

Minutes for the regular National Finance Committee meeting September 21, 2021.

Meeting convened at 8:36 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Teresa J. Allen, Nick Arena, Fred Blair, Chris Cory, 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. Interim CFO Report (10 minutes Report and Q&A)
 7. Motion: The NFC recommends to the PNB that it direct KPFK Management to conduct immediate emergency fundraising. (10 minutes)
 8. Motion: The NFC recommends to the PNB that it direct KPFK Management to immediately accept all voluntary layoffs, furloughs, reductions in hours and other measures to save on payroll costs. (10 minutes)
 9. Review Draft FY21 KPFK Budget (60 minutes)
 10. Budget Timelines for FY22 (5 minutes)
 11. Adjourn no later than 10:15PM (ET)
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Chair's Announcements 8:40 PM (ET)

The Chair told the committee that earlier that day a meeting had been held wherein Directors from KPFK and others from the NFC and the Chair of PNB met to discuss the unfolding cash flow crisis at KPFK. He said that that's where the two motions on the agenda have come from. He said that there will be ongoing meetings on that topic.

Minutes Approval 8:41 PM (ET)

There were no draft minutes of public sessions available. The committee decided to wait to consider the minutes of an executive session meeting at the next executive session.

Interim CFO Report 8:43 PM (ET)

The interim CFO said that they were still working on the Attorney General's report and that they'd gotten help from internal Pacifica sources to get it completed. She said that cash at the National Office is low. She said that they did have the cash necessary to pay some things that have to be paid like the FJC loan interest and insurance and other items. She said that the

National Office has gotten some money from a couple of Central Services payments.

In answer to a question the interim CFO said that KPFK had a little over \$6,000 cash in bank, unless some funds had come in that she didn't know about. She said that the KPFK payroll, which she acknowledged was close to \$48,000, was due in the next week. She said that KPFK was still running a deficit, and that they were about \$600,000 in red YTD in July with a deficit of about \$151,000 in that month alone. She said that there was a lot of concern about what the next steps would be to make KPFK whole. She said that the KPFK Business Manager did give her a list of payables, and some of those, have been paid. She said that she has reached out to the KPFK Business Manager and will get a list of the payables which she would share with the NFC. There was a discussion of a written plan for KPFK which one member thought the interim Executive Director was going to come up with.

Motion: (Teresa J. Allen) “That the NFC ask the interim Executive Director if she has a plan that she can share with us about KPFK.” (Passed without objection)

The Committee discussed the motion.

Motion: (Fred Blair) “To extend the time for this item by five minutes” (Passed without objection) 8:58 PM (ET)

The Committee continued to discuss the motion.

Motion: The NFC recommends to the PNB that it direct KPFK Management to conduct immediate emergency fundraising 9:07 PM (ET)

Motion: (James Sagurton) “The NFC recommends to the PNB that it direct KPFK Management to conduct immediate emergency fundraising.” (Passed 9 for, 1 against, 1 abstention)

The Committee discussed the motion.

Motion: The NFC recommends to the PNB that it direct KPFK Management to immediately accept all voluntary layoffs, furloughs, reductions in hours and other measures to save on payroll costs 9:23 PM (ET)

Motion: (James Sagurton) “The NFC recommends to the PNB that it direct KPFK Management to immediately accept all voluntary layoffs, furloughs, reductions in hours and other voluntary measures to save on payroll costs.” (Passed without objection)

The Committee discussed the motion.

Review Draft FY21 KPFK Budget 9:30 PM (ET)

The interim CFO said that she'd sent the latest revision of the KPFK draft FY22 budget just before the meeting started. She said that they had tweaked the previous version in an effort to

balance the draft FY22 budget.

The Chair noted that there were nine days left in FY21, and if the NFC passed this draft FY22 budget at this meeting the it could go to the PNB on Thursday night and then KPFK would have a budget for first time in four years, thanks to NETA. The Chair said that this would give the new KPFK General Manager a template on which he can base his budget for FY22. The Chair said that the template would be based on actuals from this year and therefore would be more grounded in reality and a good prediction of what will actually occur.

The interim CFO said that if they'd had more time she would have been more conservative on the revenue side. She said that they did not have the August financials yet. She said they'd run the YTD General Ledger to see what revenue was posted, and not all of it was there yet. She said that the expenses were pretty much what had been seen when this draft FY22 budget was seen late in June.

In the course of discussion it was discovered that the committee was looking at a different file from what the interim CFO had intended. The KPFA Director had also sent an assessment of the KPFK draft FY21 budget. Attempts were made to reconcile the spreadsheet files that the committee had. There was a short discussion of methods of funding.

Adjourned 10:12 PM (ET)

Submitted by R. Paul Martin, Secretary.