

Minutes for the regular National Finance Committee meeting March 23, 2021.

Meeting convened at 8:38 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) also attending were KPFA Business Manager Maria Negret and NETA worker Vicki Clark.

Agenda:

1. Convene meeting 8:30 PM (ET)
 2. Roll Call
 3. Adopt Agenda
 4. Chair's Announcements (2 minutes)
 5. Minutes Approval (2 minutes)
 6. Review KPFA draft budget (60 minutes)
 7. Interim CFO Report (30 minutes Report and Q & A)
 8. The loan (5 minutes)
 9. PPP Analysis (Lynden Foley 5 minutes)
 10. Monetizing the PRA (Lynden Foley 5 minutes)
 11. Reports from Stations on Budget Timeline Progress (KPFK, KPFT) (15 minutes)
 12. New Business
 13. Adjourn no later than 10:15 PM (ET)
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Motion: (James Sagurton) "To adopt the agenda." (Passed 10 for, 1 against)

The Committee discussed the motion.

Amendment: (Teresa J. Allen) "To add 'The loan. (5 minutes)' after 'Interim CFO Report.'" (Passed 10 for, 1 against)

The committee discussed the amendment.

Chair's Announcements 9:16 PM (ET)

"Tonight we review the KPFA draft budget."

Minutes Approval 9:16 PM (ET)

Motion: (R. Paul Martin) "To approve the minutes of the March 9, 2021, NFC meeting." (Passed without objection)

The Committee discussed the motion.

Review KPFA draft budget 9:18 PM (ET)

The KPFA Business Manager presented the KPFA draft FY21 budget. She said that the KPFA draft FY21 budget was pretty simple. She said that KPFA has had more expenses such as legal bills put on them than expected. She said that KPFA's revenue YTD was actually about \$1,576,000 and the projection was about \$1,539,000 so the station is doing better by about \$60,000 YTD. She said that the station was under budget with their expenses. She said that they never budget more than what they have accomplished in previous on-air fund raisers. She said that KPFA has about a 90% fulfillment rate. She said that they share about 6% of their on-air fund raiser revenue with KFCF and that KPFA charges KFCF for various things. She said that she only budgets on the 90% KPFA receives. She said that they have had a Development Director since November 1, and that they are counting on him to bring in more revenue. She said that in FY21 KPFA's expenses were about \$79,000 lower than projected. She said that they are projecting Total Operating Expenses of about \$3,248,000. She said that KPFA does not owe any Central Services fees. She said that they owe property taxes, but that is being dealt with by legal action. She said that their engineer has brought down their phone bills by tens of thousands of dollars. She said that she was optimistic about KPFA hitting their budgeted goals.

A member noted that the spreadsheet has numbers but no formulas, which will make it harder to compare budget to actuals in the future. In answer to a question the KPFA Business Manager said that the difference between the KPFA budget and the NETA actuals is that the PPP loan was only forgiven in November 2020, and the draft budget was done in September 2020. She said that the reason why she never gives out the full budget is because in the past KPFA has had budgets hijacked and what was presented to the PNB was not what had been presented to the NFC.

In answer to a question the KPFA Business Manager said that at any one given time the station has 35 to 40 people on payroll. She said that they had gotten rid of their ISDN line and are saving about \$1,400 a month on that.

There was a discussion of economies of scale and the desirability of all of the Pacifica stations sharing services, like call centers, to achieve savings.

The interim CFO said that the KPFA draft FY21 budget is exactly on target.

Motion: (Sharon Adams) "To approve the KPFA draft FY21 budget and recommend it to the PNB." (Passed without objection)

The Committee discussed the motion.

Motion: (Chris Cory) "To extend the meeting time by 15 minutes." (Passed without objection)
10:08 PM (ET)

Interim CFO Report 10:08 PM (ET)

The interim CFO said that the NETA Staff is working on the February financials and that she has updated the Central Services schedule. She said that the FY20 audit is progressing. She said that she'd reached out to the auditor and he said that he's going to do everything in his power to meet the deadline. She said that she was reviewing KPFK's draft FY21 budget. She said that eventually, maybe six to eight months in the future, Vicki Clark will pick up Tamra Swiderski's work on Pacifica.

Ms. Clark introduced herself to the committee. She said that she has a public broadcasting background and had worked in Fresno for 11 years. She said that she was working behind the scenes and getting familiar with Pacifica's account, and she looked forward to meeting the committee members.

A member noted that the FY18 and FY19 990s are now posted to the Pacifica Web site, and he thanked the interim CFO for getting that to happen.

The loan 10:17 PM (ET)

Motion: (Chris Cory) "To go into executive session to discuss the loan for the rest of this meeting." (Passed without objection)

The Committee discussed the motion.

At 10:32 PM (ET) the committee adjourned to an executive session.

At 11:14 PM (ET) The committee resumed its public session and the Secretary read the following Report Out: "The NFC met in executive session to discuss confidential matters related to the loan, during this executive session it was stated that Pacifica is current with the interest payments to date, and that future interest payments are in the National Office budget."

Adjourned 11:15 PM (ET)

Submitted by R. Paul Martin, Secretary.