

WBAI Treasurer's Report
February 8, 2023

The National Finance Committee (NFC) met on January 24, 2023. The local Finance Committee met on February 1, 2023. Both of these meetings were held by teleconference.

At the January 24, NFC meeting the Executive Director said that she wanted to start working on the FY24 draft budgets soon with the idea of being able to present them to the NFC by August or September. The Executive Director said that she had been working a lot with KPFFK on their financial issues, and that she would be working with all of the other stations on their financial issues too. She said that she had been working with Pacifica Radio Archives (PRA), KPFFK and WPFW on their FY23 draft budgets, but not as much with KPFT and WBAI. It was noted that the WBAI General Manager was working with the National Business Manager on day-to-day expenses, but the Executive Director said she planned to be more involved with him in working on the budget moving forward. The Executive Director noted that she was working with PRA on increasing their revenue because they can't rely on Central Services fees anymore. WBAI is one of the stations that are behind on their Central Services payments to PRA. The Executive Director said that the National Office was working on an Income Statement for the first quarter of FY23. She said that the Income Statement had been done, but she was looking to compare it to the reconciled bank statements based on the Income Statement spreadsheet that she has before releasing it. The Executive Director noted that the National Office hadn't been able to run a good Accounts Payable report yet because they were just getting the *Great Plains* software to work. The Executive Director said that she could get Accounts Payable figures in maybe two or three weeks, but that it may show just actual dollar amounts without showing to whom the money is owed.

The NFC discussed creating a timeline for the FY24 budget process. There had been timelines for the budget process in the past but for several years the draft budgets, and the final budgets, were late and for the past couple of years there have been no formal timelines for Pacifica's budget process.

At this meeting the NFC resumed its discussion of the WBAI draft FY23 budget proposal. The WBAI General Manager went over how he hoped that his 52-week schedule for on-air fund raising would work. He said that he'd lowered the revenue projection from last year's \$3,250 per day to \$2,100 per day which he said brought the Listener Support revenue to about \$915,000. He explained the BAI Buddy project to the NFC. He again went over his projection of getting additional revenue from Broadway ticket sales, PSAs and Community Events. He said that he was not including New York City Council member discretionary funds, which he hoped to get, in the revenue projection. He said that WBAI's former Development Director had given him a folder which contained forms which WBAI can use to apply for such funding. He said that he was working with several people on this effort and projected getting about \$75,000 from it. This draft FY23 budget projected about \$1.5 Million in Total Revenue for WBAI and an initial deficit of about \$8,000. After Central Services fees were added in the budget the deficit came to about \$144,000. The General Manager had included Capital Expenditures in the expenses and they brought the deficit to about \$170,000. In the course of the discussions on the budget it was

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suggested that the General Manager take the Capital Expenditures out of the budget to revert the deficit to the \$144,000 figure and thereby create the possibility of paying some Central Services fees in FY23.

The NFC discussed WBAI's use of consultants for various jobs. The issue of consultants who could be considered to be *de facto* employees was discussed. Some NFC members were not pleased that the station plans to spend so much on consultants. There was a suggestion that the General Manager consider writing a balanced budget. Some NFC members voiced their displeasure with it being a deficit budget and they also wanted Central Services fees paid in FY23. One NFC member said that WBAI had "a failed business model." Some NFC members asked for a plan for the future, and the Executive Director agreed that that would be good. A plan for what to do if the current revenue projections don't work out was requested. The Executive Director said that she would work with the WBAI General Manager on the station's finances. Two NFC members said that they would vote against sending the WBAI draft FY23 budget to the PNB without changes. The General Manager invited anyone who wanted to vote against the draft FY23 budget to call him. The NFC didn't vote on the WBAI draft FY23 budget.

At the February 1, 2023, local Finance Committee meeting the committee held an election for committee Secretary. M. Kay Williams was the only nominee and she was declared reelected by acclamation.

The committee discussed the current situation in Pacifica with regard to the proposed sale of the KPFK building and the proposal by some that WBAI's signal be either sold or swapped.

The General Manager told the committee that nothing had really changed since the previous meeting. He said that the station still owed three months Tower Rent at 4 Times Square. He said that he pays 4 Times Square on the 30th or 31st of the month and the next day we're three months behind again. He said that he was trying to cut expenses. He said that the station was expecting checks from the Department of Health and the Department of Transportation. He said that they'd also given us more PSAs to play. He said that the bad news was that the station's fund raising was dropping because the station didn't have new premiums. He said that while PSAs and discretionary funds should be extra money, with on-air fund raising dropping it's not.

The General Manager said that he had applied for discretionary funds from City Council members. He said that he wanted City Council members to invest in WBAI. He said he was making a list of City Council members who've done shows at WBAI and he would be asking them for discretionary funds and pointing out to them the value of WBAI. He said that his goal was to get about \$75,000 from discretionary funds. He said that he was trying to get grants and he was hoping that the Executive Director could step in because so far he'd been trying to get grants all by himself. He noted that with regard to the WBAI draft FY23 budget proposal two NFC members said they were not interested in passing the budget. He said he'd asked them to reach out to him about it, but they had not done so.

The General Manager said that with regard to Capital Expenditures that it was suggested that they be removed from the WBAI draft FY23 budget. The General Manager said that one engineer wanted to start working on building the second studio for WBAI at 388 Atlantic Ave., but that he had to tell him that there was no money for the project.

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The committee discussed the consultants issue. The General Manager said that the station can't afford to get all of the work done by employees. He said that we have to evolve to get people to, "Do small chunks of tasks." He said that no one ever comes from the National Office to be definitive about the issue and that he'd spoken to the Human Resources person at the National Educational Telecommunications Association (NETA) and they had been looking into it at one point but he didn't know what had happened. He said that no one from any government agency had ever come and questioned what the station was doing.

A member asked the General Manager what would be the minimum amount that would be necessary to run WBAI for a year without stressing everybody out and the General Manager said that about \$2.7 Million would be comfortable. A member suggested that the General Manager give committee members language so that we could reach out to City Council members to request funds for WBAI. The General Manager declined, saying that there are nuts in Pacifica and WBAI whom you don't want near City Council members, and then there are some in Pacifica and WBAI who would do it very well. In answer to a question the General Manager said that he would be glad to meet with the Park Slope Food Coop to discuss funding from them.

The General Manager said he'd send the WBAI draft FY23 budget proposal to the committee's mailing list.

It is entirely possible that the WBAI draft FY23 budget will not be approved by the NFC in its current form. What cuts could be made to it is not clear. The NFC has not been sent the actuals from FY22 yet. The NFC has also not been sent the actuals for the first quarter of FY23. Both of those documents may be forthcoming soon, however. **It's not easy to understand just what WBAI's financial situation is here in the middle of the second quarter of FY23 without those documents. I think that both sets of documents ought be released to the public as soon as possible.**

Meanwhile other stations are not doing well either, and there is agitation from certain quarters for variously selling WBAI's license, getting the Federal Communications Commission to deny the renewal of WBAI's license and for swapping WBAI's signal for some cash and a less desirable frequency. These are dangerous times for WBAI and Pacifica.

The next NFC meeting is scheduled for Tuesday February 14, 2023, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, March 15, 2023, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin
WBAI LSB Treasurer