

Pacifica National Board

Finance Committee Meeting – October 29, 2004

MINUTES

Because of the resignation of Chair Mark Roberts, the meeting was called to order by Secretary Paul Surovell at 12:40 pm Pacific Time.

The following members were present: Dave Adelson, Henry Cooper, Carol Spooner, Alice Shields, Paul Surovell, LaVarn Williams

The Committee elected Dave Adelson as Chair Pro-Tem without objection.

Lonnie Hicks and Sandy Weinman arrived later during the meeting.

The minutes of the 9-24-04 meeting were approved.

AGENDA

The following agenda was approved:

- (1) Discussion of policy on inter-station transfers
- (2) Discussion of policy on under-and over-budgeted line items.
- (3) Discussion of PNB member Ambrose Lane's proposal to establish a \$25-50 million line of credit for Pacifica.
- (4) Station Treasurer Reports
- (5) Regular reports of MEMSYS data on fund-raising and membership.
- (6) CFO report on preliminary 9-04 financial data.
- (7) Report on WBAI fund-drive (1 week actuals).

MOTION ON INTER-STATION TRANSFERS

Carol made the following motion:

"Any unbudgeted inter-station transfers must be approved by the National Finance Committee."

The following discussion took place on what is meant by the term "inter-station transfers."

Lonnie described five examples of monetary "transfers" between local stations and the National Office:

- (1) Budgeted assessments on stations to pay for legal expenses.

(2) Un-budgeted assessments on stations to pay for legal settlements or new legal bills.

[For the above 2 examples, existing practice is to charge the 3 large stations 25% and the 2 smaller stations 12.5% of the total assessment]

(3) Bill-backs -- National gets a bill then bills back to the stations. Example: election costs.

(4) Transfers between the stations and the National Office -- payroll, health benefits, new hires.

(5) Transfer of a "surplus." If a station makes more than is budgeted, who owns the surplus? Does the station get to spend 80% of the surplus any way it wants to?

At the end of the discussion the motion was tabled.

POLICIES ON OVER-BUDGETED AND UNDER-BUDGETED ITEMS

Lonnie agreed to submit proposed policies at the next meeting on Approval and Reporting of Line Items that are Over-budgeted and Under-budgeted by 5%, and which are at least \$10,000 in amount.

Lonnie suggested possible policies that would (1) require review and or approval by the National Finance Committee of all line items that are over- or under-budgeted by 5% and (2) would allow National Office emergency payments for purposes such as legal expenses and payroll.

PROPOSAL FOR \$25-50 MILLION CREDIT LINE

After a discussion of Ambrose Lane's proposal for a \$25-50 million line of credit, Henry Cooper agreed to draft a motion for the next meeting that would ask Ambrose to explain the purpose and motivation of his proposal.

STATION TREASURER REPORTS

A discussion took place on reports of the completed fund drives at KPFA, KPFK and WPFW, and the current fund drive at WBAI as well as the upcoming fund drive at KPFT (see Appendix A).

WBAI BUDGET

A discussion took place on the Committee's revisiting of the WBAI budget on 11-15-04, as required by the PNB resolution.

NEXT MEETING

It was agreed to hold the next meeting of the PNB Finance Committee on Friday, 11-12-04 at 12:30 Pacific time.

Respectfully submitted,

Paul Surovell
Secretary

These minutes were approved on 11/12/04.

Appendix A – Fall Drive Comparisons

PACIFICA FUND DRIVE COMPARISONS

Pacifica Fund Drive Broadcasts Comparisons

KPFA-FM 94.1 Goal: 20 days @ \$50,000 per day for a total of \$1 million in pledges

Actual: 22 days @ **\$44,400** per day for a total of \$976.9K or 97.7%; *Democracy*

Now broadcasts Mon – Fri at 6 am and 9 am

KPFK Goal: Total pledges of \$950 thousand dollars

Actual: 13 days @ **\$81,500** per day for a total of \$1,060K or 111.6%; *Democracy*

Now broadcasts Mon – Fri at 6am and 9am plus during the Fund Drive only two additional two shows most days at 2 or 3 pm and 7 or 8 pm

WBAI Goal: 18 days @ \$50, 000 per day for a total of \$900K in pledges;

Drive –to-date: 10 days @ **\$37,400** per day for a total of \$374.0 K or 41.6% *Democracy Now* broadcasts Mon – Fri at 9 am with some shows extending nearly 3 hours in length

Memo:

All information is preliminary with *Democracy Now* Broadcasts viewed as the major variable.

Other KPFK success factors include logging pledges prior to drive, limiting premiums to two per hour, hourly management of premiums and \$35 premiums. In summary, the outstanding numbers achieved by KPFK in limited pledge days (as compared to KPFA); alleviates both listener and staff fatigue. Also, shared data of fall fund drives present an opportunity for stations and particularly WBAI to utilize success strategies in the current drive. The one major variable viewed at this point is the additional broadcasts of *Democracy Now* during a critical period of national elections, the continuing war on Iraq, the genocide and recolonization of Haiti, and the ongoing genocide and occupation of Palestine.

Source:

KPFA Memsys 10/29/04 at 11:26 by CFS

KPFK Dave Adelson on 10/29/04 PacNatIFinComm Meeting (to be confirmed by KPFK Development and/or GM from Memsys)

WBAI Paul Surovell and Lonnie Hicks on 10/29/04 PacNatIFinComm Meeting (Day 10 at 3pm EDT)