

WBAI Treasurer's Report
October 9, 2013

The National Finance Committee (NFC) met on September 18, 19, 24 and 27. These meetings mostly were concerned with the FY14 budgets of the stations. WBAI's FY14 budget was considered at the September 18, and 24, meetings.

After the NFC went over the WBAI FY14 budget proposal it passed a motion to recommend it to the PNB after some changes had been made. Here is a summary of the resulting budget figures as they will be presented to the PNB:

Income Summary	
Listener Support	\$1,566,235
Donations (below \$1K per)	60,000
Website Income	111,000
Corporate Match	17,460
Other Income (BAI Buddy)	156,000
Interest Income	6,960
Community Events	57,340
Major Donors (\$1K & Up)	57,000
Car Donations Proceeds	15,000
Grants Income, Others	60,000
Grants - CPB/CSG	225,205
Grants - CPB (Restricted)	73,000
Total Revenue	\$2,405,200

This budget proposal is based on 104 to 106 days of on-air fund raising activity at a tally of about \$18,800 per day and a fulfillment rate of 78.3%. In FY13 WBAI pitched for about 160 days and raised an estimated \$2,604,476. So these revenue figures appear to be conservative.

Expenses	
Salaries & Related Exp	\$522,984
Board Expenses	20,196

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Administrative Expenses	333,318
Programming Expenses	818,800
Development Expenses	280,546
Comm. Event Expenses	\$11,500
Total Expenses	\$1,987,345

Salaries and related expenses for FY13 is estimated to be \$1,542,261 so the recent, and unfortunate, force reduction is projected to result in this line for FY14 being about one third that of the previous year.

WBAI Management is asking Pacifica to help cover the severance pay so that the laid off Paid Staff can get the money that's owed them in severance pay sooner, WBAI would be billed back for that amount. That severance pay is estimated to amount to about \$225,000. The rest of Pacifica has not approved such a plan at this time.

The Board Expenses for FY14 relate mostly to the elections that should be held next year.

Central Services	\$305,416
Total Capital Expenditures	\$80,800
Surplus	\$31,640

The projected surplus of \$31,640 at the end of FY14 is better than in previous years but is still an amount that could be wiped out by a single emergency, or a few days of extra expenses.

During the budget process I again urged the NFC to propose to the PNB that the National Office cover WBAI's payments to the Empire State Building to make sure that those payments are timely, which would prevent late fees that amount to tens of thousands of dollars every year. WBAI would of course be billed back on those payments. Some on the NFC seemed to be receptive to this idea. The problem raised regarding this proposal in the past has been that the National Office has not had the cash on hand to pay those rent bills when they've come due. Maybe FY14 will be different.

All of the above figures are subject to change by the PNB.

The October 8, 2013, NFC meeting was rescheduled because the National Office couldn't provide the spreadsheets that make up the Pacifica Radio Archives and National Office budgets.

The Treasurer has sent the copy of the following motion passed by the LSB at its last meeting to the NFC, the PNB, the interim Executive Director and the CFO, "The WBAI LSB's Finance Committee wishes to express its distress at not getting the financial documents necessary for the fulfillment of our fiduciary duty, which we are mandated to perform by the Pacifica bylaws, despite repeated requests to the National Office and WBAI Management. Among the requested documents have been: revenue and expense statements, balance sheets and the cost of

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premiums including a breakdown for those provided by producers. We urgently request these documents.”

The next NFC meeting will be on October 16, 2013.

The WBAI LSB’s Finance Committee met on September 25, and passed the following motion:

“The WBAI local Finance Committee strongly urges the WBAI Local Station Board to urge the Pacifica National Board to postpone any decisions on the Local Management Agreement option and any other changes in WBAI’s operational status until all other fund raising options for WBAI have been exhausted. In particular we urge the Interim Executive Director to organize a network wide emergency fund drive with the support of the PNB specifically aimed at paying off WBAI’s immediate external debts, and to conduct an immediate fund raising mailing and E-mailing to the entire WBAI database.

In addition the Finance Committee recommends that the LSB demand that no decision on leasing WBAI or any other such status changes be made by the PNB before a public presentation and discussion by the WBAI LSB, on-air discussions in several time slots, and an LSB Town Hall meeting.”

The next local Finance Committee meeting will be on October 15, 2013.

R. Paul Martin
WBAI LSB Treasurer