

Finance Committee Meeting – August 23, 2007

MINUTES

A meeting of the PNB Finance Committee was called to order at 5:15 pm PDT by Chair LaVarn Williams with Terry Goodman serving as Secretary. No minutes were approved.

Attendance

Present: Dave Adelson, Baruti Bediako, Brian Edwards-Tiekert, Jane Gatewood, Terry Goodman (arrived at 5:46 pm), Lonnie Hicks, Sandra Rawline (arrived at 5:34 pm), Berthold Reimers (arrived at 7:09 pm), Thomas Ruffin (arrived at 6:50 pm), and LaVarn Williams.

Absent: Mike Martin.

Agenda

- 1) Roll Call (5 minutes)
- 2) Approval of Minutes (5 minutes)
- 3) Next Meeting Thursday, September 13, 2007 @ 8:00 PM EDT (5 minutes)
- 4) CFO Report and Approved 2008 Budgets (90 minutes)
 - a. Motions to Approve Budgets
 - b. Motions Approved in July PNB Meeting
 - c. Motions forwarded to NFC by PNB
- 5) Financial Policies & Procedures Manual (5 minutes)
- 6) New Business (5 minutes)
- 7) Adjournment

** Times are for guidance only **

1. Roll Call and Approval of Agenda

The proposed agenda was approved without objection at 5:19 pm on the motion of Jane Gatewood.

2. Approval of Minutes

Approval of the July 19th minutes was postponed without objection on the motion of LaVarn Williams at 5:19 pm.

3. Next Meeting

Motion from LaVarn Williams that the Finance Committee schedule a regular meeting for Thursday, September 13, 2007 at 8:00 pm EDT.

Motion passed without objection at 5:20 pm.

Motion from LaVarn Williams that the Finance Committee schedule an adjourned meeting for Wednesday, August 29, 2007 at 8:30 pm EDT.

Motion passed without objection at 5:20 pm.

4. CFO Report & 2008 Budget Status

The CFO's report began at about 6:00 pm and included a summary of concerns regarding budget drafts and submissions. Detailed examination of budgets by the committee is expected at its next meeting in a week. The CFO recommends compliance with the PNB resolution on holding expenses to FY'07 levels with specific waivers required and allowed only where the expense can be justified by a resulting increase in revenue. The CFO recommends budget approvals only for the first quarter, and notes that the current budgets do not reflect the PNB recommendation to establish contingency funds. The CFO recommends waivers this year such that each station is only required to show a ½ month reserve, but notes that the PNB policy is for each station to have a 1 month reserve and to increase that reserve by ½ month annually until a 3 month reserve has been accumulated.

4a. Motions to Approve Budgets

4a(1). WBAI Budget Consideration

Discussion of WBAI finances began at 5:50 pm. The WBAI LSB Finance Committee has had difficulty obtaining the data required for financial planning and needs more time to craft a balanced budget. The WBAI LSB Finance Committee recommends no staff layoffs or pay cuts and an additional \$10,000 advertising investment. *Bartuti Bediako will forward to the Committee the text of the WBAI LSB Finance Committee motion. Further discussion of this item was postponed to the next meeting. Committee members are to send questions to Bediako in preparation for that discussion.*

4a(2). KPFT Budget Consideration

Discussion of this item was postponed to the next meeting.

4a(3). KPFK Budget Consideration

There was discussion of KPFK financials. The LSB-approved budget would seriously reduce the station's reserves. The CFO recommends a budget adjustment to include 40 to 100 thousand dollars of contingency funding plus advice from counsel on potential legal expenses. The station may need to defer proposed capital improvements. *Further discussion of this item was postponed to the next meeting.*

4a(4). KPFA Budget Consideration

Discussion of this item was postponed to the next meeting.

4a(5). WPFW Budget Consideration

WPFW is showing a significant cash surplus. The WPFW budget is scheduled for LSB approval on September 10, 2007. The expenses for the WPFW Anniversary Gala are not yet incorporated into the draft. *The CFO will contact the WPFW Business Manager and LSB Treasurer tomorrow by telephone to assist in finalizing the draft. Further discussion of this item was postponed to the next meeting.*

4a(6). National Office Budget Consideration

The National Office budget is bad and getting worse, as it depends upon revenue from stations and sometimes covers station expenses. The proposed FY'08 expense for Free Speech Radio News is 500

thousand dollars. Democracy Now! Productions is proposing to continue a 4% increase per year. Some CPB grants applied for by the National Office have been declined. Board meeting costs are high. Staff reductions at the National Office are planned. The Pacifica Radio Archives is going forward with a 1968 Project and a BBC Project that should build audience and increase income, if carried forward with strategic utilization of web resources, which need some infrastructure capacity building. *Further discussion of this item was postponed to the next meeting.*

4b. Motions Approved in July PNB Meeting

Consideration of this item was postponed by meeting adjournment.

4c. Motions forwarded to NFC by PNB

Consideration of this item was postponed by meeting adjournment.

5. Financial Policies & Procedures Manual

Consideration of this item was postponed by meeting adjournment.

6. New Business

Consideration of this item was postponed by meeting adjournment.

7. Adjournment

The public meeting was adjourned (to an immediate closed session) at 7:11 pm PDT without objection to a time certain of 8:30 pm EDT on Wednesday, August 29, 2007 on the motion of Dave Adelson.

Terry Goodman, Secretary

These minutes were approved on 9/13/07.