

Minutes for the regular National Finance Committee meeting January 18, 2022.

Meeting convened at 8:41 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Nick Arena, Chris Cory, Lynden Foley, Elizabeth von Gunten, Julie Hewitt, Kim Kaufman, R. Paul Martin (Secretary), James Sagurton (Chair) also attending were NETA Controller Julia Kennard, Pacifica Affiliates Network Manager Ursula Ruedenberg and Pacifica Affiliates Network Business Manager Ruth Wiedemeier.

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. Report, if available, from the Pacifica Executive Director (10 minutes Report and Q&A)
7. Review FY22 PAN Draft Budget (Network Manager Ursula Ruedenberg and PAN BM Ruth Wiedemeier presenting (20 minutes presentation and 40 minutes Q&A)
8. Review updated version of WPFW FY22 Draft Budget (20 minutes)
9. Report from the interim CFO (10 minutes)
10. Discussion of Standard Transaction Limits (Beth von Gunten reporting, 5 minutes Q&A, 5 minutes)
11. Budget Timelines and schedule for NFC review of budgets for FY22 (5 minutes)
12. Unfinished business with the National Office; compile a list to share with the NO of year end outstanding items (5 minutes)
13. Adjourn no later than 10:15 PM (ET)

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

The Committee discussed the motion.

Chair's Announcements 8:48 PM (ET)

"Tonight we will be joined by Ursula Ruedenberg, Network Manager, Pacifica Affiliates Network (PAN) and Ruth Wiedemeier, PAN Business Manager. They will be presenting the PAN FY22 draft budget. In keeping with our policy of giving priority to agenda items that involve guests we will hear from them after we go through the usual meeting preliminaries.

Tonight we will also review an updated version of the WPFW FY22 budget as discussed in our last meeting."

Minutes Approval 8:49 PM (ET)

Motion: (R. Paul Martin) “To approve the minutes of the January 11, 2022, NFC meeting.”
(Passed without objection)

Report, if available, from the Pacifica Executive Director 8:49 PM (ET)

The interim Executive Director was not at the meeting.

Review FY22 PAN Draft Budget (Network Manager Ursula Ruedenberg and PAN BM Ruth Wiedemeier presenting 8:50 PM (ET)

Pacifica Affiliates Network Manager told the committee that the Pacifica Affiliates Network (PAN) has three Staff and peripheral consultants. She said that their FY22 draft budget projected Total Revenues of about \$269,000. She said it was a bare bones operation and that the draft FY22 budget included some projects they’re working on that they want to complete this year if possible. She said that most revenue comes from affiliate fees and that PAN is self- sustaining. She said that PAN has a little more than 200 affiliates now, and it grows at the rate of one or two per month. She said that they had lost some affiliates to the pandemic. She said that in terms of how fees break down she said they group affiliates into affiliates that don’t pay anything, and there are about 20 of them, and PAN tries to move them into paying as soon as they can. She said that they have about 50 affiliates that pay less than \$500 a year, they have 74 affiliates that pay less than \$1,000 a year, they have 18 affiliates that pay less than \$2,000 a year, they have 20 affiliates that pay less than \$3,000, they have 16 affiliates that pay between \$3,000 and \$5,000 a year a year and they have five affiliates that pay more than \$5,000 a year. She said that everybody gets the same services whatever they pay. She said that last year expenses exceeded revenue. She said that they were projecting to bring in about \$215,000 in affiliates fees. She said that this was a conservative projection and that they will probably get more affiliates which will bring in a little bit of money, not more than about \$2,000 to \$3,000. She said that last year’s expenses were about \$248,000 and revenue was about \$209,000 so they had a shortfall of about \$39,000 but they had a reserve fund. She said that some stations donate their CPB funds to PAN, some individuals donate and they got grants. She said that they expect about the same deficit this year, but this year there is no reserve fund. She said that they have to find ways to bridge that gap. She said they need a minimum of about \$40,000 of additional revenue this year, and would like about \$10,000 more for a reserve so they are looking for ways to bring in another \$50,000 this year. She noted that Pacifica has relied on PAN for liquid cash when needed and at the beginning of FY20 PAN forgave a \$10,000 debt from the National Office. She said they’re not in a position to do that anymore.

