

WBAI Treasurer's Report
March 10, 2021

The National Finance Committee (NFC) met on February 23, and March 9, 2021. The local Finance Committee met on February 17, 2021, all of these meetings were held by teleconference

During the local Finance Committee meeting of February 17, the WBAI General Manager sent the committee the Accounts Payable for WBAI at 7:40 PM (ET). It was requested that the General Manager send these sorts of documents to the committee a couple of days before the meeting. The General Manager said that for two days in a row for eight hours a day he was being trained on the *Allegiance* customer relations management software. He said that the station owed two months of rent to 4 Times Square as of the day of this meeting. He said that the station is catching up on the most recent payroll and health care expenses. He said that the station would be paying Signius, the call center, about \$9,000. The Accounts Payable spreadsheet shows WBAI's total debt at \$1,050,211.35. A copy of the General Manager's Accounts Payable spreadsheet is included in the appendix to this to this report.

The General Manager went over a document entitled "WBAI 99.5 FM Radio Pacifica Foundation _New Profit and Loss by Month" which shows WBAI's revenue for the first quarter of FY19 and for the first quarter of FY20. Curiously the General Manager's Profit & Loss statement only shows revenue. A copy of this document is appended to this report. The General Manager said that the changes in the Profit & Loss between FY19 and FY20 have to do with the tradition of a big on-air fund raiser in October and a smaller one in December, but the station is not doing that now. He said that the station's revenue has to be looked at over a longer period of time, like six or nine months. He said that the October 2019, Listener Support of about \$46,000 was due to the coup. He said that usually in October WBAI raises over \$200,000 and in December Listener Support was about \$147,000. He said that normally the station makes a lot more money and that it carries the station through February. He said that comparing the first quarter of FY20 with the first quarter of FY21 the station is raising money more steadily. He said the station had lost revenue because Community Events aren't happening due to the pandemic. He said that January of 2021, was a lot better than January 2020, and that he'd send the committee the spreadsheet about that.

The General Manager said that the 52 week schedule was exhausting because Management personnel are always working. He said that having to come up with premiums for the specials is stressful and the lack of premiums is even more stressful. He said that the first 15 days of February were terrible. He said that the station did not pitch for the first few days of the month because pitching had been so intense in January. He said that aside from that the station is doing fairly well. He said that the BAI Buddies were regularly realizing \$17,000 to \$18,000 a month, and there are around 13,000 individual BAI Buddy members. He said that the *Allegiance* software is showing that the station is getting an average of about \$14 per BAI Buddy per month.

The General Manager said that usually the station goes back and forth between Gary Null's specials and Christine Blodale's specials, but earlier this month Gary Null had run out of premiums and that also affected the first 15 days of February.

The General Manager said that WBAI had about \$7,000 cash in bank at the time of this meeting and his objective was to bring this up to about \$15,000 soon. He said the station is averaging about an 89% fulfillment rate. He said that in the next four days he intended to raise enough money to pay one of the months of tower rent at 4 Times Square. He said that in December and January he did buy and process a lot of premiums and that cost the station money. He said that he thought that it was more important to have the premiums than to keep a chunk of extra money for payroll. We had a discussion about that idea during this meeting. He said that he had anticipated that the station would generate a lot more cash in the first half of February, but that did not happen. He said that he was a little disappointed that Black History Month was not making more money. He said that the station didn't have any real planning going on and was going day to day.

The General Manager said that he was generating a new 52 week schedule for all of 2021. He said that producers have a hard time understanding the scheduling so he formats the 52 week schedule spreadsheet differently. He admitted that there were no inherent changes in the previously publicized 52 week schedule.

I asked the General Manager about an E-mail to Staff in which the interim Program Director said that he, the General Manager, "... told me we could be off the air in two weeks," because the station was in such bad financial shape. The General Manager said he has a lot of personal and private exchanges with the interim Program Director and

(MORE)

this was not one of those which he had wanted to be publicized. He said that he and his employees and colleagues in Management have different ways of dealing with each other and he has many ways of bringing people back in focus. He said that being short of goal by about \$26,000 in the first 15 days of February was pretty substantial, which was a clear sign that we were not focusing on what was supposed to be focused on so he tried to get the interim Program Director to focus and give priority to certain things. He said it was unfortunate because it was private. He said that if we were shutting down he would let people know about it. He said that the station was always on the brink of disaster.

