

WBAI Treasurer's Report  
April 13, 2022

The National Finance Committee (NFC) met on March 22, and April 12, 2022. The local Finance Committee met on March 16, 2022. All of these meetings were held by teleconference.

At the March 16, 2022, local Finance Committee meeting the General Manager told the committee in a report he'd posted the day before that WBAI's cash in bank was \$7,819.90 with \$6,859.12 in the Chase account and \$960.78 in PayPal. He said that Outstanding Payables amounted to \$1,166,031.61 and said that WBAI owed the March rent for 388 Atlantic Ave., Tower Rent, Healthcare bill back, and Central Services fees for the National Office and Pacifica Radio Archives. (A copy of the General Manager's "A/P Aging Summary As of March 15, 2022" is appended to this report) He said that with regard to Profit & Loss Statements he would now defer to the statement issued by the National Educational Telecommunications Association (NETA) because they have a cleaner understanding of accruals and bills, and that when NETA issued one he would, "review, compare and submit to you." He reported that in order to reduce the size of the projected deficit for FY22 he'd had to reduce the number of consultants working at WBAI, as well as reduce overtime, plan an increase in Listener Support revenue and BAI Buddy revenue to bring the projected deficit back down to about \$132K for the NFC's consideration of the WBAI draft FY22 budget.

The General Manager said that he's projecting that the Saturday morning ticket donations would make more revenue and he's projecting that WBAI's fulfillment rate would increase to 88%. He told the committee that the station had made payroll. He said that the station is pushing hard for BAI Buddies and trying to raise an additional 100 of them in March.

The committee discussed with the General Manager the difficulties some people have had with reaching the WBAI phone number to find out about premiums they haven't received yet. The General Manager said that the WBAI phone system needs to be radically changed because it's old and it doesn't work. He said that the station does have phone numbers where you can leave a message, and that they are listened to every Friday and the complaints are dealt with. The General Manager also said that no call center is better than another. He said that call centers pay attention to more volume and that if half of Pacifica used that same call center we would have leverage on getting better service from them. With regard to a complaint that the donation support line is always busy the General Manager said that he'd look into it. The General Manager said that billing for premiums is done every month and a half to two months by the Web master.

There was a discussion of the General Manager's proposal to reduce overtime for board operators by \$15,000 for FY22. The General Manager said that board operators at WBAI are not really being managed. He said that the station has a pro-worker policy and board operators are trusted to cover the shifts, he said that a lot of them come in late to work and the board operator on the previous shift has to stay until they show up. He said that one late shift affects the next shift and that creates more overtime. He said that WBAI is always being screwed. He said that these are not legitimate overtimes, but some are. He said that some people have suggested putting a clock in. He said that for the station to become very strict on this would be to the detriment of the board operators, but that the board operators do a lot that's above and beyond their duties.

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The March 22, 2022, NFC meeting was mostly taken up with consideration of the KPFT draft FY22 budget proposal. That budget projects an end of year deficit of about \$151,000. The NFC passed it with the proviso, "recognizing that it remains a deficit budget," which is the same proviso attached to the motion recommending that the PNB approve WBAI's draft FY22 budget.

During the course of the discussion of the KPFT draft FY22 budget the CFO said that Pacifica has a larger, global problem and we have to have actual change. She said that Pacifica was experiencing a serious cash crunch. She said that everybody needs to understand that KPFT can make payroll because they are not paying something else, and Pacifica has that situation in multiple units, that something is being paid at the expense of something else not being paid, and that we can't do that forever. She said that she was not sure where we're going to go with that. The CFO's comments also relate to WBAI with its Accounts Payable of over \$1.1 Million.

The Executive Director said that she agreed with the CFO. She noted that Pacifica Radio Archives (PRA) is struggling to make payroll because they're not getting Central Services payments. She said that we have to look at what must be done in the future so we can stop bleeding. The Executive Director said that she'd spoken to foundations and on paper we don't look good. She said that Pacifica hasn't had a history of good fiscal management, and she can't tell possible grantors that we will do better. She said that we've gotten audits done but when you read them you can see that Pacifica's not good with our fiscal management. She said that organizations are not comfortable with giving Pacifica money. She said that PRA had had an opportunity for two grants of \$50,000 each but they were declined due to the overall fiscal health of Pacifica.

At this meeting the NFC voted to meet on the second and fourth Tuesday of every month through March 2023.

At the April 12, 2022, NFC meeting the committee did a preliminary review of the "Monthly Income Statement For the Five Months Ending Monday, February 28, 2022." Note: YTD means "Year to Date."

The CFO told the NFC that YTD February 2022, Pacifica's revenue is down 14% vs. last year with expenses down 1% and that the YTD deficit for Pacifica was currently over \$500,000. She said that Pacifica is at a point where significant changes must occur in the next month or two. She said that four units are currently not paying vendors in order to make payroll and Pacifica is in a cash flow crisis at the moment. She said that our focus needs to be on what the next step is.

