

Minutes for the regular National Finance Committee meeting April 24, 2012.

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

Attending: Ken Aaron, Bill Crosier, Marcus Jetter, Campbell Johnson, Kim Kaufman, R. Paul Martin, Tracy Rosenberg, Alex Steinberg, Barbara Whipperman, Lavarn Williams, also attending were Executive Director Arlene Englehardt and KPFK General Manager Bernard Duncan

Agenda:

1. Call to Order
 2. Approve Draft Agenda
 3. Approve Minutes
 4. KPFK Budgetary Check-in - Time Certain 9:00 PM (ET)
 5. Timeline proposal discussion
 6. Financial Transparency workgroup report
 7. WPFW workgroup report
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Motion: (Campbell Johnson) "To approve the agenda." (Passed without objection)

Approve Minutes 8:41 PM (ET)

Motion: (R. Paul Martin) "To approve the minutes of the April 10, 2012, meeting." (Passed without objection)

Since the next agenda item was a special order set to begin at 9:00 PM (ET) and it was not yet that time the committee agreed to go on to other items and to come to the special order item at 9:00 PM (ET).

Timeline proposal discussion 8:43 PM (ET)

The committee discussed some suggested amendments to the FY13 budget timeline.

KPFK Budgetary Check-in 9:02 PM (ET)

KPFK General Manager Bernard Duncan joined the call. He read through a written report he had submitted to the committee. The written report is appended to these minutes.

The committee discussed the report. KPFK has critical transmitter problems. This cuts down on the number of people who can receive the station and this especially hurts when the signal strength drops or goes off the air during on-air fund raisers. The efficacy of the current transmitter arrangements was discussed. Concerns were raised that KPFK's on-air fund raisers are lasting too long and causing an attrition of regular listeners. Mr. Duncan suggested that Pacifica postpone its 2012, elections for a year and save \$250,000.

Financial Transparency workgroup report 9:44 PM (ET)

The Chair said that the committee could discuss a draft policy on this issue at the next meeting.

WPFW workgroup report 9:45 PM (ET)

This working group has not met yet, neither has the KPFK working group. It was agreed that Kim Kaufman would be the convener of the KPFK working group and that Marcus Jetter would convene the WPFW working group. The committee will consider draft reports from these working groups at its next meeting.

Adjourned 9:54 PM (ET)

Appendix: Report from KPFK General Manager Bernard Duncan

PACIFICA NATIONAL FINANCE COMMITTEE

KPFK BUDGET DISCUSSION \200\223 MARCH 2012

Income and Costs

The KPFK General Manager is advised by the KPFK LSB Treasurer that the NFC has requested a "written plan" outlining "recommendations for addressing the budget deficit". The following comprises thoughts on increasing income for KPFK (within and outside of fund drives) and maintaining services at as little cost as is possible.

Increased Income

1. Membership-based Revenue

Increases in the number of listeners translate into greater supporter revenue. To grow the listener base a number of strategies have been and will be brought into play. Some of these have been developing in the past few months, and recent meetings of staff, LSB members and others have resulted in the generation of ideas to increase listenership.

\027 Professional Fund Raisers

KPFK has engaged the services of a professional fund raising organization, which puts people on the street to speak with passers by about KPFK and its services. The fund raisers are knowledgeable about KPFK and sign up new members, and also solicit donations.

During the few weeks this activity has been underway, the proportion of contributors who respond that they were not aware of KPFK has been consistently higher than the proportion of those who know about the station. This suggests that this strategy is not only generating (thus far modest) actual income, but is also heightening awareness about KPFK that may translate into increased sampling and listening, and therefore revenue.

\027 Major Donor Campaign

The GM has embarked on a process to connect (and in some cases reconnect) with community members capable of making "big-ticket" donations. While this activity comes at a cost (both financial and time-based), and is therefore developing slowly, it has already paid off with one donor offering almost \$10,000 to assist the station in undertaking necessary technical repairs. The process will continue with a focus on the Hollywood entertainment community in the short term, and also include contact with philanthropic progressives who have been involved with the station in the past.

\027 Events

Well attended events sponsored by KPFK and operated as fund raisers result in revenue. A recent example is the Smiley & West book launch the station held in L.A. during July. The net income to the station from this event is in excess of \$5,000, and while the process of organizing such events is labour intensive, the pay off is worthwhile. However, it is the view of the GM that larger, more highly organized and promoted events will generate greater revenue, and the station needs to invest more to make more.

\027 Text-to-donate

It has become clear that the growth in immediate text-to-vote activity using the technology available today is something in which the station needs to invest more effort. We are in the process of negotiating with an organization that processes this type of fund raising and intend to promote it as soon as a way forward is identified. The donations are by nature often small, but with sufficient volume, the income generated may be significant.

\027 Membership Follow-up

Greater effort will be put into following up on lapsed memberships and past members, both during and related to fund drives, and also during the rest of the year. Greater attention to capturing email addresses when taking pledges during fund drive will improve our ability to build accurate databases for follow through after drives.

\027 Outreach & Promotion

To add to increasing awareness of KPFK and its services, a greater level of promotion is required. Such promotion should target specific communities where membership growth is imperative, particularly in the youth market (through college and even high school outreach), in Southern California's huge Latino population (which is ever-increasing, progressive and supportive of economic justice), and (because of the high proportion of entertainment industry professionals in Los Angeles) in the liberal music, television and film communities.

\027 LSB

It is commonly accepted that the primary role of not-for-profit board members is to raise money, through personal giving and through cultivating donors. The KPFK LSB is almost completely derelict in this responsibility. While LSB members are interested in participating in meetings to discuss fund raising ideas, some actual work in finding and securing funding would be more helpful.

8. Grant Funding

The Development Director has compiled a comprehensive list of grant funding foundations and agencies, and a concentrated effort to research and apply for appropriate grant funding is in motion.

Cost Containment

There are few, if any, obvious areas where costs may currently be taken out of the business. Despite suggestions relating to the costs of securing premiums for fund drives, the reality remains that we are only able to negotiate to levels that vendors will accept.

However KPFK management staff continue to work with service providers in an effort to keep costs as low as possible while maintaining adequate service levels.

In addition to this the General Manager's review of staffing needs is in its final stages, and this may result in opportunities to further reduce costs, although this would inevitably impact the station's ability to continue to offer the services the audience expects and demands.

KPFK has encountered particular transmission difficulties in recent times, and these are ongoing and problematic â\200\223 to a degree never previously encountered by this General Manager. We operate from an aging building with

aging equipment and aging utilities. The GM was candid with the KPFK Finance Committee when the budget was being drafted, indicating clearly that while the numbers could be changed on paper, there was no way that things could be prevented from failing or breaking. Quite simply, when the toilets overflow, they have to be fixed.

I look forward to listening to any worthwhile advice and wisdom the NFC is able to offer on Tuesday evening.

Bernard Duncan, GM, KPFK