A member requested that the General Manager post the daily tally for each program. The General Manager said that that was not possible. He said that the former interim Development Director had done that and it was always challenged for lack of accuracy. He said that he monitors the on-air fund raising 24/7 and he runs queries of each premium and multiplies, so it's not possible, the station doesn't have the Staff. He said that the current system can't give details. He said that also the spreadsheet is now very different. He said that the Volusion report shows what the station is doing every day, but it doesn't have specifics. This became a topic of discussion for the local Finance Committee.

At the February 23, 2021, NFC meeting the interim CFO reported that she couldn't send out the January financials because one station had been late in sending financial information to the National Educational Telecommunications Association (NETA). She said she'd sent out a document that showed the unpaid amount for the stations' Central Services fees. She said that the document reflected that there was \$1,153,482 in Central Services fees owed to the National Office. Here is what WBAI owed as of February 23, 2021.

National Office Central Services	\$ 350,025
PRA Central Services	\$113,994
Benefit Costs	\$27,992
Payroll	\$8,644

The NFC briefly discussed the big loan. The principal of the loan comes due on April 21, 2021. The interim CFO said that Pacifica has been making the interest payments. Negotiations are ongoing between the PNB and the lender.

The rest of the meeting was taken up almost entirely by a preliminary discussion of the National Office's draft FY21 budget proposal.

At the March 9, 2021, NFC meeting there was a discussion of the big loan, which is due on April 21. Some members of the NFC were concerned about the details of the loan, and it was noted that some parts of it are confidential, especially while negotiations about it are ongoing. It was agreed that the NFC would go into executive session at its March 23, 2021, meeting to have a discussion of the loan.

The interim CFO brought a document titled "Pacifica Foundation Financial Narrative for January 2021" to the committee. That document is appended to this report. Overall it shows that things look better than they did a year ago, but this is because the Payroll Protection Plan (PPP) loan was forgiven earlier in this fiscal year. The \$1.2 million went from being a loan to being a grant. An examination of the YTD totals shows that all of the Pacifica stations would be in worse shape than they had been last year if it were not for the PPP money. Every station would be operating at a deficit or be very close to breaking even if it were not for the PPP grant. By NETA's calculations WBAI is running a deficit of \$34,731.20 as of January 31. But this is after WBAI has gotten \$93,946.23 in PPP money. **Were it not for the PPP money WBAI would be running a deficit of over \$128,000 as of January 31.** Last year by January 31, WBAI had a deficit of about \$115,000. So although the first four months of FY21 look a lot better for WBAI than last year the station's operations are in fact running a larger deficit than last year. The PPP money will have this effect throughout FY21, and the fact that the PPP windfall is the reason for things looking better must always be kept in mind.

Pacifica has gotten another \$1.2 million PPP loan and that is also helping to enable stations to meet payroll. And

(MORE)

by the stations not having to make payroll that money can be used for other expenses. It is hoped that the current PPP loan will be forgiven in the coming months as last year's PPP loan was.

I again raised the issue of Pacifica's FY18 990 form not being on the Pacifica Web site yet. The interim CFO said that it had definitely been done and sent to more than one person in Pacifica, including the interim Executive Director. She said she would ask that it be posted.

At this NFC meeting elections were begun for the officers of the committee. I was the only one nominated for Secretary of the NFC and so I was declared the winner of that election. The two nominees for Chair of the NFC are Chris Cory from KPFA and James Sagurton from WBAI. The election will be carried out by E-mail by Terry Goodman and we should know by or before the next NFC meeting on March 23, who gets elected.

On paper Pacifica, and each station, looks like we're all doing much better than we have in recent years. I'm hoping that this PPP gift doesn't give rise to some sort of delusion among some that what all of the Pacifica stations have been doing is adequate. Without that PPP money WBAI and the rest of Pacifica are in bad shape. Negotiations are ongoing regarding the big loan. Some had hoped that the PPP money would be used to help pay off the principal of that loan, after the PPP loan had been forgiven. That's not how it's working out. Even after the loan became a gift the stations are still all living hand to mouth. The Texas station, KPFT, is especially hurting because their building is badly damaged and vandalized. They are having a lot of trouble raising enough revenue through their on-air fund raisers and they can't hold the community events that they have relied on for revenue in the past due to the Covid-19 pandemic. Pacifica may need to set aside a significant amount of money to help keep KPFT afloat over the next few months. Pacifica is already hurting because KPFK is in serious financial trouble. WBAI hasn't been facing any sudden disasters, but WBAI has needed help from the other Pacifica stations in order to keep going for years. WBAI's large arrearage can be viewed as a sort of loan from the rest of Pacifica, and that's a big loan, just look at the attached Accounts Payable spreadsheet.

