

WBAI Treasurer's Report
October 9, 2024

The local Finance Committee met on September 18, and October 2, 2024. The National Finance Committee (NFC) met on September 17, and 24, 2024. all of these meetings were held by teleconference.

A lot of the September 17, 2024 NFC meeting was taken up with consideration of the KPFK draft FY25 budget. The Executive Director reported on the progress with regard to removing the liens from the Los Angeles building. She said that all of the paperwork for the sale was in place and she was just waiting for the Small Business Administration (SBA), which administers the Economic Injury Disaster Loan (EIDL) to say that they'd removed their liens. At that point the FJC lender will remove their liens and the building will go into escrow. The Executive Director said that she hoped to get escrow done by the end of October. She said that she'd made payments for the EIDL as part of the SBA hardship program. Under that hardship program Pacifica is allowed to pay just 10% of the usual monthly interest rate, which amounts to about \$860 per month. She said that the other 90% of the interest would be added at the end of the 30 year loan period and that Pacifica could also apply for forgiveness of that remainder of the loan interest. She said that Pacifica is no longer in default on the EIDL.

The Executive Director also reported that work has started on the first 20,000 tapes and other materials that are going to be digitized. There is a total of about 80,000 items that need to be digitized. As previously reported in the August 14, 2024, Treasurer's Report this project will be done by the American Archive of Public Broadcasting, the WGBH Educational Foundation, the Library of Congress and the Mellon Foundation. The Executive Director said that she's looking to get grants for storage and storage materials for these archives.

The Executive Director said that she was getting Pacifica's IRS form 990s filed, and she expected to get the 990 for FY24 filed in early 2025. She said that the audits for FY22 and FY23 will be compiled jointly, which will cost less, and that the FY24 audit will be done separately. Some of the proceeds from the sale of the Los Angeles building will fund those audits. Having up to date audits would allow Pacifica and WBAI to at least apply for grants.

The Executive Director said that after the sale of the Los Angeles building goes through and costs are paid her goal would be to invest about \$1,000,000 of the proceeds, and about \$1,000,000 to \$1,200,000 will be used to help support KPFK after that and pay down past due amounts on a national level. She said that there will be discussions with the NFC and the community to see exactly where to put those funds.

The interim General Manager and the Executive Director attended the September 18, 2024, local Finance Committee meeting and they presented the WBAI draft FY25 budget proposal.

The draft budget projects a Total Revenue of \$1,424,500 for FY25 against Total Expenses, including Central Services fees, of \$1,228,212 for an end-of-year surplus of \$196,288 but this gets adjusted slightly as outlined later in this report. This is in contrast to WBAI's end-of-year deficit of \$309,665 for FY23. The draft budget projects that WBAI will show a surplus of

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\$8,627 at the end of FY24. The latest consolidated financials we have from the National Office only go through March 31, of FY24 and that shows a deficit of \$172,900 at the halfway point of FY24.

The draft FY25 budget projects a Listener Support of \$1,200,000 which includes \$288,000 from BAI Buddies and as much as \$10,000 each from many programs. The draft budget projects \$150,000 in Miscellaneous/Other Income which the draft budget identifies as being from Sponsorships/Underwriting. The Executive Director told the committee that the station has already had that amount received or pledged for FY24. She also said that with regard to the convention coverage over the Summer that, "Even though that was money that was covered for national programming we're definitely crediting that towards WBAI." Maybe the addition of that money is what brings WBAI to a surplus for FY24.

The Executive Director did say that the \$5,000 Board Expenses line would probably be zeroed out because there will be no elections in FY25. She also said that the Community/Special Events expenses of \$10,000 would also be removed, which would bring the Total Expenses down to \$1,218,212 and raises the end-of-year surplus to \$206,288. She said that as a result of an arbitration the National Office was absorbing the ACD call answering service bill which is about \$130,000 for WBAI and that will be paid for with proceeds from the sale of the Los Angeles building. She said that a donation from a member of the WBAI local Finance Committee has paid off the bill for the donor software program, which is the *Allegiance* software.

She said that the interim General Manager was seeking a grant for news services.

The interim General Manager told the committee about recent donations from a nurses Union and a firefighters Union. He said that a government employees Union had given an additional \$10,000 to WBAI. He said that he was working on getting grants for interns who would do news reporting.

In answer to some questions the Executive Director and interim General Manager said that the much lower cost of consultants and premiums helped to lower expenses.

The Executive Director said that because she has had so many questions and pushback with regard to SCA revenue she has added that to the draft budget as revenue for WBAI.

At this meeting the interim General Manager told the committee that WBAI is negotiating with the new landlord at 388 Atlantic Ave. over what WBAI's rent would be. The interim General Manager noted that WBAI has less space now and there has been a problem with a big leak that has caused problems and which needs to be fixed.

The interim General Manager said that the ACD call answering service that sued to be paid \$130,000 had attempted during arbitration to soak WBAI and Pacifica for an additional \$500,000. Lucky thing that bullet got dodged.

In answer to a question the Executive Director said that Pacifica's Accounts Payable was about \$4.5 Million in loans and about \$850,000 in Accounts Payable for various vendors.

At this meeting I made a motion to bring the draft FY25 budget to the LSB and recommend its approval, but that motion failed. The committee then voted to meet again on October 2, in addition to meeting on October 16.

The September 24, 2024, NFC meeting was largely taken up with the KPFA draft FY25

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budget. The KPFA Business Manager and I did get into a discussion about her wildly inaccurate narrative where she claims that Pacifica's Central Services formula hasn't changed in nine or ten years.

