

WBAI Treasurer's Report
January 11, 2023

The National Finance Committee (NFC) met on December 20, 2022, and January 10, 2023. The local Finance Committee met on January 4, 2023. All of these meetings were held by teleconference.

At the December 20, 2022, NFC meeting the Executive Director said that the problems with the *Great Plains* accounting software had been solved. She said that she'd been talking to the auditors and mapping out what needed to be done. She said that she was also working with Otis Maclay as he modified a document uploading system that he'd created. WBAI had already been using that system, called *DocLink*, to send documents to the National Educational Telecommunications Association (NETA) which had been helping Pacifica deal with the *Great Plains* problem, even though Pacifica still owed them money. Pacifica Management planned to modify it for each division. This would allow the five stations and the other units of Pacifica to upload documents to help with the audit.

The Executive Director said that the National Office was working on getting Profit & Loss statements and other financial documents generated.

The NFC then went into an executive session the report out from which was, "The NFC met in executive session to discuss financial and contractual matters of a confidential nature. No decisions were made."

The January 4, 2023, WBAI local Finance Committee meeting complied with the PNB motion, presented in the December 14, 2022, Treasurer's Report, requiring that only those affiliated for voting purposes with WBAI could be voting members of the committee.

At this meeting the local Finance Committee passed the annual motion to hold an election for the committee Secretary at the next meeting.

At this meeting WBAI PNB Director Jim Dingeman told the committee that there were serious moves in Pacifica to swap or sell either KPFK's or WBAI's signal. He said that KPFK would probably sell for \$15 Million to \$20 Million, while WBAI's signal would probably sell for about \$25 Million. He said that there were big fights about this. He also said that there were misconceptions about the underwriting motion that had been passed by the PNB. He said that the idea behind accepting underwriting wasn't to bring in commercials, but was to bring in local support to stations and for WBAI in particular. He said that there were strictures on what entities could participate in underwriting. He noted that the underwriting motion was not done in executive session, but had been discussed at PNB meetings five or six times in open session. He said that there would be a major effort to apply for Corporation for Public Broadcasting (CPB) membership this year.

At this meeting the General Manager asked me whether or not Pacifica could manage millions of dollars brought in by various means. He questioned if we had structures in Pacifica that would help to manage such large amounts of money. He also asked if there were a plan for how to handle it all, and if there was no plan when would one be created? He also said that he was frustrated that Pacifica had not applied for CPB membership this year. He said that we wouldn't have succeeded in attaining CPB membership but by not applying we still had no idea of what our deficiencies were for attaining CPB membership and so we couldn't work on those deficiencies. I replied that while I wasn't on the PNB I didn't know if Pacifica could properly manage such a large influx of money, also to my knowledge the PNB was working on a plan of action for managing any such money. I said that I thought that we should apply for CPB membership and I noted that there were some issues that might prevent Pacifica from qualifying for CPB membership such as at least one station not having enough paid employees to qualify, whether stations have enough listenership to qualify for CPB membership, and has all of Pacifica been following the CPB and Federal Communications Commission open meeting rules? I said that I'd wanted Pacifica to apply for it last year.

PNB Director Jim Dingeman told the committee that KPFK's building had been valued at \$4.65 Million in 2016, and was recently valued at \$4.8 Million to \$5.3 Million. He pointed out that WBAI, KPFT and KPFK only being able to get about 0.1% of their market share was an important issue. He said that people were working on the CPB issues and that the General Manager of an affiliate station has been very helpful in getting Pacifica ready to apply for CPB membership. He said that on a positive note one criterion for CPB membership is getting at least \$500,000 in non-federal funding per year and Pacifica does that. He said that it would also be good if local, state and Federal officials could be gotten to write letters to the CPB in favor of Pacifica being admitted to membership.

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The General Manager reported to the committee that WBAI has an Accounts Payable of \$1,467,939.11. He said that we owed three months of Tower Rent to 4 Times Square and three months of office rent to 388 Atlantic Ave. He said he'd paid about \$8,000 to the call center. He said that his goal was to raise about \$12,000 immediately for a health benefits payment and about \$21,000 for payroll by about January 10, or 11. He said that WBAI had about \$1,000 cash in bank at that time. He said that the station was not raising \$3,250 a day. He said that the station had made about \$94,000 this December, but last December the station had made about \$134,000 in the same period. He said that everyone at WBAI was exhausted. He said that the National Office's financials for FY22 were off from his. He sent the committee an E-mail saying, "The deficit is \$381,212.00 according to Pacifica versus \$316,815.58 by Quickbooks - a variance of \$64,396.42" the following is a small table he sent with that E-mail:

Pacifica Revenue	\$1,204,644.00
Quickbooks Revenue	\$1,248,035.15
Variance	(\$43,391.15)
Pacifica Expenses	\$1,585,856.00
Quickbooks Expenses	\$1,564,849.71
Variance	\$21,006.29
Pacifica Net Profit / Loss	(\$381,212.00)
Quickbooks Net Profit / Loss	(\$316,815.58)
Variance	(\$64,396.42)

The General Manager noted that WBAI's license is being renewed now, and a quarterly report was due. He said that with regard to the CPB his understanding was that WBAI meets a lot of those criteria especially about announcing meetings. He said that as far as audience is concerned WBAI has established that we also have the Nielsens (rating service) set up so we can record on-line listenership and that this will make it easier for us to get closer to those listenership numbers required by the CPB. He said that when WBAI was getting CPB money it was going straight to the National Office and PRA for Central Services payments. He said that WBAI used to get \$381,000 to \$420,000 from the CPB.

