

WBAI Treasurer's Report  
March 9, 2022

The National Finance Committee (NFC) met on February 22, March 1, and March 8, 2022. The local Finance Committee met on February 16, 2022. All of these meetings were held by teleconference.

At the February 16, 2022, local Finance Committee meeting nominations for committee Secretary were held. For the first time in many years someone actually volunteered to be nominated and serve as the local Finance Committee Secretary. Running unopposed M. Kay Willams became the Secretary of the committee by acclamation.

The committee discussed hires both locally and by Pacifica, and there was a small discussion of Pacifica's impending application to join the Corporation for Public Broadcasting (CPB). It was suggested that the CPB Chair and board could decide to speed up Pacifica's application. I would be surprised if such a thing were to happen, given Pacifica's previous history with the CPB.

The General Manager had sent the committee some financial documents, and he wanted to just take questions at this meeting. The committee discussed with the General Manager the differences between his and the National Educational Telecommunications Association's (NETA's) assessment of WBAI's deficit at the time of the meeting. The NETA Monthly Income Statement for the first *three* months of FY22 showed WBAI with a deficit of about \$102,000 while the General Manager's Profit & Loss Statement for the first *four* months of FY22 showed WBAI's deficit as being about \$94,000. I believe that in the end NETA will have the final say on the size of the deficit. (A copy of the "Monthly Income Statement For the Three Months Ending Friday, December 31, 2021" from NETA was sent to the LSB on February 9, 2022.)

The General Manager confirmed that his Accounts Payable Aging Summary as of February 15, 2022, showed WBAI owing a total of over \$1.1 Million. (A copy of the General Manager's "A/P Aging Summary As of February 15, 2022" is appended to this report.) The General Manager said that he had removed the accrued pension payables that he'd been told to remove. WBAI was in arrears by about \$170,000 in health premium payments in this Accounts Payable Aging Summary. The General Manager noted that BMI Music Square, and the National Federation of Community Broadcasters (NFCB) are new entries on the Accounts payable. The General Manager said that WBAI still was unable to get the check for \$5,000 from a Major Donor cashed because Chase Bank won't cash a check that big unless it also says "Pacifica" on it. This issue has been brought to the NFC, the CFO and the new Executive Director and we're told that it's being worked on.

In the course of this meeting a member's problem with donating on-line was brought up. The General Manager said that he'd put the member in touch with the Web master to clear it up.

In answer to a question about Listener Support revenue the General Manager said that Gary Null brings in about 30%, Christine Blosdale brings in about 30%, Leonard Lopate and Tony Bates 15%, others about 15%, Filipe Luciano about 15% and Mimi Rosenberg about 8%. He said that David Rothenberg brings in about \$5,000 or more a month as a separate operation.

There was a discussion of hires for jobs that were never posted and the expansion of some of them. The General Manager said that he'd get back to the committee on those questions.

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There was a discussion regarding some companies that will give WBAI a small amount of money for customers who are sent their way by the station. One person said that a company called Goodsearch, a search engine, gives 1¢ for each search from a user who identifies WBAI as the reason why they're there and the person said that WBAI has \$1,400 in its account there.

At the February 22, 2022, NFC meeting the Executive Director told the committee that she'd had a productive meeting with the WBAI General Manager about the draft FY22 budget.

The CFO told the NFC that she'd done a lot of work the prior couple of weeks mostly with WBAI and that she would need to do the same type of work with regard to KPFK. She said that there are some harsh realities with these budgets. She said that the WBAI General Manager had been working with them to get the \$300,000 deficit down to something a little more manageable, and they were looking for ways to improve WBAI's revenue. She said that they were looking at some opportunities that might be opening up with New York reducing restrictions that had been set up to deal with the pandemic. She said that they tried to work with the most worrisome budgets first. WBAI's draft FY22 budget is in the "worrisome" category.

The CFO said that they're trying to get things rolling with the FY21 audit and that NETA is trying to improve Pacifica's systems.

At this meeting the issue of WBAI's inability to get Chase bank to cash that \$5,000 check came up. The CFO said that there is a better chance now of getting the proper signatures on the payee names on the account to get the bank to cash such checks.