I have seen nothing new about the Economic Injury Disaster Loan which may be about \$2 million, or may be a lot less. So far no one has said that this loan has hit Pacifica's bank. I do wonder what's going on with it.

WBAI still has a bequest of about \$200,000 coming to it. That bequest has been tied up in the courts for a long time. The General Manager has been hopeful that it will arrive very soon. It has been anticipated for quite a few months. I'm hoping that it will get to WBAI's coffers before the end of FY21.

I am still viewing WBAI's and Pacifica's financial situation with pessimism. We need to generate more revenue. In the next number of months with things opening up the station may be able to hold various Community Events, and Broadway opening up will probably give a steady boost to the station's revenue through the efforts of an Unpaid Staff person who offers theater tickets as premiums.

WBAI needs to start really looking for new ways to raise serious revenue. Will that happen?

The next local Finance Committee meeting is scheduled for Wednesday, March 17, 2021, at 7:00 PM (ET). The next regular NFC meeting is scheduled for March 23, 2021, at 8:30 PM (ET). Both of these meetings will be held by teleconference.

R. Paul Martin
WBAI LSB Treasurer

Appendices

(MORE)

WBAI 99.5 FM Radio Pacifica Foundation_New					
A/P Aging Summary					
As of February 17, 2021					
	1 - 30	31 - 60	61 - 90	91 and over	Total
4 TIMES SQUARE - 4 Times	\$15,639.96	\$15,568.09			\$31,208.05
Short Term Debt	\$15,639.96	\$15,568.09	\$0.00	\$0.00	\$31,208.05
Health Care Bill Back			\$9,913.86		\$9,913.86
Payroll Expenses			\$3,127.76		\$3,127.76
Protekt		\$2,524.60			\$2,524.60
Signius	\$5,400.00	\$6,747.28	\$3,562.18	\$0.00	\$15,709.46
Mid Term Debt	\$5,400.00	\$9,271.88	\$16,603.80	\$0.00	\$31,275.68
Accrued Pension	\$2,500.00	\$2,500.00	\$2,500.00	\$96,614.58	\$104,114.58
Pacifica National Office - PNO		\$16,890.00	\$16,890.00	\$461,773.62	\$495,553.62
Pacifica Radio Archives - PRA		\$4,222.00	\$4,222.00	\$201,718.50	\$210,162.50
Payroll Expenses				\$149,824.78	\$149,824.78
Health Care Bill Back			\$9,913.86	\$81,142.01	\$91,055.87
Withdrawal				(\$500.00)	(\$500.00)
TOTAL	\$2,500.00	\$23,612.00	\$33,525.86	\$990,573.49	\$1,050,211.35

Wednesday, Feb 17, 2021 04:17:19 PM GMT-8

(MORE)

WBAI 99.5 FM Radio Pacifica Foundation_ New				
Profit and Loss by Month				
October - December, 2019				
	Oct 2019	Nov 2019	Dec 2019	Total
Income				
5000-00 Listener Support				
5000-01 Listener Support - Administration	46,645.52	66,593.77	147,675.63	260,914.92
Total 5000-00 Listener Support	\$46,645.52	\$66,593.77	\$147,675.63	\$260,914.92
5599 BAI Buddy	10,192.46	13,015.56	14,679.56	37,887.58
5760-01 Crafts Fair / Special Events	360.00	14,375.00	12,960.00	27,695.00
5800-00 Grants Income				0.00
5800-01 Grants Income - Administration			500.00	500.00
Total 5800-00 Grants Income	\$0.00	\$0.00	\$500.00	\$500.00
PayPal Sales	1,287.61	8,391.60	21,871.68	31,550.89
Total Income	\$58,485.59	\$102,375.93	\$197,686.87	\$358,548.39
Wednesday, Feb 17, 2021 04:35:07 PM GMT-8 - Accrual Basis				
WBAI 99.5 FM Radio Pacifica Foundation_ New				
Profit and Loss by Month				
October - December, 2020				
	Oct 2020	Nov 2020	Dec 2020	Total
Income				
5000-00 Listener Support				
5000-01 Listener Support - Administration	67,185.48	51,912.30	70,376.99	189,474.77
Total 5000-00 Listener Support	\$67,185.48	\$51,912.30	\$70,376.99	\$189,474.77
5599 BAI Buddy	17,957.53	17,497.52	18,221.27	53,676.32
5752-00 Major Donor Income				
5752-01 Major Donor Income - Administration			14,400.00	14,400.00

