

Minutes for the regular National Finance Committee meeting November 12, 2019.

Meeting convened at 8:35 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Sharon Adams, Nick Arena, Fred Blair, Chris Cory (Chair), Bill Crosier, Lynden Foley, R. Paul Martin (Secretary), Mansoor Sabbagh, James Sagurton, Nancy Sorden.

Agenda:

1. Convene meeting 8:30 PM (ET)
2. Roll call
3. Approve Agenda
4. Minutes approval (5 minutes)
5. Yahoo! Backup/Storage Situation Discussion (10 minutes)
6. Pension Discussion (15 minutes)
7. NETA/iCFO Discussion (20 minutes)
8. Pacifica/WBAI sustainability GENERAL discussion (30 minutes)
9. Sustainability motion (15 minutes)
10. Set/change/confirm time for next NFC meeting. (5 minutes)
11. Adjourn no later than 10:15 PM (ET)

Motion: (Chris Cory) "To approve the agenda." (Passed without objection)

The Committee discussed the motion.

Minutes approval 8:42 PM (ET)

Motion: (Chris Cory) "To approve the minutes of the October 8, 2019, meeting." (Passed without objection)

Yahoo! Backup/Storage Situation Discussion 8:43 PM (ET)

The Secretary reported that while Yahoo! Groups had said that they would stop allowing files to be uploaded back in October, the NFC group's site is still operational and files can still be uploaded there. He noted that some Yahoo! Groups' files sections are already not accepting new uploads. So it appears that not everything will happen on all Yahoo! Groups at once. He told the committee that last Tuesday he had succeeded in getting all of the NFC's documents and other content from the committee's Yahoo! Groups mailing list's Web site. If and when another place is found where those files can be stored the committee can place them all in that new location. The Secretary noted that Yahoo! Groups will still exist after the December 14, 2019, deadline when they plan to delete all files, but that it would then be an E-mail only service.

The committee discussed the problem of many files that needed to be preserved from

other parts of Pacifica. The idea of Pacifica setting up its own servers and then putting digitized files on them, including the National Office and NETA files related to Pacifica was discussed. Some technical issues were discussed. The issue of other free groups being hosted by corporations that mine their customers data was discussed. There was no suggested plan of action and the Chair suggested that we do more research on this issue.

Pension Discussion 8:58 PM (ET)

A member mentioned that a former employee had received a notice from NETA saying that he had money he was due from his Pacifica pension fund. This person had been laid off in 2013. The question was if there was about to be a huge drain on Pacifica in order to suddenly fund those pension payouts. A committee member said that the Audit Committee was handling this. Committee members said that the pensions are fully paid, and that the PNB had set up a Pension Administration Committee but one of the two people on it had resigned. It was not clear yet if there would be fines due to calling behind on the pension plans. A communication from the Chair of the Audit Committee was read, and she said the funds are paid up for prior years and there are no surprises yet.

NETA/iCFO Discussion 9:09 PM (ET)

The committee discussed the fact that NETA has not been paid and that Pacifica was now in arrears to them for an amount approaching six figures. The Chair said that we have to prioritize that expense if we're going to keep NETA. There was a discussion of a miscommunication about NETA on a public mailing list. It was noted that the current interim CFO's contract with Pacifica is up at the end of this month.

Point of Order: (Bill Crosier) We shouldn't discuss contract specifics at an open meeting.

An E-mail from the interim CFO regarding WBAI's arrears was read to the committee.

Motion: (Bill Crosier) "To extend the time for this item by five minutes" (Passed without objection)

It was suggested that the committee schedule an executive session to discuss the contract issue. The committee continued the discussion, and it was announced that the WBAI General Manager had sent an E-mail with attachments relevant to the E-mail from interim CFO to the Chair.

Motion: (Chris Cory) "To extend the meeting adjournment time to 10:30 PM (ET)." (Passed without objection)

Sustainability motion 9:41 PM (ET)

The Chair said that he wanted to talk about the issues brought up in an E-mail by someone not on the NFC which was mostly focusing on issues from 2013, that had three attachments related to Pacifica sustainability. He said we'd need something like this going forward. He said that all

three of these documents amounted to 48 pages and contained two paragraphs about WBAI, so they are really about fund raising proposals. He said that these documents are from five years ago and Pacifica has made little progress on this, and that money has actually declined for Pacifica. He said we have to be realistic about fund raising and bringing revenue in line with our expenses.

The committee discussed the documents. It was noted that it was mostly created by people who never came to local Finance Committee meetings or even read written Treasurer's Reports, and the document had become politicized, which is why it grew to 48 pages, and it does not address issues realistically, which is an issue all around Pacifica. Magical thinking by some in Pacifica was brought up. The Chair noted that the document has 10 authors. A member said that WBAI's daily tally had dropped from about \$25,000 a day in FY12 to about \$7,400 a day in FY19, and that with a 75% fulfillment rate that's about \$5,500 a day raised. The member said that four additional staff members were added to WBAI in the last year, and WBAI had trouble making payroll before then. One member said that these same financial problems are showing up all over Pacifica, WBAI is just the worst right now, and that we have to find a way to keep Pacifica alive.

Motion: (Bill Crosier) "The NFC recommends to the PNB that Whereas, when a station repeatedly cannot cover its own payroll and employee benefits, and needs the rest of Pacifica to pay those expenses, it creates a significant problem for Pacifica, and

Whereas, using Central Services funds, that are needed for critical expenses, to instead cover expenses at an individual station thereby makes funds not available for those critical expenses, and

Whereas, when Pacifica does not have CS funds for paying for accounting, HR, audits, pension administration, Pacifica Radio Archives, and other needs, the Foundation risks financial collapse and failure to get audits completed and loss of its tax exemption, Therefore be it

Resolved, that when a station needs the rest of Pacifica to cover its payroll and/or employee benefits and/or other expenses, and does not pay those funds back before second payroll cycle that follows, it shall lay off employees or cut other expenses to the extent necessary for it to be able to pay its own expenses, but with the exception that this provision may be suspended by a vote of the PNB in cases of natural disaster." (Postponed to next meeting)

The Committee discussed the motion.

Motion: (James Sagurton) "To postpone the motion to the next meeting." (Passed 5 for, 3 against, 2 abstentions)

Set/change/confirm time for next NFC meeting 10:22 PM (ET)

Motion: (Chris Cory) "To start the next meeting at 7:30 PM (ET) and go to executive session starting at 8:30 PM (ET)." (Passed without objection)

Motion: (Nancy) "To go to a Committee of Whole for 10 minutes to discuss the idea proposed

in the motion, and to extend the meeting time by six minutes.” (Passed without objection) 10:26 PM (ET)

The committee discussed the issues in a Committee of the Whole.

Motion: (R. Paul Martin) “To rise from the Committee of Whole.” (Passed without objection)

Motion: (James Sagurton) “To adjourn.” (Passed without objection)

Adjourned 10:38 PM (ET)

Submitted by R. Paul Martin, Secretary.