

WBAI Treasurer's Report  
February 14, 2024

The National Finance Committee (NFC) met on January 23, 2024, January 30, 2024, February 6, 2024, and February 13, 2024. The local Finance Committee met on January 17, 2024. All of those meetings were held by teleconference.

At the January 17, 2024, local Finance Committee meeting the committee discussed the need for WBAI to generate more revenue, and generate it soon. We also discussed the errors that the General Manager had discovered in the "Pacifica Foundation Consolidated Monthly Income Statement For the Twelve Months Ending Saturday, September 30, 2023," including a Tower Rent of \$73,911 for September 2023. That's about \$60,000 higher than the real monthly bill at 4 Times Square.

In his report the General Manager said that WBAI had transferred all assets to Bank of America. He said that he was developing the ability to work with Bank of America and see what's in the station's accounts there. He said that with a lot of hard work the Web master and he had managed to transition everything but the Amazon Web Service and STAMPS.COM because they only take debit cards. He said that Adobe only takes debit cards and credit cards. He said that WBAI owed about \$70,000 to the call center and almost the same amount to 4 Times Square and that they could just shut us down any time they want. He said that WBAI definitely needed to make more money fund raising. He said that the same premiums were not making enough money as they used to. He said that Gary Null didn't want to pitch anymore because he thinks the National Office isn't going to pay him for premiums. The General Manager said that he was setting up a meeting with Gary Null, the Executive Director and himself. He said that he couldn't transition PayPal to Bank of America so he would just use PayPal for premiums. He said that he'd managed to figure out how to deposit checks with Bank of America using his cell phone, which he said seems to be the most efficient way of doing it. He said that WBAI's revenue is well documented and broken down into Listener Support, PayPal, BAI Buddies, PSAs, Major Donors and Broadway theater tickets. He said that they don't match the National Office's numbers because the National Office bundles everything. He said that he was going to merge it all into a bundle as National Office does and there will be no details available with regard to BAI Buddies, etc. in revenue and expenses. He said that the WBAI birthday celebration didn't work well. He said that it had good programming but it didn't raise that much money. He said that he was looking for more PSAs and that as of March the Department of Transportation will be funding more of them. He said he had no idea what was happening with the \$25,000 stock option because he's still waiting for the National Office to create the bank account that the stock option would go into. He said that he didn't know if the person who had offered the stock option wanted it to be received by WBAI before the end of 2023, so that they could get a tax deduction from it, so there is the possibility that the \$25,000 might be money that WBAI has lost.

In answer to a question the General Manager said that the newly revised draft budget would be based on the National Office numbers.

At the January 23, 2024, NFC meeting the revised Draft FY24 WBAI Budget was

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considered. This was the third time that the budget had been brought to the NFC. The WBAI General Manager told the NFC that the National Office's numbers were only different from his numbers derived from *QuickBooks* by about \$32,000. He said that he'd explained the differences to the Executive Director and had put explanations alongside the budget lines. He noted that WBAI had shut down all overtime for board ops which he said should result in a savings of \$15,000 to \$18,000 a year, but he said that he'd left the original figure in the draft FY24 budget because it's not proven and there could be emergencies. He said that the projected Net Income for FY24 without paying Central Services fees was \$90,730 and with Central Services fees the deficit was projected to be \$170,982. He asked the Executive Director to comment on the draft FY24 budget because she had spent a lot of time working on it with him. The Executive Director said that she thought that the key was that as we move forward not just with WBAI but with all of the stations that we spread out what some of the costs are and make line items match what our actual revenue and expenses are. It was noted that there is a substantial bequest pending that can't be put in the budget as a projection of revenue. Eventually the NFC passed the following:

**Motion:** (R. Paul Martin) "The NFC has reviewed the WBAI FY24 budget. It is a deficit budget. We send the budget to the PNB for their review." (Passed 8 for, 1 against, 1 abstention)

At that meeting the Executive Director told the committee that Pacifica was moving forward with the closing escrow on the sale of the Los Angeles building. She said that they're still working on getting liens removed from that building. I asked about the progress in getting the signatures that would open an account at the Bank of America that could receive the \$25,000 stock option that a listener was trying to give WBAI. The Executive Director said that, because there will be a new PNB, in order to open an account to receive stock options with the Bank of America some of the required signatures would have to be redone.

