

WBAI Treasurer's Report  
January 10, 2024

The National Finance Committee (NFC) met on December 19, 2023, January 2, 2024, and January 9, 2024. The local Finance Committee did not meet. All of those meetings were held by teleconference.

At its December 19, 2023, NFC meeting the NFC considered the draft FY24 budget proposals for the Pacifica Affiliates Network and the Pacifica Radio Archives. Both draft budgets were recommended to the PNB.

The December 20, 2023, local Finance Committee meeting did not make quorum and was cancelled. The members were polled to determine the next meeting date, and that poll has determined that the date of the next meeting will be January 17, 2024 at 7:00 PM (ET).

At the January 2, 2024, NFC meeting there was a dispute over even having consideration of the WBAI draft FY24 budget on the agenda. After about half an hour of debate a motion to postpone consideration of the WBAI draft FY24 budget was put on the agenda right before the item about the consideration of WBAI's draft FY24 budget. One of the issues raised was that the WBAI General Manager had changed the draft budget between the time when the WBAI LSB had passed it on and when it had been presented to the NFC. A small issue was that at the December 13, 2023, LSB meeting I had made the motion to send that draft FY24 budget to the PNB, and not the NFC. I frequently make motions to send budgets to the PNB from the NFC, and I had misspoken at the December 13, LSB meeting by moving to send it to the PNB when I'd meant to send it the NFC. This issue was cleared up pretty easily at the NFC meeting.

The preamble to the motion to postpone consideration of the WBAI draft FY24 budget contained wording that could be considered defamatory, and the motion itself would have sent the draft budget back to the LSB after the Executive Director and the General Manager had gone over it again.

When the motion came to the floor I moved to strike the preamble, but that failed by a vote of 5 for and 5 against. The part about sending the draft budget back to the LSB was stricken and the defamatory part was changed. The motion to postpone consideration of the WBAI draft FY24 budget then failed by a vote of 4 for, 5 against with 1 abstention.

The WBAI draft FY24 budget proposal finally came to the floor at 10:04 PM (ET), an hour and a half after the meeting had started and 11 minutes before the meeting's scheduled adjournment time.

The WBAI General Manager was able to speak to the NFC and he said that he'd heard what had gone on during the setting of the meeting's agenda. He suggested that people read the Power Point presentation he'd sent in to get a good idea about the WBAI draft FY24 budget proposal. He said that the actuals for FY23 hadn't come out when he was preparing the draft budget and so couldn't be included in it so he used his FY23 *QuickBooks* figures for the actuals. He said that in response to some things he'd previously heard that he had made some changes to the budget proposal. He said that as an example he'd brought Total Revenue closer to \$1.3

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Million which he said was what some NFC members had wanted. He said he had projected Listener Support at about \$720,000 which was about \$46,000 more than in FY23 because he was projecting that the station will raise about \$2,250 per day from on-air fund raising as opposed to raising about \$1,800 per day in FY23. He said that increase would be the result of getting Christine Blodale to pitch every two months. He said that the BAI Buddies were projected to increase by \$25,000 based on adding 100 BAI buddies. He said that this would add about another \$2,500 a month to the revenue. He said that with regard to Major Donors there is already someone committing to pay four months of WBAI's \$5,300 monthly Office Rent at 388 Atlantic Ave. He said that he was projecting the revenue from the theater tickets donations as about \$1,000 less than in FY23. He said that he was projecting more for Car Donations Proceeds because the station was playing the cart for car donations a lot. He said he was putting in \$36,000 for bequests. He noted that there was a \$25,000 stock option to be donated and that this was part of the \$67,000 in the Grants Income - Development line. He said he was projecting \$120,000 for PSAs and he said that the station had gotten more than \$69,000 from PSAs in FY23. He spoke of Community Events that he said would raise revenue.

I'll note that when this draft budget had been presented to the local Finance Committee in November the committee had told the General Manager to remove the Bequests line, which had been much larger then, because you can't count on bequests and it's been the policy of the NFC to not include revenue from bequests in budgets.