The NFC discussed the need to raise more revenue at KPFK and WBAI. The CFO said that she thought that the WBAI General Manager was being too conservative in terms of increasing revenue with the planned fund raising strategies. The CFO said that the WBAI General Manager had told her that he didn't think that a lot of the WBAI Staff understood the urgent need to raise more funds. I must say that I disagree with the General Manager about this. The CFO said that NETA does not yet have view access to all of the bank accounts of all Pacifica units. She said that she wanted to wrap that issue in with the issue of getting WBAI's signature cards for Chase signed.

At the March 1, 2022, NFC meeting the WBAI draft FY22 budget was reviewed. This budget was an update from the one that had been presented to the local Finance Committee and LSB last year, and as a result of discussions at this NFC meeting it was again updated for the next NFC meeting.

The CFO and the Executive Director had been working with the General Manager on it. The WBAI General Manager said that he was projecting FY22 revenue at about \$100,000 per month. He said that he is projecting raising \$3,250 per day for 3½ to four hours a day. He said that the station is asking people to become BAI Buddies for Women's History Month. He said that his goal is to get about \$7,000 more per month from BAI Buddies. He said that he's projecting that as of May 2022, the station will raise about \$3,500 per day. He said that the fulfillment rate has also been increased in the budget that he was presenting to the NFC. He said that the previous draft FY22 budget had projected a fulfillment rate of 78.3% but he was making it 79.8%. He said that the fulfillment rate last year was 88.3% and this year it was really 87%, but

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he wanted a cushion.

The General Manager said that this draft FY22 budget incorporated Corporate Match revenue. He said that he believed that the Corporate Match was about \$1,450 in November would be about \$2,500 per month from December on and would go up to about \$5,000 per month in May. He said that WBAI had contracted with a company called “Double Your Donation” for \$2,000 per year on advice from personnel at other Pacifica stations. The company’s software works with the *Allegiance* that tracks donations software and everyone who pledges to WBAI gets an E-mail asking them if they work for one of the companies on a list that they present that do corporate matching. He said that BAI Buddies has raised about \$18,500 per month for two or three years. He said that he was going to try to get it up to about \$20,000 per month as of March. He said that with Broadway re-opening that donations for theater tickets will resume. He said that in October the station had gotten \$2,500 from donations for Broadway ticket donations, and he was projecting that it would be up to \$6,500 a month as of March. He said that one producer wants to do two Community Events, one of which will be the premiere of that producer’s movie. He said that he expects that by June things should be wide open and that other producers are also working on Community Events. He said that he’s projecting a total Community Events revenue of \$1,587,903 for FY22.

The WBAI General Manager said that for expenses his strategy 2½ years ago was to increase the station’s listeners so that WBAI can qualify for CPB money. He said that he was looking to reduce overtime pay for board operators by half to \$15,000 for the year. He said that the WBAI payroll is bare bones.

The NFC discussed WBAI’s projected end of year deficit of about \$92,000 in this version of the budget and the fact that WBAI’s deficit was already substantially larger than that. The WBAI General Manager said that the deficit will get smaller by the end of FY22. The CFO said that for now they have cut as much as they can from WBAI’s draft FY22 budget.

The NFC discussed WBAI pitching every day and the topic of potential donor fatigue was discussed. The issue of the WBAI Emergency Tower Fund was brought up. It was noted that the goal had been set at \$250,000. The General Manager said that although he had advertised the goal for the WBAI Emergency Tower Fund as being \$250,000 so that a year’s worth of payments could be gotten he had never expected to make \$250,000.

There was a discussion of ways of getting additional revenue, including grants. The General Manager said that he was working on a contract for advertising on podcasts that WBAI would produce and that he hoped that all five stations could do the podcasts he was setting up and share the costs. He said that Pacifica stations were not collaborating as a network. The fact that the Pacifica Affiliates Network is already doing podcasts was brought up.

At the March 8, 2022, NFC meeting the WBAI draft FY22 budget was again the main topic. Before the NFC got to that, however, the Chair announced that Pacifica had received a notification from the Small Business Administration that our Economic Injury Disaster Loan (EIDL) application had been modified from \$500,000 to \$2,000,000 as Pacifica had requested, and that **on February 25, 2022 the remaining \$1,500,000 balance of the \$2,000,000 EIDL was deposited in Pacifica's accounts.** This is good news.

