular meeting for September 21, 2021, at 8:30 PM (ET) with a provision for an executive session as needed to discuss confidential personnel matters." (Passed without objection)

The Committee discussed the motion.

Motion: (Lynden Foley) "To extend the time for this item by 10 minutes." (Passed without objection) 8:52 PM (ET)

The Committee continued to discuss the motion.

Interim CFO Report 9:09 PM (ET)

The interim CFO told the committee that she had sent the National Office's outstanding Accounts Payable as of September 14, 2021. (A copy of this document is appended to these minutes.) She said that she didn't think that

Pacifica had paid anything on that list off since the last time she'd reported on it. She said that most of NETA's time has been spent preparing to meet the deadline for the Attorney General's report. She said that they have been going through boxes for data that they'll need for the long report. She said that they will meet the deadline. She said that NETA is preparing for the year-end, and they are waiting to schedule the audit, etc. She said that she would not be surprised if it were in the November, December time frame. She said that they were fairly current with every other report. She said that she would speak to the Business Managers about the check registers. She said that they would implement that on October 1. She said that she hoped that this would allow them plenty of time to get current, that it should allow them to get everything into the *Great Plains* software and for WBAI and WPFW to get the information into NETA's *MAS 500* software and then to do a consolidated report. She said that once NETA gets the check registers they will be able to review and report any concerns.

There was a discussion of KPFT not having gotten permission cards signed so that NETA can get view-only access to their bank accounts. The interim CFO said that she'd call the KPFT General Manager the next day.

In answer to a question regarding the status of Pacifica's application for the Economic Injury Disaster Loan the interim CFO said that the interim Executive Director had been working on it. The interim CFO said that she'd heard that the funds would be available. She said that she'd had an E-mail exchange with the interim Executive Director who said that the problem was that another Pacifica station had applied for the Economic Injury Disaster Loan grant, and that she'd have to defer to the interim Executive Director about the Economic Injury Disaster Loan. In answer to a question the interim CFO said that Pacifica has not applied for any grants since the audits had been done. The interim CFO said that she would have to check on two other questions regarding SCA payments and possible payments by WBAI to someone in Pacifica.

Motion: (James Sagurton) "To extend the time for this item by three minutes." (Passed without objection) 9:28 PM (ET)

In answer to a question regarding Orbital Media Networks, Inc. on the Accounts Payable the interim CFO said she would look it up. In answer to a question the interim CFO said that NETA could help somewhat with the budget part of grant writing, they could critique verbiage and file the financial reports. There was a further discussion of grants writing at the stations.

Review July Financials 9:33 PM (ET)

The interim CFO said that net income YTD through July 31, 2021 was about \$581,000 as opposed to a net loss of about \$584,00 as of last July which showed an overall increase in income of about \$1.2 million. She said that this was due to the first Paycheck Protection Program (PPP) loan of \$1.2 million being forgiven in full. She said that the second PPP loan was forgiven in August 2021, and would be reflected in those statements. (A copy of the interim CFO's Pacifica Foundation Financial Narrative for July 2021, is appended to these minutes.) There was a discussion of how much of KPFA's revenue was from Major Donors.

There was a discussion of Pacifica's obligation to the lender to apply certain amounts of windfall revenue to our the big loan. The interim CFO said that this was something that was tracked at the station level. A suggestion was made that it might be better to have more centralized tracking of that in case we're asked about it.

There was a discussion of stations including local charities in on-air fund raisers.

There was a discussion regarding a motion passed by the PNB in February 2020, that required KPFK to reduce expenses by 30%. The interim CFO said that she didn't have the exact number but that KPFK had reduced expenses by 26% to 27%. There was a discussion of KPFK's mounting deficit over FY21.

The interim CFO said that for FY22 she'd like to have the financials done on a cash basis.

Review Draft FY21 KPFK Budget Non Personnel Expenses 10:08 PM (ET)

The Chair said that there were no updates to the draft FY21 KPFK budget and that this topic would be covered at next week's NFC meeting.

Budget Timelines for FY22 10:08 PM (ET)

KPFK - The KPFK Treasurer said that the new General Manager would start the next day. He said that if there's a draft FY22 budget it's at NETA and that they can present it to the new General Manager. He said they'd been waiting for Management.