At this meeting the Executive Director said that payables totaled \$1,241,401. She said that the outstanding FJC loan principal was \$2,548,821 and that for the Economic Injury Disaster Loan the principal was \$2,079,430. She said that if there were a payoff of the FJC loan it would cost \$4,160,904 but that we're working with them on just paying past due interest.

At the January 30, 2024, NFC meeting the Executive Director said that based on the "Pacifica Foundation Consolidated Monthly Income Statement For the Twelve Months Ending Saturday, September 30, 2023," Pacifica's overall revenue had declined roughly \$40,000 in FY23 as compared to FY22. She told the NFC that Pacifica's Total Payables amounted to about \$1.3 Million, the FJC past due interest was \$440,000, and that the Economic Injury Disaster Loan interest was about \$104,000 past due. She said that Pacifica now has casualty and liability insurance nationwide.

At the February 6, 2024, NFC meeting there was a noticeable change in the behavior of some members. There were dilatory maneuvers that ate up a lot of the NFC meeting's time.

Late in the meeting it was agreed that the "Pacifica Foundation Consolidated Monthly Income Statement For the Twelve Months Ending Saturday, September 30, 2023" could now be released to the public. The September figures for some WBAI expenses still need to be revised. I'm hoping that the National Office can be persuaded to do that. I posted these consolidated

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financials to the public WBAI LSB mailing list and the WBAI local Finance Committee mailing list after the meeting.

At this meeting we learned that WPFW had not yet transferred all of its bank accounts to Bank of America, and that KPFA was “appealing” the decision to move to Bank of America, which had been mandated by a motion in the PNB and which had been heartily endorsed by the Executive Director.

The NFC adjourned to an executive session and the report out from that was, “The NFC met in executive session to approve past executive session minutes.”

The February 13, 2024, NFC meeting was rancorous at times. Some members repeatedly called the NFC a “lame duck” committee and opposed attempts to get anything done at the meeting. It took 48 minutes and five roll call votes to get through setting the agenda.

A contentious issue at this meeting was that the night before this meeting the KPFFK Treasurer had posted a notice for an NFC meeting on February 20. The NFC had not authorized such a meeting. At last night’s meeting the KPFFK Treasurer said that the new PNB Chair had asked her to set up that meeting so that the new Directors on the NFC could be seated. There is already an NFC meeting set for February 27, at which the new Directors on the NFC would be seated. The motion to have an additional meeting on February 20, which was made at last night’s NFC meeting, failed to get the support of a majority of members.

The results of the PNB elections for committees should be announced today. So by the time of the WBAI LSB meeting we should know the makeup of the 2024, NFC. We have been told that Directors affiliated with various groupings in Pacifica which have been inimical to WBAI now hold a majority on the PNB. That will probably mean that Directors and Treasurers who are hostile to WBAI may comprise a majority of the NFC. This could result in some very bad policy decisions.

I think it’s scandalous that Pacifica has been unable to get the signatures needed to set up a bank account that would receive the \$25,000 stock option that WBAI has been offered. This has been going on since the middle of November.

WBAI may be in the cross-hairs of people who may want to sell WBAI in order to use the proceeds to bolster the finances of their own faltering radio stations. Such cannibalistic designs could destroy WBAI and would certainly end up doing major harm to Pacifica and maybe destroy it as well.

I am more pessimistic about the future of WBAI and Pacifica now than I’ve ever been before. I don’t know how much good will is left in Pacifica, but if it’s not prevalent among the Directors I think that a big fight and possible doom may be at hand.

The next NFC meeting that the NFC has agreed to is scheduled for Tuesday February 27, 2024, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, February 21, 2024, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin  
WBAI LSB Treasurer