

WBAI Treasurer's Report  
October 11, 2023

The WBAI local Finance Committee met on September 20, 2023. The National Finance Committee (NFC) met on September 26, 2023. Both of those meetings were held by teleconference.

At the September 20, 2023, local Finance Committee meeting the General Manager sent the committee the following in an E-mail:

Highlights & Takeaway

- 1 Funddrive pitching has tanked
- 2 BAI Buddy stayed the same but there is a lot of termination/non-renewal
- 3 PSAs are a significant new source of revenue we need to explore further
- 4 There is a strong correlation between utilizing Christine Blodale and Funddrive results
- 5 Generous Major Donor Matching Fund
- 6 WBAI has to get the pledge line ringing at WBAI first
- 7 WBAI / Pacifica must figure out the legalities and strategy to start calling lapsed donors
- 8 Dismal response to join Premium, PSA & Underwriting task force
- 9 Cut in Consultants

The General Manager went on to say that as of the day before this meeting WBAI had \$9,597 cash in bank. He talked about getting people to call the lapsed donors. He said that there was a need for someone to supervise it at all times so that crazy people don't call those lapsed members.

The General Manager said that the PSAs had generated \$66,176 from October to the date of this meeting. He said that the average BAI Buddy monthly donation was \$16.02 and the largest was \$200. He said that the station had 10,118 buddies. He said that the Monday morning host was getting some underwriting. He said that she's working with Unions to pay the host with donations. He said that the Tuesday morning host quit because that person can't afford not to get paid. He said that WBAI Management was scrambling to figure out what to do about Tuesday.

There was a discussion about the legality of having on-air hosts get a cut of the money they raise. We had been told in the past that this was not legal.

The General Manager said that the outstanding payables to vendors was \$151,734.63 and the amount owed in Central Services fees was \$1,410,936.85 for a grand total of \$1,562,671.48 (A copy of the General Manager's "WBAI 99.5 FM Radio Pacifica Foundation\_New A/P Aging Summary As of September 19, 2023" is attached to this report.) The General Manager then presented the committee with a draft FY24 budget. The General Manager's draft budget projects raising \$2,500/day as opposed to \$3,250 last year. He proposes to triple the revenue from the PSAs over last year to \$180,000. He projects reducing the call center expense by 90%, but he

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said that he had included the call center in the budget. He projected Health Insurance fees increasing by 2% in March and salary increasing by 0.5%. This draft budget may be changed somewhat by the Executive Director who is taking an active role in preparing all of the FY24 budgets in Pacifica.

At the September 26, 2023, NFC meeting the Executive Director told the committee that some divisions of Pacifica had submitted their FY24 budgets to the National Office. She said that she'd compared those draft budgets to the projected actuals for FY23 and also to the previous two fiscal years to see how close the draft FY24 budgets were. She said that the Central Services expenses had been difficult to calculate. She sent the NFC what she called a simplified spreadsheet summarizing all of the total figures for each station on a single sheet. This sheet shows all stations except KPFT as running end-of-year deficits. If Central Services fees are removed then all of the stations are projected to end FY24 in the black, but the National Office and Pacifica Radio Archives (PRA) then end up deeply in the red. Either way the spreadsheet shows Pacifica ending FY24 with a deficit of about \$485,000. The Executive Director said that this shows the importance of paying Central Services fees. This simplified set of all Pacifica FY24 budgets is supposed to be viewed side by side with the monthly income statements that we're supposed to receive.

I asked the Executive Director about this way of showing budgets and she said that the more detailed budgets that we're used to seeing, covering several sheets of a spreadsheet and showing month by month details of the line items, were not for the NFC, but for the local Finance Committees to deal with. The Executive Director said that if the NFC had questions about an expense then we could break it down and see the details of that expense. I said that while the one page spreadsheet was a convenience I thought that the NFC needed to see the detailed spreadsheets from each Pacifica division so we could notice things that might raise a question before they became a larger problem. The Executive Director said that Pacifica doesn't have the luxury of spending money on travel, conferences and training at this time.

With regard to getting all of the Pacifica bank accounts under one nationwide banking institution the Executive Director said that the project was, "Moving along splendidly," with WPFW, WBAI and KPFT ready to make the switch. As I said in last month's Treasurer's Report all of the stations and other divisions in Pacifica will still have their separate bank accounts but they'll all be in one branch or another of the bank that gets chosen to be Pacifica's bank.

And then the NFC went on to once again consider the WBAI draft FY23 budget. The WBAI General Manager was on the call and he said that he didn't have a presentation. He said he had put the FY23 actuals into the budget. Those actuals were subjected to a lot of questions, some of which took a while to answer. The General Manager told the NFC that WBAI had gotten some bequests and grants which had helped to lower the station's end-of-year deficit significantly. The WBAI draft FY23 budget presented at this meeting shows a slightly lower deficit than the version that had been modified in February of this year had projected. The General Manager said that, among other things, he was planning to double or triple the revenue that the station had gotten from PSAs in FY23. It was brought up during the meeting that the Total Expenses for FY24 from the simplified spreadsheet that the Executive Director had sent the

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committee were quite a bit higher than the actuals listed in the WBAI draft FY23 budget. The question was if there was some planned increase in Total Expenses for FY24. The General Manager said that he could look into that and WBAI might need to reduce consultants, including reducing the paid morning show hosts. He made his argument for projecting a PSA revenue that was two or three times what had been realized in FY23. He said that the Total Expenses should not be that much more. He said that Salaries & Related Expenses goes up a little bit because WBAI had negotiated a new Union Contract after 10 years. He said that as a result not only salary but the Health Insurance expense would probably go up. He said he'd take a second look at that and would talk to the Executive Director and local Finance Committee about it.