KPFT - The KPFT Treasurer said that they have a new General Manager who started on August 15, and he's attended a local Finance Committee meeting and he's signed off on the draft FY22 budget prepared by the KPFT Business Manager. The General Manager also said he's looking into getting grants, and that if all grants need to go through the interim Executive Director that it needs to be called to his attention. The KPFT Treasurer suggested that the interim Executive Director send notice to all General Managers to put all grants through her.

The Chair said he'd E-mail the interim Executive Director on that.

WPFW - The WPFW Director said that they have a draft budget that she hoped the LSB would approve at its October meeting and it would be forwarded to the NFC after that.

WBAI - The WBAI Treasurer said that there was no update from the last NFC meeting, there was a local Finance Committee meeting scheduled in eight days and he estimated that the draft FY22 budget would go to the LSB in October or November.

Adjourned 10:12 PM (ET)

Submitted by R. Paul Martin, Secretary.

Appendix

Pacifica Foundation Financial Narrative for July 2021

Financial Dashboard

Consolidated Report

Consolidated net operating gain or loss w/o depreciation: Net income YTD through July 31, 2021 is \$581K vs. (\$584K) net income YTD as of last July showing an overall increase in income of \$1.2M. This is due to recognition of the first PPP loan of \$1.2M that was forgiven in full. PPP2 loan was forgiven in August 2021 and will be reflected in those statements.

Total Revenue: Total revenue YTD through July 2021 is \$10.1M vs \$9.1M YTD July 2020, an increase of \$1M or 11%.

Total Expenses: Total expenses YTD through July 2021 are \$9.6M vs. \$9.7M YTD July 2020, a decrease of \$122K or 1%.

KPFA

KPFA shows income for the period of \$530K compared to prior YTD loss of \$12K. (PPP \$441K)

KPFK

KPFK shows a loss for the period of \$156K compared to a prior YTD loss of \$443K. (PPP \$394K)

KPFT

KPFT shows a loss for the period of \$48K compared to a prior YTD loss of \$50K. (PPP \$58K)

WBAI

WBAI shows a loss for the period of \$26K compared to a prior YTD loss of \$236K. (PPP \$127K)

WPFW

WPFW shows income of \$147K for the period compared to prior YTD loss of \$95K. (PPP \$141K)

Profit & Loss Statement

Revenue

Total Revenue YTD through July 2021 is \$10.1M vs \$9.1M YTD July 2020, an increase of \$1M or 11%. (PPP \$1.2M)

Listener Support is above prior year at \$7.1M vs \$6.7M for July 2021, an increase of \$350K.

Major Donor Revenue for YTD through July 2021 is \$497K vs. \$457K YTD July 2020, an increase of \$40K.

Donations for YTD through July 2021 is \$104K vs. \$786K YTD July 2020, a decrease of \$682K.

Total revenue by unit:

KPFA shows an increase of \$635K or 21% over FY20. (PPP \$441K)

KPFK shows an increase of \$43K or 2% over FY20. (PPP \$394K)

KPFT shows a decrease of \$36K or 6% over FY20. (PPP \$58K)

WBAI shows an increase of \$162K or 14% over FY20. (PPP \$127K)

WPFW shows an increase of \$283K or 24% over FY20. (PPP \$141K)

NO shows a decrease of \$279K or 46% over FY20. (PPP \$50K)

PRA shows an increase of \$55K or 48% over FY20. (PPP \$47K)

Expenses

Total Expenses through July 2021 are \$9.6M vs. \$9.7M YTD July 2020, a decrease of \$122K or 1%.

KPFA shows an increase of \$93K or 4% over FY20.

KPFK shows a decrease of \$244K or 10% over FY20.

KPFT shows a decrease of \$38K or 8% over FY20.

WBAI shows a decrease of \$47K or 4% over FY20.

WPFW shows an increase of \$41K or 4% over FY20.

NO shows a decrease of \$144K or 9% over FY20.

PRA shows an increase of \$27K or 12% over FY20.

Personnel expenses for the period October – July are \$287K less than FY20 at \$5.2M.

KPFA shows an increase of \$115K or 6% over FY20.

KPFK shows a decrease of \$285K or 16% over FY20.

KPFT shows a decrease of \$38K or 18% over FY20.

WBAI shows a decrease of \$30K or 6% over FY20.

WPFW shows a decrease of \$48K or 8% over FY20.

NO shows a decrease of \$135K or 43% over FY20.