(MORE)

Total 5752-00 Major Donor Income	\$0.00	\$0.00	\$14,400.00	\$14,400.00
5770-01 Car Donations - Admin	2,473.56	77.82		2,551.38
5800-00 Grants Income				0.00
5800-01 Grants Income - Administration		600.00	2,800.00	3,400.00
Total 5800-00 Grants Income	\$0.00	\$600.00	\$2,800.00	\$3,400.00
5801 BAI Bequest			5,000.00	5,000.00
PayPal Sales	3,610.00	1,844.00	18,377.82	23,831.82
Uncategorized Income		5.00	606.13	611.13
Total Income	\$91,226.57	\$71,936.64	\$129,782.21	\$292,945.42

(MORE)

The first 16 days of February 2021

day	month	year	Count	Pledge	Goal	variance	Pay	Fulfill
1	2	2021	13	\$1,437.74	\$3,250.00	\$(1,812.26)	\$1,343.73	93%
2	2	2021	10	\$1,360.11	\$3,250.00	\$(1,889.89)	\$1,018.54	75%
3	2	2021	1	\$12.00	\$3,250.00	\$(3,238.00)	\$12.00	100%
4	2	2021	23	\$3,070.84	\$3,250.00	\$(179.16)	\$3,033.62	99%
5	2	2021	7	\$828.60	\$3,250.00	\$(2,421.40)	\$816.60	99%
6	2	2021	16	\$1,078.58	\$3,250.00	\$(2,171.42)	\$825.13	77%
7	2	2021	5	\$663.15	\$3,250.00	\$(2,586.85)	\$563.15	85%
8	2	2021	30	\$3,098.32	\$3,250.00	\$(151.68)	\$2,381.16	77%
9	2	2021	5	\$673.71	\$3,250.00	\$(2,576.29)	\$368.58	55%
10	2	2021	14	\$2,443.63	\$3,250.00	\$(806.37)	\$2,218.63	91%
11	2	2021	7	\$698.02	\$3,250.00	\$(2,551.98)	\$548.02	79%
12	2	2021	16	\$2,136.77	\$3,250.00	\$(1,113.23)	\$1,424.83	67%
13	2	2021	23	\$1,875.63	\$3,250.00	\$(1,374.37)	\$1,643.73	88%
14	2	2021	3	\$405.58	\$3,250.00	\$(2,844.42)	\$216.01	53%
15	2	2021	15	\$1,995.71	\$3,250.00	\$(1,254.29)	\$1,559.80	78%
16	2	2021	15	\$1,995.71	\$3,250.00	\$(1,254.29)	\$1,559.80	78%
Total - Short by			203	\$23,774.10	\$52,000.00	\$(28,225.90)	\$19,533.33	82%

(MORE)

Pacifica Foundation Financial Narrative for January 2021

Financial Dashboard

Consolidated Report

Consolidated net operating gain or loss w/o depreciation: Net income YTD through January 31, 2020 is \$1.1M vs. (\$5K) net income YTD as of last January showing an overall increase in income of \$1.1M. This is due to recognition of the first PPP loan of \$1.2M that was forgiven in full.

Total Revenue: Total revenue YTD through January 2021 is \$4.8M vs \$3.97M YTD January 2020, an increase of \$856K or 22%. Again, mostly due to recognition of PPP loan forgiveness.

Total Expenses: Total expenses YTD through January 2021 are \$3.7M vs. \$3.97M YTD January 2020, a decrease of \$268K or 7%.