There was a discussion of getting the Executive Director to try and get 4 Times Square to give WBAI a rebate on the Tower Rent because of the amount of time that the station had been off the air owing to maintenance and inspections at the tower.

The General Manager sent the committee an Accounts Payable chart. (A copy of the General Manager's "WBAI 99.5 FM Radio Pacifica Foundation_New ACCOUNTS PAYABLE Aging Summary As of January 4, 2023" is attached to this Treasurer's Report.)

At the January 10, 2023, NFC meeting the Executive Director said that she'd sent out financials but they needed reviewing.

The Executive Director had the National Business Manager tell the committee about the *Great Plains* issues. She said that the biggest concern as far as Pacifica's finances are the past due payments for health insurance, general liability insurance and Director & Officers insurance. She said that Pacifica has been fortunate enough to get a Letter of Credit (LOC) from FJC which is that same size as the money we've already paid them on the loan. She said that FJC is

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glad that we have plan so they're letting us offset some bills. She said that the amount of money in the LOC that we can use to pay some Accounts Payable is about \$218,000. She said it would be in an escrow account and Pacifica will send check requests and invoices to Pacifica General Counsel Arthur Schwartz who will manage the LOC. She said that she hoped to get caught up with some bills by the end of this week. She said that the stations and other divisions still need to pay their health insurance to the National Office. She said that the interest payment of about \$57,000 that was due on the FJC loan on December 31, was also paid by that LOC.

The National Business Manager said that she thought that we've finally gotten the *Great Plains* situation rectified. She said that it was working now, but people were still working on it.

At this meeting the NFC took up consideration of the WBAI draft FY23 budget proposal. About an hour and a half before this meeting the WBAI General Manager sent the NFC a draft budget that he had modified again to show projected revenue from Broadway ticket sales, PSAs and Community Events. The draft FY23 budget projects a bottom line deficit of about \$170,000 for FY23. The General Manager is projecting enough additional revenue from the ticket sales, PSAs and Community Events to make the deficit much smaller or maybe even have WBAI end FY23 in the black. The budget proposal was discussed at this NFC meeting and will be taken up again at the next NFC meeting.

The LOC from FJC is something that is really helpful. Pacifica had quite a number of long overdue bills, some of which could have made software and service vendors stop providing their services to the stations and Pacifica. If the problems with the *Great Plains* software are really fixed that will allow the Executive Director and National Business Manager to keep much closer track of Pacifica's finances.

What's troubling is that there are people seriously pushing to sell either KPFK's signal or WBAI's signal. If it came down to it I think that some people would opt to sell WBAI's signal because its sale would garner more money and because WBAI is not on the west coast. This may be the big fight of 2023, for us all.

The next NFC meeting is scheduled for Tuesday January 24, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, February 1, 2023, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin
WBAI LSB Treasurer

APPENDIX

	A	B	C	D	E	F	G
1	WBAI 99.5 FM Radio Pacifica Foundation_New						
2	A/P Aging Summary						
3	As of January 4, 2023						
4							
5		Current	1 - 30	31 - 60	61 - 90	91 and over	Total
6	4TS - 4 Times Square	18,000.00	17,531.57	17,358.02			52,889.59
7	ACD Direct, Inc.	Berthold Reimers: Estimate - Did not receive bill yet	6,452.31	13,095.34		33,262.07	52,809.72
8	Allegiance Fundraising LLC		349.00	349.00		349.00	1,047.00
9	Associated Press, AP					986.64	986.64
10	AT&T		65.11				65.11
11	BMI Music Square					1,331.00	1,331.00
12	Foster Garvey PC					725.00	725.00
13	Health Care Bill Back	23,097.00				172,002.52	195,099.52
14	Kathryn Davis	1,050.00					1,050.00
15	Lylburn Downing					1,166.67	1,166.67
16	NFCB					3,875.00	3,875.00
17	or Books					149.39	149.39
18	Pacifica National Office - PNO	16,890.00		16,890.00		650,243.62	684,023.62
19	PRA (Central Service)	4,222.00		4,222.00		290,380.50	298,824.50
20	PRA (Premium)					2,125.00	2,125.00
21	Paul DeRienzo					1,088.00	1,088.00
22	Payroll Expenses	607.40	2,014.51			145,088.80	147,710.71
23	Power Cooling, Inc					835.00	835.00
24	Protekt					1,584.67	1,584.67
25	RRC - Arbitron		3,500.00			1,065.00	4,565.00
26	The Commons Foundation	5,300.00	5,300.00	5,300.00			15,900.00
27	Time Warner Cable 388				76.17	11.80	87.97
28	TOTAL	\$0.00	\$69,231.51	\$35,147.39	\$57,290.53	\$1,306,269.68	\$1,467,939.11