

WBAI Treasurer's Report
March 11, 2015

The National Finance Committee (NFC) met on February 24, 2015. At this meeting Brian Edwards-Tiekert was re-elected Chair and I was re-elected Secretary of the NFC.

The CFO reported on the five Pacifica stations' on-air fund raisers. He said that three stations would be extending their drives, while KPFA had ended its Winter on-air fund raiser \$85,509 short of goal, and KPFT had ended its Winter on-air fund raiser \$71,823 short of goal.

The CFO reported that the FY13 audit was on target for being finished by March 1. He said that the deadline for the completion of the FY14 audit was the end of February, but that there would be a 45 day extension granted by the CPB which would push the deadline to April 14, and a second 30 day extension could be requested if needed.

The CFO reported that the PNB had approved a revision of the loan to WBAI which moved the start date for repayment of the loan to after September 30, 2015. The CFO reported that he hoped to be able to provide the NFC with Q1 FY15 P&L statements by the next meeting.

Regarding the Pacifica pension plans, the CFO said that Pacifica was not in violation due to not having funded the profit sharing plan for FY12 and FY13, the compliance issues are with the Union Contracts. He's working on options with the third party administrators of the pension plans.

The NFC passed a motion recommending that the PNB direct Pacifica Management to plan a coordinated network-wide capital campaign to finance the replacement of KPFT's transmitter within three months, with the goal of increasing KPFT's effective power to 100,000 Watts and widening the reach of Pacifica's network. This may involve participation in an on-air fund raiser for this capital campaign by all five stations.

The NFC passed the following motion: "To create a Work Group to look into the Health Care Plans that are in effect at every unit of the Foundation. The objective of the Work Group will be to compare the benefits and cost, in order to see if we can come up with a way to save money to the employees and to Pacifica." (Passed 8 for, 0 against, 2 abstentions)

The WBAI local Finance Committee met on February 19, 2015, at the Atrium at 60 Wall St. This is a public space which is patrolled by building security and the NYPD. Some committee members were not comfortable with the police presence.

The local Finance Committee had to move once so that members could hear each other over the backgammon tournament going on nearby. Toward the end of the meeting people at another table began to howl. The Atrium is not a warm space in mid-Winter.

The General Manager told the committee that it had been his decision to cancel the nine day on-air fund raiser budgeted for December. He said he felt that the listeners would be more responsive to future on-air fund raisers if they weren't pitched in December. That on-air fund raiser had been budgeted to raise about \$111,000.

The General Manager said that the hypnotism premium that was used to make up the shortfall of the Fall on-air fund raiser raised \$82,750.

The local Finance Committee discussed the premiums being used to raise money. The General Manager said that he will look to make sure that WBAI's premiums are not violating any copyright laws.

The committee discussed a complaint raised by the producers of the program *Off the Hook* about their premiums not being sent out. The General Manager said that he and those producers had looked through the premiums at the 388 Atlantic Ave. offices recently and that everything had seemed to be all right. Subsequently, the *Off the Hook* producers have stated publicly that, "... we have yet to receive ANY update on the Autumn 2014 fundraiser, where we donated 64gb thumb drives containing all talks

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from the HOPE X conference. Not one person who pledged to the station during that fund drive has received what was promised to them.” The General Manager was asked if there were a bunch of 64 GB USB flash drives in the premium inventory at 388 Atlantic Ave. The General Manager was not able to give the committee a definitive answer regarding the status of those 64 GB USB flash drives.

At this meeting the General Manager projected that as of May 1, 2015, WBAI would have \$17,349 in unpaid bills.

During the meeting a committee member discovered that the General Manager had projected revenue from the BAI Buddy program at \$18,000 per month and showed a total of \$209,304 for Q1 of FY15. In fact \$18,000 per month for three months would amount to \$54,000. It is hoped that this error in addition will not have a negative effect on WBAI’s actuals.

When asked about WBAI getting its own Business Manager, as mentioned by the CFO at the February 10, 2015, NFC meeting, the General Manager characterized the prospect as “nebulous.”

The General Manager has told me that he wants to talk to me about WBAI’s finances in general. This should probably happen soon.

The Winter 2015, on-air fund raiser is over. From the official results given on a daily basis the on-air fund raiser appears to have come in with a total of \$423,385 pledged, which would be \$56,371 short of goal. However, the General Manager has put out a report that shows a final tally of \$469,100 which is only \$10,656 short of the goal. The General Manager says, “Note that pledges are still coming in from the follow on of dropped calls.” To complicate matters, the General Manager sent out an announcement to Staff on February 25, that said that the on-air fund raiser was to be extended by one week in order to raise, “between \$150,000.00 and \$225,000.00,” to build out a studio at 388 Atlantic Ave. because WBAI will have to leave the studio space at CCNY soon. The last seven days of the Winter on-air fund raiser raised a tally of about \$80,000. If the revenue from those pledges is earmarked for a studio build out then that revenue can’t be counted as available to pay general operating expenses, which would make the effective shortfall of the Winter on-air fund raiser greater by \$80,000.

The NFC will meet next on March 24, 2015, and the local Finance Committee has voted to meet on March 19, 2015. The venue for the latter meeting will depend on the status of the construction currently going on at 388 Atlantic Ave.

It will be very helpful if at the next NFC meeting the CFO can deliver Q1 FY15 P&L statements. The lack of financial statements has been a problem for a very long time in Pacifica. It would be good to be able to compare the CFO’s P&L with the General Manager’s P&L for that period. The General Manager has said that WBAI is using *Quickbook* to keep track of the station’s finances, while Pacifica uses *Great Plains* software to do so. If the CFO and the General Manager could double check each other’s figures that would raise the confidence level in the financial statements we are seeing.

R. Paul Martin
WBAI LSB Treasurer