

Minutes for the regular National Finance Committee meeting January 22, 2013.

Meeting convened at 8:39 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Ken Aaron, Jim Boyd, Bill Crosier, Kim Kaufman, R. Paul Martin (Secretary), Tracy Rosenberg (Chair), Alex Steinberg, Barbara Whipperman, also attending was interim Executive Director Summer Reese.

Agenda:

1. Roll Call
 2. Approve Agenda
 3. Minutes
 4. Committee Composition Update from Chair
 5. February Meeting Schedule
 6. Financial Statement/National Office Update from Chair
 7. Around the Horn Updates from Each Station
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Motion: (R. Paul Martin) “To adopt the agenda.” (Passed without objection)

Minutes 8:42 PM (ET)

Motion: (Tracy Rosenberg) “To approve the minutes of the January 8, 2013, meeting.” (Passed without objection)

Committee Composition Update from Chair 8:44 PM (ET)

The Chair went over who’s definitely still on the NFC. WPFW and KPFK still haven’t met to elect officers. Directors will not be assigned to the NFC until the February in-person PNB meeting.

February Meeting Schedule 8:46 PM (ET)

The committee discussed its meeting schedule for next month. The NFC doesn’t have any financial statements for this meeting. The interim Executive Director said that she’s taking alternative measures in terms of production of those items.

Motion: (Tracy Rosenberg) “That the NFC meet as scheduled on February 12, 2013, and also schedule an extra meeting for February 19, 2013, with the option to postpone or cancel that meeting if that’s the will of the body.” (Passed without objection)

Financial Statement/National Office Update from Chair 8:57 PM (ET)

The Chair told the committee that she’d asked what’s going on with regard to financial

statements earlier today. The NFC has been without financial statements for a long time and that's impacting the ability of the NFC to do what it's chartered to do. She noted that the NFC has no sense at all of what's going on with stations' finances. The situation has reached a point in time where there's no excuse, and this needs to be mitigated. She's glad to hear from the Interim Executive Director that it will be. The interim Executive Director agreed and said she'd fill the committee in during the executive session.

Around the Horn Updates from Each Station 9:00 PM (ET)

WBAI - The station is moving from its current location at 120 Wall St. And will be split into two parts. The business offices will be located at 4 World Financial Center on the 26th floor, where WBAI will be able to stay rent-free for six months. The station will rent studio facilities from the City College of New York (CCNY) for six months for a much lower rate than the rent at 120 Wall St. The next on-air fund raiser is scheduled to start on February 4, and go for 31 days. The Program Director position is open again at WBAI. There will be some savings from these developments.

KPFT - Correcting a statement from the last meeting, the station has not yet received a check from Harris County, TX for taxes. The refund has been authorized and they have a court order. They still have to deal with some bureaucracy to get the check, this should happen within a month. The station did get some insurance proceeds from damage done to their tower and transmitter, it came to a little less than \$30,000. Tomorrow the station is starting its on-air fund raiser that goes through February 9. This will be a test, since the station came up short in its last on-air fund raiser. A new transmission line has been installed. That line had gotten damaged last Spring when water leaked into it. The leak also damaged the transmitter. The station is looking to start a major donor campaign to pay for a new transmitter.

KPFFK - The financials are very incomplete. The station is about \$2,500 under budget on listener support. Donations are about \$8,000 under budget, Community Events are about \$6,000 over budget. Car donations are down. Salaries themselves are about \$38,000 over budget. Health benefits may not have been entered properly but according to what the Treasurer has seen the station is \$16,000 under budget for health benefits. The station is \$91,000 over budget on premiums expenses. It appeared to be \$93,000 over budget last month. The Treasurer can't get answers from Management about that. They're over budget on shipping.

The committee discussed the KPFFK report. There was concern about the expenses being so far over budget less than half way through FY13. There was also discussion about some stations not using a lock box for receipt of income yet.

KPFA - The station's next on-air fund raiser starts on February 12, And goes through March 1. The goal is \$778,000. A number of checks were sent in with ballots, almost \$9,000 worth. The LSB elected officers at its last meeting. The station shares income from its on-air fund raiser with the Fresno station and KPFFK. They had budgeted KPFFK pledges at 6% of the total amount pledged. That number seems to be getting higher and higher. It's now abt \$50,000. That's \$15,000 more than in the budget where it was about 6%; now it's looking like 7% or 8%. The station had said over the air, and the General Manager told the LSB, that the December on-air

fund raiser in was scheduled for 14 days with a goal of \$275,000, and that it was stopped early because it had raised a tally of \$325,000. The numbers coming in now look like a tally of about \$283,000. There is a question about the \$42,000 difference.

The committee discussed this report.

WPFW - The interim Executive Director reported that there was a failure in planning on the part of WPFW Management for setting a high enough goal for their December on-air fund raiser so they could pay bills till their next on-air fund raiser. It was clear that the station would run out of money before its next on-air fund raiser and no plan was in place to deal with this. Their cash flow situation critical as is WBAI's. Making payroll is a problem. The interim Executive Director could see that WPFW couldn't make it to their next on-air fund raiser. She met with Staff today and told them about it. Their on-air fund raiser was moved up by 2 weeks, it will start on February 2. WBAI is taking proactive action with regard to its cash flow problems, The interim Executive Director's working with the WBAI General Manager on that. She's sending help to WBAI for the first week of its Winter on-air fund raiser in an attempt to bring up the numbers. The National Office covered the last payroll for WBAI. The station is aggressively addressing its on-air fund raiser, they need to make more money. She's getting the east coast stations synced up with fund raising. She's spreading the best talent around the network to bring up the on-air fund raiser numbers, identifying the best premiums, working on supporting east coast on-air fund raisers with successful California product.

The interim Executive Director said that she doesn't know which stations will get visits by the auditors. She has asked General Managers to deal with any questions. The auditors may want to see actual tally sheets; they may be looking for pretty deep records at some stations. The auditors have document requests. There are issues with getting information that's needed for the audit from KPFK, WPFW and WBAI. If they can't produce what's requested they need to tell her why. If a station is unable to comply then she needs to know that. Pacifica still has non-compliance from three stations. WBAI is literally displaced, they will get cut some slack on that situation but the auditors still need to get the information requested. She doesn't know why there are problems at other stations. Some requests were made eight weeks ago. She should have complete answers from all General Managers next week. She's told the General Managers that if they need additional assistance they need to say so.

Motion: (R. Paul Martin) "To adjourn to executive session." (Passed without objection)

Adjourned 9:44 PM (ET)

Submitted by R. Paul Martin, Secretary.