

MINUTES

Local Station Board Meeting of September 18, 2016

Aris & Carolyn Anagnos Peace Center

3916 Sepulveda Blvd, Culver City, CA 90230

Local Station Board (LSB) Meeting

I. Call to Order 10:45 a.m.

Roll Call Taken, LSB Excused absence requests: Grace Aaron, Ken Aaron, Maggie LePique, Steve Pride, Dorothy Reik, and Fernando Velazquez have requested excused absences. Excused absence requests approved by consensus. Unexcused absences: Jonathan Alexander and Aryana Gladney.

- a) Present are LSB members Chair Sharon Brown, Vice-Chair Roberta Eidman, Treasurer Fred Blair, and LSB Members Sandy Childs; Leslie Fox; Charles Fredricks; Jan Goodman; Tej Grewall; Steve Kaiser; Michael Novick; Reza Pour; Myla Reson; and Mansoor Sabbagh. Lydia Brazon arrives at 12:05 p.m. Also present are Secretary Jaime Gomez, Parliamentarian Barbara Marbach, and GM Leslie Radford.
- b) Steve Kaiser and Mansoor Sabbagh agree to be timekeepers.
- c) Minutes of 08/21/2016 are approved by consensus.
- d) Proposed Agenda: Tej Grewall moves to amend agenda to move announcements up to item IIIA, after public comments. Charles Fredricks moves to add new motion to be added to agenda: *Motion for Enhanced Program Evaluation* to be placed under new business. Agenda approved by consensus, as amended by Tej Grewall and Charles Fredericks.
- e) Time certain to adjourn of 1:30 agreed upon by consensus.

II. General Manager's Report

Not much in report that is not already in writing. We have settled arbitration. Unpleasant for finances. I have done my best in budget to accommodate this. Are there any questions?

GM Radford responds to Q&A: There was a discussion about the **Business Manager** opening, and the GM explained that ads for this opening had been run in the LA Times, the LA Sentinel, Craigs List and elsewhere (along with a posting for the Engineer position). LSB member Michael Novick used his personal credit card to front the payment. Ads are not in budget, and will be placed under administrative expenses.

I made proposal to NES to have Spanish Language candidate forums, but I have no control over that. Non-union people are not on salary. We do pay, but they are only paid as needed during fund drives to help in the phone room. We have paid everything requested for payroll to the national office. The arbitration buyouts are voluntary. I won't get into the details of that right now until all the people requesting buyouts are bought out. The arbitration numbers should be provided to you by the PNB

ED, not me. I am not at liberty to provide that to you. In general terms, come January 1st, most of the people on salary will be eligible for overtime. We operate 10 to 15 hours prep for an hour of programming. In some instances we are going to have an overtime problem. In another instance an offer was made and declined.

The finance committee was supposed to make recommendations. I have not received any recommendations. If there is the need for any changes, they need to be made quickly. I am projecting a budget of \$50,000 less than last year because we got a \$50,000 donation that I don't expect to be repeated. I am using the same numbers as last year for the budget, except for the \$50,000. The CFO says that the National Office's income statements are wrong because they put FY15 expenses in FY16. I provided my corrections to that on prior income statements. There is one note in the budget that I find disappointing. According to our budget insurance for staff dependents will no longer be provided.

Kim Kaufman of the Finance Committee shows a deficit in her report, but I don't know where that is coming from. She suggests that Aug/Sept funds are over-estimated. If you want me to use actual figures instead of estimates, that is a whole different budget. Kaufman's estimate of fundraising days is inaccurate; I know that for a fact.

There is nobody at the station more responsible for fundraising than anybody else. Everybody struggles through fund drives. A plan to improve revenue cannot be included in the budget because national says we need to use historical data to create our budget. For the record, I believe I have responded to all the questions given to me by the Finance Committee. Accounts Payable (AP) Liabilities of \$240,000 on income statement are shown on 2017 budget in the aging payables tab including for what is owed to national office. I do not know how to pay that. We owe a debt of gratitude to Spanish Language programmers, they have brought in funds from local events. I would also like to thank Reza Pour for also bringing in funds to the station. I am not going to speculate on what one programmer brings in compared to another. June income statement, second tab, shows the improperly accrued expenses.

KPCC and KCRW run on 8 times our budget: 22 million or 23 million dollars. The difference between our budget is that we run our station on unpaid volunteers. Every show, paid or unpaid, takes 10 to 15 hours to produce. Every unpaid staff member knows that. These are the hours that we are having donated to the station. I have a couple ideas for increasing revenue. The idea of podcasting is in question because we are being told that we may not be able to monetize podcasts.

I am working with last years' directives. If that changes, let me know. The paid staff budgets are \$100,000 larger for 2017 because last year we were on a reduced budget. For 2017 we have cut out \$200,000 of central services payments because of the arbitration failure, which falls squarely on the national office for their failure to provide requested information to the union. The national Executive Director failed to provide the books to the union despite my nagging. I have no idea whether national will take on those expenses. I have been in ongoing discussions with national, and have not received a formal objection from national about them taking on this added expense.