In answer to a question the Pacifica Affiliates Network Manager gave a brief history of PAN.

There was a discussion of the form the PAN draft FY22 budget was in and the idea of a normal template was brought up.

In answer to a question the Pacifica Affiliates Network Manager said that KPFK owed PAN

about \$17,000.

The Pacifica Affiliates Network Manager said that they're supporting two productions now, the daily political news broadcast and *COVID Race & Democracy*. She said that they may have to stop supporting them if they can't find grants or otherwise pay for them. She said that PAN pays for consultants to do production work. She said that PAN is building a new Web site and pod-casting service and that they don't really owe anybody anything right now. She said that if they can't find enough money they will have to cut back some of these things. She said that she could send the committee a breakdown of what's done for PAN and what's done for Pacifica.

The PAN Business Manager said that they use five servers and the total amount for them is \$2,287 per month. PAN's share is \$1,362 per month and the National Office share is about \$925 per month.

In answer to a question the Pacifica Affiliates Network Manager said that Pacifica has developed an Internet technology package that includes recording and archiving that people are paying to use and that requires technical support. She said about 35 stations were doing that. She said that PAN's weekly round table sometimes has to pay people to talk about training and those are the Round Table Consultants in the draft FY22 budget. She said that they try to keep that low, and they have budgeted \$1,000 for that. She said that Pacificaster is a pod-casting site that's being built. The Pacificaster consultants work with the Web master to manage that project. She said the two programs *2021Talks* and *COVID Race & Democracy* are productions that they're paying for and she didn't know if it's really feasible to continue with them this year.

The NETA Controller said that the plan is to get PAN onto the *Great Plains* software that Pacifica uses instead of *Quickbooks*.

Motion: (James Sagurton) "The NFC recommends to the PNB that they approve the Pacifica Affiliates Network draft FY22 budget as forwarded from the NFC." (Passed 7 for, 1 against)

Review updated version of WPFW FY22 Draft Budget 9:56

The WPFW Treasurer said that the NETA Controller and WPFW had worked together on revisions of the WPFW draft FY22 budget regarding credit card fees associated with donations and development expenses and made those adjustments. He said that they adjusted premiums expenses and removed the pension item that's no longer applicable; they added LSB election expenses and adjusted Community Events revenue as suggested. He recommended the draft budget for approval by the NFC.

In answer to a question the WPFW Treasurer said that their bank is Sun Trust Bank which is now called Truist Bank.

Motion: (James Sagurton) "The NFC recommends that the PNB approve the WPFW draft FY22 budget." (Passed without objection)

The Committee discussed the motion.

Report from the interim CFO 10:03 PM (ET)

The NETA Controller said that they've had a lot going on. They are trying to finish the December financials. She said that NETA's national servers went down this past week and they were able to get them back up this weekend. She said that not all stations have been able to work with the servers since Tuesday Wednesday. She said that they need to see how they are doing with getting the December numbers completed. She said that they're working a lot on budgets and of course on the audit.

In answer to a question the NETA Controller said that Pacifica has not received the Economic Injury Disaster Loan (EIDL). She said that at the end of the prior week they'd heard Pacifica had been approved. She said that the interim Executive Director might have thought turn around would be faster for the deposit. She said that the person at the Small Business Administration had said that it could be a week or two before the deposit could be made. The NETA Controller said she hoped for funds in next week or two. The Chair said that he was told that there's no public acknowledgment that we've been approved. The NETA Controller said she'd look for the E-mail that the interim Executive Director had sent her about this.

Adjourned 10:17 PM (ET)

Submitted by R. Paul Martin, Secretary.