There were also questions that revealed that some mistakes in the spreadsheet were the result of formulas not having been updated. The General Manager said he had been working with them and he hadn't finished the whole thing. There were also some issues with regard to spreadsheet cells that should have been blank and some columns in the spreadsheet that did not add up correctly. The General Manager said that he had not updated all of the expenses, and some parts of the spreadsheet had not been added up, and it had been a lot of work. The General Manager said that we had most of the numbers. It was also found that some of the numbers in the one page spreadsheet that the Executive Director had sent the committee as a simplified preview of the FY24 budgets had been filled in at the National Office and did not relate to WBAI, such as a listing for SCA revenue, which goes to the National Office and not to WBAI. There were some coding errors in the FY24 spreadsheet that it turned out had not sent to the National Office by the WBAI General Manager, and that made for more differences between what the WBAI General Manager had presented and what the Executive Director had sent to the NFC. The meeting got a bit heated at times.

The following motion got defeated. **Motion:** (James Sagurton) "The NFC sends to the PNB the WBAI draft FY23 budget. It is a deficit budget." (Fails 0 for, 4 against, 2 abstentions) The draft budget as presented was just not coherent. It had been sent out two minutes after the NFC meeting had started. It also was quite different from the WBAI draft FY23 budget that had been modified in February. I never got to look at it since as the NFC Secretary I had to keep notes during the meeting and had to switch back and forth as people who were less burdened made their points. At the July 25, 2023, NFC meeting the KPFK draft FY23 budget had been passed as a deficit budget, WBAI had had a chance to at least get the FY23 draft budget sent to the PNB as a deficit budget, but it was too disorganized for anyone on the NFC to vote for it.

It's unfortunate that the WBAI draft FY23 budget could not be sent to the PNB. It's not that big a loss, however because there were only a few days left of FY23.

WBAI's finances are not in good shape. The recent influx of cash from the bequest and the grant, along with the matching fund from a Major Donor for the rent arrears at 388 Atlantic Ave. have helped a lot, however. But those are extraordinary windfalls. The station is not able to support itself. There is no help that can come from Pacifica since all but one station is in the red now. On the NFC I sense hostility from some members that I had not sensed before.

The next NFC meeting is scheduled for Tuesday October 24, 2023, at 8:30 PM (ET). The

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next local Finance Committee meeting is scheduled for Wednesday, October 18, 2023, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin  
WBAL LSB Treasurer

**APPENDIX**

	A	B	C	D	E	F
1	<b>WBAL 99.5 FM Radio Pacifica Foundation _New</b>					
2	<b>A/P Aging Summary</b>					
3	<b>As of September 19, 2023</b>					
4						
5	<b>Description</b>	<b>1 - 30</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>91 and over</b>	<b>Total</b>
6	4TS - 4 Times Square	17,588.92	17,056.93	6,484.74		41,130.59
7	5th Circle Records, Inc.				600.00	600.00
8	ACD Direct, Inc.	4,740.19	5,477.11	5,956.94	47,316.27	63,490.51
9	Anastasia Alexiadis				4,348.00	4,348.00
10	AT&T	187.77				187.77
11	B&H Photo			197.30		197.30
12	BMI Music Square				392.30	392.30
13	Bob Hennely	500.00	125.00			625.00
14	CHAGIT		3,519.00			3,519.00
15	Felipe Luciano				500.00	500.00
16	Frenchie Davis	375.00				375.00
17	Fusion				13.20	13.20
18	Kathryn Davis				3,340.00	3,340.00
19	Keziah Glow		500.00			500.00
20	Lylburn Downing				1,166.67	1,166.67
21	Manhattan Mini Storage	264.00	264.00			528.00
22	NFCB				3,875.00	3,875.00
23	or Books				149.39	149.39
24	PRA (Premium)				2,125.00	2,125.00
25	Power Cooling, Inc				835.00	835.00
26	Protekt				1,584.67	1,584.67
27	RRC - Arbitron				3,510.00	3,510.00
28	Renee Lynn Medical Esthetics	1,060.00				1,060.00
29	The Commons Foundation	5,300.00	5,300.00	5,300.00		15,900.00
30	Time Warner Cable 388				545.23	545.23
31	Wuyi Jacobs	912.00				912.00
32	Your Strategic Solutions, LLC		325.00			325.00
33		<b>30,927.88</b>	<b>32,567.04</b>	<b>17,938.98</b>	<b>70,300.73</b>	<b>151,734.63</b>
34						
35	Pacifica National Office - PNO	6,890.00	6,890.00	6,890.00	693,588.62	714,258.62
36	PRA (Central Service)	4,222.00	4,222.00	4,222.00	324,156.50	336,822.50
37	Payroll Expenses				147,710.71	147,710.71
38	Health Care Bill Back	11,548.50	8,048.50	8,997.00	183,551.02	212,145.02
39		<b>22,660.50</b>	<b>19,160.50</b>	<b>20,109.00</b>	<b>1,349,006.85</b>	<b>1,410,936.85</b>
40						
41	<b>TOTAL</b>	<b>\$30,927.88</b>	<b>\$32,567.04</b>	<b>\$17,938.98</b>	<b>\$70,300.73</b>	<b>\$1,562,671.48</b>