III. Public Comments #1--11:48

III.A. Public Announcements

IV. PNB Directors and Treasurer Reports:

Jan Goodman: Most significantly what has happened on national level is that our CFO Sam Agarwal has resigned, which is devastating to our board. He was extremely competent and honest. He got very little support from the national office and directors. This has left a very big hole in our management structure. We have a part-time volunteer Executive Director, and have done little to bring in needed financial professionals into our organization. Our interim Executive Director passed a recovery plan that does not have the means in place to accomplish anything. We do not have a real plan that provides a path to recovery for us. Our national board is so dysfunctional that our agenda takes half the time of the meeting, and another 25% is spent on bickering over points of order, so we continue on our downward spiral.

Jan Goodman asked interim Executive Director Lydia Brazon questions related to financial documents (which were not provided), that were requested of Pacifica's National office by union for SAG-AFTRA negotiations with KPFK management. iED Brazon stated that she was a party to negotiations with SAG-AFTRA.

Myla Reson: Stated that she was providing official notice to interim Executive Director (iED) Lydia Brazon, and the LSB, that a motion to censure the iED, regarding the iED's shortcomings in providing requested documents for KPFK/SAG-AFTRA negotiations, would be filed at the next (October 2016) meeting of the LSB.

Michael Novick: The PNB did approve a financial recovery plan presented by interim ED Lydia Brazon, including working towards restoring CPB grant eligibility, which would be a major increase in income and cash flow. We are also appraising our properties, archives, and licenses to get a clearer picture of the value of our assets that we can use for mortgages, lease agreements, etc. The PNB also adopted a number of measures I proposed. The iED was mandated to begin the fundraising mailings with available funds to test its efficacy. The PNB previously mandated the LSBs and LSB members to seek sustainers for their stations and to look for individuals that can make short-term no interest loans to assist Pacifica with the national fundraising mailings. The PNB also mandated all stations to prioritize payroll, insurance and central services payments over all other payables.

Fred Blair: The main problem I have had is in getting timely financial information and digesting it. I will send an electronic report to LSB members in a couple days. One of our directors, Edwards-Tiekert, has resigned. He ran the national Finance Committee in a smart, adept fashion. Also, losing our CFO Sam Agarwal at this point in time is devastating. The auditors are requiring a financial recovery plan, so they are not providing us with our completed audit. It remains to be seen if the auditors will accept the recovery plan approved by the PNB. I am critical of GM's projections on fundraising for next year. It does not seem realistic to me. It seems overly padded. My main criticism of the KPFK budget is that the GM has cut out \$200,000 worth of debt by moving it to the national office. This is my main reason for recommending that we reject the proposed budget at this time. I concur with Kim Kaufman that we had 150 fund drive days, and the excessive fund drives are putting us on a death spiral.

Q&A from LSB

Lydia Brazon briefly discussed points of the Recovery Plan passed by the national board (full version of plan forthcoming).

V. Public Comments-1:10

VI. Budget Motion: Moved by Jan Goodman

Motion passes 9 to 4, with one abstention. (Appendix B)

VII. Resignation/Replacement of LSB member:

Fred Blair resigns from the LSB, and is replaced by runner up Stephen Franz. Fred Blair is appointed by LSB, by consensus, to continue as Treasurer until an election may be held for Treasurer at next month's LSB meeting. Fred Blair is unanimously recognized by the Local Station Board for his past services.

VIII. Motion for Enhanced Program Evaluation: Moved by Charles Fredericks

Motion passes by consensus, with five abstentions noted. (Appendix C)

IX. Closing Business

Meeting adjourns at 1:40 p.m.

Appendix A - Required Notices

Proper notice of this meeting was posted on the KPFK Calendar and at the Pacifica Calendar as required.

Appendix B – Budget Motion

The LSB cannot approve this budget as it stands. The LSB requests the GM do the following and re-submit the budget to the LSB for approval:

1. Hire a business manager. Add realistic advertising costs to the budget (as in an ad in the LA Times) and demonstrate the process with screenshots of ads.
2. Revise fund drive chart to match the actuals.
3. Adjust the expenses to pay staff what they are owed, plus **the fund the pension monies**, before buyouts or other non-essential expenses, if appropriate.
4. Submit a plan for improving programming and on-air fundraising efforts in order to raise on-air revenue.
5. Submit a plan for paying central services and owed premiums.

Appendix C – Motion for Enhanced Program Evaluation

Whereas the existence of the station relies on community support, and

Whereas, the Program Director is ultimately responsible for program performance, and

Whereas the General Manager is ultimately responsible for the station's performance, and

Whereas, in an effort to improve KPFK's responsiveness to its mission and overall performance, the General Manager has made several programming changes, and

Whereas the success or failure of these programs impacts the overall success or failure of the station, and

Whereas the assumption of duties outside her job description impacts the General Manager's ability to perform those duties within her job description responsibly, and

Whereas blurring the lines of responsibility impacts the Program Director's ability to perform those duties effectively, and

Whereas the Program Director has attempted to implement a process of program evaluation that relies to a large extent on self evaluation by the programmers themselves,

Therefore, be it resolved, the Local Station Board encourages the Program Director to work together with the General Manager to develop an objective set of criteria by which programs are evaluated, including self-evaluation but also pledge drive performance and metrics to measure listenership and level of community support, including call in survey responses and web presence,

And that this system of analysis be applied objectively across the board to all programs as soon as is effectively possible,

And that the results of this analysis be shared with the KPFK Local Station Board and the public via the KPFK website, to enhance future programming decisions through increased **community input and awareness.**

It is requested that the GM and PD present their proposed criteria for program evaluation to the LSB for consideration and input, prior to implementation. It is requested that this criteria be provided prior to the next LSB meeting.