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A new updated version of the WBAI draft FY22 budget was presented to the committee at this meeting. Some of the changes are that the Consultants expense has been reduced from about \$230,000 to about \$180,000. Overtime for board operators is to be reduced from about \$30,000 to about \$15,000 in consultation with the Union. The station is now projecting an end-of-year deficit of about \$133,000. It's also showing a FY21 actual year-end deficit of about \$195,000 which is significantly larger than the \$22,000 deficit that had been shown for FY21 on the previous version of this budget proposal.

A Quick Overview of the WBAI FY22 Draft Budget	
Total Revenue	\$1,558,286
Total Expenses	\$ 1,437,925
Income (Loss) Before Capital Expenditures	\$120,361
Net Income (Loss) [After Central Services fees]	(\$132,983)

This meeting was held after the New York City mandates for masking and showing proof of vaccination had been lifted. This changed the outlook on the Community Events that the General Manager has projected to bring in about \$57,000 in revenue. It also means that Broadway theaters will be reopening and the Saturday morning ticket donations can make more revenue for the station. That revenue is being projected as about \$46,000 for FY22.

At the end of the meeting the committee passed the following **Motion:** (Elizabeth von Gunten) "That the NFC recommend to the PNB that they approve the proposed WBAI FY22 budget, recognizing that it remains a deficit budget." (Passed without objection) So now it's up to the PNB to approve the budget.

At this meeting nominations and elections for Chair and Secretary of the NFC were held. James Sagurton and I were the only nominees for each of those offices and we were both re-elected.

Pacifica in the last couple of months has acquired an experienced CFO and an experienced Executive Director. The EIDL coming through is a big development. It will provide a serious buffer for operations and changes that will help to raise revenue for Pacifica and the stations over the next year or so. There are still serious financial problems at WBAI and KPFK. The rest of Pacifica is in better financial shape, but it's not that much better. Various proposals to help all of the stations to increase revenue, and maybe even get back into the CPB are being pursued. Cooperation among the stations is being promoted. There is a part of Pacifica culture that has predicated the survival of the somewhat healthier stations on the sale of stations in distress. Is it possible that these recent, positive developments may cause changes that will replace that culture with one of cooperation among all of the stations? I'm not banking on it, but with the EIDL injection and other developments things are certainly not worse than they were.

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The next NFC meeting is scheduled for Tuesday March 22, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, March 16, 2022, at 7:00 PM (ET). Both of these meetings will be held by teleconference.

R. Paul Martin  
WBAI LSB Treasurer

**Appendix**

<b>WBAI 99.5 FM Radio Pacifica Foundation _New</b>						
<b>A/P Aging Summary</b>						
<b>As of February 15, 2022</b>						
	<b>Current</b>	<b>1 - 30</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>91 and over</b>	<b>Total</b>
<b>4TS - 4 Times Square</b>		16,153.16				16,153.16
<b>ACD Direct, Inc.</b>			13,098.91			13,098.91
<b>Associated Press, AP</b>			328.88	328.88	328.88	986.64
<b>B&amp;H Photo</b>					-293.96	-293.96
<b>BMI Music Square</b>	4,662.00					4,662.00
<b>Bob Hennely</b>	250.00					250.00
<b>Hanna Worthy Simpson</b>	1,500.00					1,500.00
<b>Health Care Bill Back</b>				9,838.77	160,149.85	169,988.62
<b>Keziah Glow</b>	1,000.00					1,000.00
<b>NFCB</b>			3,875.00			3,875.00
<b>Pacifica National Office - PNO</b>			16,890.00	16,890.00	464,453.62	498,233.62
<b>PRA (Central Service)</b>			4,222.00	4,222.00	243,938.50	252,382.50
<b>PRA (Premium)</b>					2,302.65	2,302.65
<b>Payroll Expenses</b>				598.44	144,490.36	145,088.80
<b>Radio Research Consortium/Arbitron</b>					3,455.00	3,455.00
<b>The Commons Foundation</b>		5,300.00				5,300.00
<b>Time Warner Cable 388</b>		775.95				775.95
<b>Withdrawal</b>					-500.00	-500.00
<b>TOTAL</b>	<b>7,412.00</b>	<b>22,229.11</b>	<b>38,414.79</b>	<b>31,878.09</b>	<b>1,018,324.90</b>	<b>1,118,258.89</b>

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