After this the NFC voted to extend the meeting a little to look at the "Pacifica Foundation Consolidated Monthly Income Statement For the Twelve Months Ending Saturday, September 30, 2023" which should show the actuals for FY23.

There were a number of obvious errors in the September 2023, figures, including showing WBAI having to pay \$22,300 of office rent in September, instead of \$5,300 and facing a charge of almost \$80,000 for Tower rent in that month, which in reality is less than \$18,000 a month. The WBAI General Manager also solicited questions about the draft budget and gave his contact information to the NFC members so they could send him their questions.

This Income Statement has since been revised but is not yet approved for dissemination to the public. When it's release to the public is approved I'll send it to the LSB and the local Finance Committee mailing lists, as usual.

At the January 9, 2024, NFC meeting the WBAI draft FY24 budget came up again. The General Manager had answered questions put to him by a couple of NFC members. Unfortunately I had not understood that a couple of files he had sent me were something he wanted me to send to the NFC mailing list because there were typos in it. But it all ended up getting sent to the mailing list during the meeting. There were then arguments about what files to go over, there were a number of them from past and present meetings. As the General Manager explained what some items were there were interruptions. There was objection to the Chair helping the General Manager in elucidating the various revenue and expense items in the draft budget. I will note that over the years people have not objected to a Chair helping a General Manager present a draft budget to the NFC. Some NFC members raised questions regarding small budget items, and there was objection to discussing those because they were such a tiny

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part of the budget. The Executive Director said that she didn't know what the coding was for the PSAs, and the General Manager said that he would work with the Executive Director and the National Business Manager to work on that. He noted that for the future all of that information will have to come from the National Office because all of WBAI's bank accounts are now with the Bank of America, which the General Manager can't easily query. There was a little back and forth between the WBAI General Manager and the Executive Director over how he ought to let the National Office know what particular items of revenue are.

An attempt to get another meeting to deal with all of this next week was shot down because of a conflict with the PNB Personnel Committee meeting. The Chair said that at the next meeting on January 23, we should try to work from one document.

So the WBAI draft FY24 budget looks like it's become a political football in the NFC. It is a deficit budget, which is cause for concern, but there are other deficit budgets coming to the NFC and being sent on to the PNB. Things being changed and sent in late is an issue, one we've had to deal with on the WBAI local Finance Committee for years, but it sure looks to me like the various documents are being used as an excuse to cause chaos. There is no need for the dilatory actions some NFC members have engaged in. No other station's deficit budget is being treated the way that WBAI's is. WBAI has weaknesses, but they seem to be getting addressed by some on the NFC in a way designed to cause chaos and delay. I'm wondering if some people are delaying things so that the Directors on the NFC and PNB will change before the WBAI draft FY24 budget gets approved. I am not naively assuming that all actions on the NFC are being done in good faith at this time.

Pacifica is in more dire shape than it has been in the past. WBAI is not alone as a station that's in financial trouble. The WBAI General Manager has plans for off-air fund raisers that may make some serious money. Even if they work out, however, WBAI is going to be in the red for FY24. There is too little cash available for paying bills for both WBAI and Pacifica. Pacifica, including WBAI, is illiquid at this time. We have bills that we can't pay, and Pacifica is doing the classic maneuver to deal with illiquidity: it's sold the KPFK building. Will the eventual proceeds from that sale actually save Pacifica? I'm not at all sure that they will. The sale of that large asset may just buy more time for further actions, which can be positive or negative.

There are people who have in the past tried to take Pacifica over and make it something ruled over by a small clique, and some of those people are still involved in Pacifica governance. We live in interesting times. My pessimism about WBAI's survival is unassuaged by recent events.

The next NFC meeting is scheduled for Tuesday January 23, 2024, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, January 17, 2024, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin  
WBAI LSB Treasurer