KPFA

KPFA shows income for the period of \$363K compared to prior YTD income of \$53K. (PPP \$365K)

KPFK

KPFK shows income for the period of \$99K compared to a prior YTD loss of \$93K. (PPP \$322K)

KPFT

KPFT shows income for the period of \$13K compared to a prior YTD gain of \$11K. (PPP \$35K)

WBAI

WBAI shows a loss for the period of \$35K compared to a prior YTD loss of \$115K. (PPP \$94K)

WPFW

WPFW shows net gain of \$137K for the period compared to prior YTD gain of \$21K. (PPP \$111K)

Profit & Loss Statement

Revenue

Total Revenue YTD through January 2021 is \$4.8M vs \$3.97M YTD January 2020, an increase of \$856K or 22%. (PPP \$1.2M)

Listener Support is above prior year at \$2.95M vs \$2.7M for January 2021, an increase of \$235K.

Major Donor Revenue for YTD through January 2021 is \$84K vs. \$135K YTD January 2020, a decrease of \$51K.

Donations for YTD through January 2021 is \$37K vs. \$638K YTD January 2020, a decrease of \$602K.

Total revenue by unit:

KPFA shows an increase of \$307K or 24% over FY20. (PPP \$365K)

KPFK shows an increase of \$162K or 14% over FY20. (PPP \$322K)

KPFT shows a decrease of \$43K or 15% over FY20. (PPP \$35K)

WBAI shows an increase of \$92K or 23% over FY20. (PPP \$94K)

WPFW shows an increase of \$122K or 24% over FY20. (PPP \$111K)

NO shows an increase of \$90K or 33% over FY20. (PPP \$282K)

PRA shows an increase of \$49K or 53% over FY20. (PPP \$47K)

Expenses

Total Expenses through January 2021 are \$3.7M vs. \$3.97M YTD January 2020, a decrease of \$268K or 7%.

KPFA shows a decrease of \$3K over FY20.

KPFK shows a decrease of \$30K or 3% over FY20.

KPFT shows a decrease of \$45K or 20% over FY20.

WBAI shows an increase of \$12K or 3% over FY20.

WPFW shows an increase of \$6K or 1% over FY20.

NO shows a decrease of \$267K or 40% over FY20.

PRA shows a decrease of \$5K or 5% over FY20.

Personnel expenses for the period October – January are \$52K more than FY20 at \$2.2M.

KPFA shows an increase of \$69K or 9% over FY20.

KPFK shows an increase of \$18K or 3% over FY20.

KPFT shows a decrease of \$14K or 14% over FY20.

WBAI shows a decrease of \$7K or 3% over FY20.

WPFW shows a decrease of \$5K or 2% over FY20.

NO shows a decrease of \$68K or 50% over FY20.

PRA shows no change over FY20.

Administrative expenses for YTD through January 2021 are \$872K vs \$1M YTD January 2020, a decrease of \$142K or 14%.

Programming expenses for YTD through January 2021 are \$269K vs \$319K YTD January 2020, a decrease of \$60K or 16%.

Development expenses YTD through January 2021 are \$285K vs \$355K YTD January 2020, a decrease of \$70K or 20%.

Community/Special Events expenses YTD through January 2021 are \$5K vs \$38K January 2020, a decrease of \$33K or 86%.

Net Income/Loss w/o Depreciation overall YTD through January 31, 2020 is \$1.1M vs. (\$5K) net less YTD as of last January showing an overall increase in income of \$1.1M (PPP loan forgiveness \$1.2M).

KPFA YTD through January 2021 is \$363K vs \$53K in 2020, an increase of \$310K. (PPP \$365K)

KPFK YTD through January 2021 is \$99K vs (\$93)K in 2020, an increase of \$192K. (PPP \$322K)

KPFT YTD through January 2021 is \$13K vs \$11K in 2020, an increase of \$2K. (PPP \$35K)

WBAI YTD through January 2021 is (\$34K) vs (\$115K) in 2020, an increase of \$80K. (PPP \$94K)

WPFW YTD through January 2021 is \$137K vs \$21K in 2020, an increase of \$116K. (PPP \$111K)

NO YTD through January 2021 is \$439K vs \$68K in 2020, an increase of \$371K. (PPP \$282K)

PRA YTD through January 2021 is \$105K vs \$51K in 2020, an increase of \$54K. (PPP \$111K)