The CFO said that it's going to be extremely critical for us to have a true aged payables report. She said that this is challenging because every unit does things differently. She said that NETA needs to get the invoices sooner from the stations that don't send them daily so that they can keep track.

The CFO said that at some point some stations will not be able to fund their health care premiums and two payrolls in the same month. She said that she was concerned at this point, with the bills not being paid, that creditors may start pulling trucks up to stations to take back leased equipment like postage machines, copiers and the like. She said that she is also concerned about utilities being cut off for non-payment of bills. She said that the balance on the FJC loan is due in October, and that has to be renegotiated. She said that Pacifica is also having to pay settlements from lawsuits. She noted that only KPFA and WPFW are paying Central Services fees and this impacts the National Office and PRA.

With regard to the FY21 audit the CFO said that NETA is ready to upload data to the portal that

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the auditors will work from. She said the audit will take few more weeks but it's moving along. She said that she wanted to get the March financials done and then work on audits for weeks.

The Executive Director was at this NFC meeting. She said that some weeks Pacifica can't pay any past due bills at all because we need to make payroll. She said that she meets with the Management of the stations on a weekly basis and is building relationships with them.

The Executive Director brought up ideas like national programming and doing streaming video of radio programs in progress. Of course national programming will displace local programming and that would cause tensions. Streaming videos of radio programs would have all sorts of issues related to it. People who do good radio may not be able to do video that's competitive with the huge amount of videos that are already on the Internet.

Some of the discussion at last night's NFC sounded a lot like my Treasurer's Reports. People are taking a realistic look at the long running financial crisis in Pacifica. The need for plans was stressed, but we'll have to see if coherent plans show up in the future.

So Pacifica Management is taking a realistic look at the state of Pacifica's finances, as well as the finances of the individual stations. In the next couple of months we'll see how that progresses, if it progresses. There are concerns being voiced about leased equipment being repossessed and the electricity being turned off at some stations. WBAI's Accounts Payable continues to climb above \$1.1 Million. From what was said at last night's NFC meeting it sounds like Pacifica has had to settle another lawsuit. There are ideas, nebulous so far, about raising significantly more revenue than Pacifica and its stations have been raising for years. Meanwhile the CFO also reported that YTD through February KPFA had raised about \$400,000 in Listener Support last year, but about \$220,000 this year; KPFK had raised about \$190,000 in Listener Support last year but had raised about \$110,000 this year, and KPFT had raised about \$142,000 last year but \$49,000 in Listener Support this year. So even KPFA is lagging.

WBAI's YTD Listener Support through February is about \$521,000 vs. about \$475,000 last year. YTD through February WBAI's deficit is about \$151,000 while last year the deficit was about \$103,000.

The old saying is that misery loves company, but the opposite is true for WBAI with regard to financial shortfalls. With three of the Pacifica stations being in the red, and of the ones not in the red only WPFW showing better Listener Support numbers than last year, there will be a crunch at some point when WBAI may not be able to get help from the rest of Pacifica. And other stations are now in the same situation. Yeah, I'm pessimistic, but I'm glad that the situation is being acknowledged more now. The new Executive Director says that she has 100% faith that we'll turn the situation around. With my longer time observing Pacifica I can't share her faith.

The next NFC meeting is scheduled for Tuesday April 26, 2022, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, April 20, 2022, at 7:00 PM (ET). Both of these meetings will be held by teleconference.

R. Paul Martin  
WBAI LSB Treasurer

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## Appendix

### WBAI 99.5 FM Radio Pacifica Foundation \_New

#### A/P Aging Summary

As of March 15, 2022

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
4TS - 4 Times Square		16,637.79				16,637.79
ACD Direct, Inc.				7,577.73		7,577.73
Associated Press, AP		328.88	328.			657.76
B&H Photo					(293.96)	(293.96)
BMI Music Square		4,662.00				4,662.00
Empire State Building					0.00	0.00
Felipe Luciano	125.00					125.00
Gary Null & Associates					0.00	0.00
Health Care Bill Back		11,500.34		9,838.77	160,149.85	181,488.96
Lylburn Downing		2,333.34	1,16	1,166.67		4,666.68
NFCB				3,875.00		3,875.00
Ozone LLC dba Ozone Solutions		2,237.13				2,237.13
Pacifica National Office - PNO		16,890.00	16,8	16,890.00	481,343.62	532,013.62
PRA - Central Service	4,222.	4,222.00	4,22		248,160.50	260,826.50
PRA - Premium					517.65	517.65
Payroll Expenses					145,088.80	145,088.80
Rebecca Myles			375.	250.00	(250.00)	375.00
Signius					0.00	0.00
The Commons Foundation		5,300.00				5,300.00
Time Warner Cable 388			775.			775.95
Withdrawal					(500.00)	(500.00)
WPFW					0.00	0.00
<b>TOTAL</b>	<b>4,347</b>	<b>64,111.4</b>	<b>23,7</b>	<b>39,598.</b>	<b>1,034,216.46</b>	<b>1,166,031.61</b>
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