PRA shows an increase of \$21K or 11% over FY20.

Administrative expenses for YTD through July 2021 are \$2.6M vs \$2.5M YTD July 2020, an increase of \$771K or 3%.

Programming expenses for YTD through July 2021 are \$779K vs \$737K YTD July 2020, an increase of \$41K or 6%.

Development expenses YTD through July 2021 are \$877K vs \$829K YTD July 2020, an increase of \$48K or 6%.

Community/Special Events expenses YTD through July 2021 are \$17K vs \$66K July 2020, a decrease of \$49K or 75%.

Net Income/Loss w/o Depreciation overall YTD through July 31, 2021 is \$581K vs. \$584K net loss YTD as of last July showing an overall increase in income of \$1.2M (PPP loan forgiveness \$1.2M).

KPFA YTD through July 2021 is \$530K vs (\$12K) in 2020, an increase of \$542K. (PPP \$441K)

KPFK YTD through July 2021 is (\$156K) vs (\$443K) in 2020, an increase of \$287K. (PPP \$394K)

KPFT YTD through July 2021 is (\$48K) vs (\$50K) in 2020, a decrease of \$2K. (PPP \$58K)

WBAI YTD through July 2021 is (\$26K) vs (\$236K) in 2020, an increase of \$210K. (PPP \$127K)

WPFW YTD through July 2021 is \$147K vs (\$95K) in 2020, an increase of \$242K. (PPP \$141K)

NO YTD through July 2021 is \$102K vs \$220K in 2020, a decrease of \$116K. (PPP \$50K)

PRA YTD through July 2021 is \$82K vs \$36K in 2020, an increase of \$45K. (PPP \$47K)

Accounts Payable

Aged Payables Report

Vendor Summary Aged As of 09/14/2021

Vendor	Vendor Name	Disc Amt	Amount	Future	Current	Over 30 Days	Over 60 Days	Over 90 Days	Over 120 Days
ADVOCATES	Advocates for Justice	0.00	38,031.25	0.00	13,731.25	14,143.75	10,156.25	0.00	0.00
ALPERT	Alpert Barr & Grant	0.00	7,881.32	0.00	7,881.32	0.00	0.00	0.00	0.00
BBC	BBC	0.00	1,500.00	0.00	1,500.00	0.00	0.00	0.00	0.00
BESQFD	Broadcast Engineering Services	0.00	2,600.00	0.00	1,300.00	1,300.00	0.00	0.00	0.00
BROWNS	STEPHEN BROWN	0.00	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00
CVALCAL9	CVA Local 9415	0.00	602.23	0.00	602.23	0.00	0.00	0.00	0.00
415									
EDAINM	Marianne Edain	0.00	668.08	0.00	668.08	0.00	0.00	0.00	0.00
GARVEYF	Foster Garvey PC,	0.00	725.00	0.00	725.00	0.00	0.00	0.00	0.00
IRONMOUNT	IRON MOUNTAIN	0.00	564.79	0.00	564.79	0.00	0.00	0.00	0.00
AIN									
NETA	NETA	0.00	82,845.54	0.00	0.00	27,500.00	27,845.54	27,500.00	0.00
NPR	NATIONAL PUBLIC RADIO, INC	0.00	13,201.00	0.00	6,667.00	6,534.00	0.00	0.00	0.00
OMNI	Orbital Media Networks, Inc	0.00	5,980.00	0.00	0.00	0.00	0.00	0.00	5,980.00
ROGERS	ROGERS & COMPANY PLLC	0.00	40,155.00	0.00	0.00	3,680.00	34,475.00	0.00	0.00
SAG-AFTRA	SAG-AFTRA (WPEW)	0.00	220.00	0.00	220.00	0.00	0.00	0.00	0.00
SAGAFTRAK	SAG-AFTRA (KPER)	0.00	481.08	0.00	481.08	0.00	0.00	0.00	0.00
PFK									
SAGAFTRAW	SAG-AFTRA (WBAI)	0.00	166.94	0.00	166.94	0.00	0.00	0.00	0.00
BAI									
VSPVISION	Vision Service Plan (CA)	0.00	725.17	0.00	725.17	0.00	0.00	0.00	0.00
Report Totals:			201,347.40	0.00	40,232.86	55,137.75	72,476.79	27,500.00	5,980.00

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Business Date: 9/14/2021