At this meeting the Chair reported that the Pacifica Affiliates Network (PAN) was saying that they are an independent network and that they do not have to submit a draft budget to Pacifica. As I was typing up this report I heard from the NFC Chair that the PAN representatives felt that their treatment when presenting their draft budgets to the NFC in the past was "brutal" and they didn't want to come to the NFC. But apparently they are now open to bringing their draft FY25 budget to the NFC at the next meeting. From what the NFC Chair has written there may be some ambiguity about PAN's relationship to Pacifica.

The interim General Manager did not attend the October 2, 2024, local Finance Committee meeting. Not long before the meeting WBAI Management did send a written report to the committee (Management's report is appended to this Treasurer's Report). The committee discussed the situation and after a *great* deal of discussion the committee passed the following:

Motion: "To send the following statement to the LSB, the interim General Manager, and the Executive Director, 'Whereas, The WBAI draft FY25 budget was received by the WBAI local Finance Committee from the interim General Manager on September 18, 2024;

'and Whereas, a special meeting of the WBAI local Finance Committee was called for October 2, 2024, to especially accommodate and facilitate the discussion of the WBAI draft FY25 budget;

'and Whereas, WBAI Management was not present at the October 2, 2024, local Finance Committee meeting;

'and Whereas, we are lacking information which we are customarily used to getting;

'and Whereas, it has been the custom of the General Manager to be present at meetings which encourages transparency, accountability and trust;

'Therefore, The WBAI local Finance Committee needs more information from WBAI and Pacifica Management before we can recommend this draft FY25 budget to the WBAI LSB.'" (Passed without objection)

It was noted during this meeting that the *Allegiance* software is showing WBAI as only taking in around \$8,000 per month lately. I suspect that *Allegiance* may not be getting used much at this time, so I think that more revenue has come in but it's not going through *Allegiance*. Whether or not *Allegiance* is currently being used for WBAI to track donations a question for Pacifica Management.

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The October 8, 2024, NFC meeting was cancelled due to “Collapse of a viable agenda.” Apparently since there were no draft FY25 budgets to be brought to the committee last night, and because there was not much else that the committee would have been able to deal with, the Chair thought that a meeting as not justified.

So it’s unfortunate that the interim General Manager didn’t come to the October 2, local Finance Committee meeting. I think that there are questions that need to be asked about the draft FY25 budget that was presented to the local Finance Committee on September 18, and if they could have been thrashed out on October 2, the committee might have recommended that draft budget to the LSB. I think that there may be a lot of optimism included with that draft budget, I am wondering about the Car Donations being listed as \$18,000 when WBAI has not come anywhere near that amount of revenue from that source in the past. But WBAI and Pacifica Management have some good explanations about why the FY25 budget’s bottom line is more than \$500,000 better than the FY23 was, although I wish some of the revenue looked more solid. It’s also unfortunate that the former KPFK building in Los Angeles is what may be injecting some amount of prosperity into WBAI’s budget. But I think that the current draft FY25 budget may be worth approving and sending on to the NFC. We’ll see.

We keep being told that the Pacifica Income Statement for the third quarter of FY24 is going to be posted any time now. Low Staffing levels at the National Office are being cited as the cause of the delay. We really do need to see more timely financial information from the National Office.

We have not heard much about Pacifica’s overall financial situation lately. I think that the Accounts Payable are lower than they had been. I hope that we are not seeing a temporary respite owing to the sale of the Los Angeles building. I am still pessimistic about WBAI and Pacifica’s long term survival.

The next NFC meeting is scheduled for Tuesday October 22, 2024, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, October 16, 2024, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin
WBAI LSB Treasurer

APPENDIX

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Oct 2, 2024

Dear WBAI Local Station Board Members,

I hope this message finds you well.

Unfortunately, Interim General Manager Bob Hennelly and I, as Interim Program Director, will not be able to attend this evening's meeting. The Pacifica Executive Director, Stephanie Wells, presented a proposed budget for the upcoming fiscal year during last month's meeting.

Additionally, I would like to inform you that management is actively working toward a resolution of WBAI's rent and utility debt. We are close to a resolution and once an agreement is finalized, we will promptly share the details with the LSB Board.

Attached, you will find the WBAI Monthly Report, which outlines key developments and activities for the month of September 2024. Please review the document for a comprehensive update on programming, special events, and other operational matters.

We appreciate your understanding and continued support as we address these critical financial and organizational matters. If you have any questions or require further clarification, please do not hesitate to reach out.

Warm regards,

WBAI Management

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WBAI Monthly Report – September 2024

1. Programming and Special Events:

- **Vice Presidential Debate Broadcast:** WBAI aired live coverage of the Vice Presidential Debate on October 1st, hosted by Mitch Jeserich, as part of Pacifica's national broadcast. The event was widely promoted across shows, social media, and listener mailing lists.
- **9/11 Anniversary Special:** WBAI broadcast "Dust: The Lingering Legacy of 9/11," a radio screening of Bridget Gormley's award-winning film. It included interviews with FDNY figures and survivors affected by the aftermath of the attacks, focusing on the long-term health impacts of exposure to toxic air.
- **Radio Pop-Up Shop Initiative:** Introduced a dedicated space for special programming, allowing producers to experiment outside their regular formats and encourage listener engagement and donations. Special programs include segments on Leonard Peltier by Paul DeRienzo and a tribute to Black Theatre Day, choreographed by Marcia Pendelton.
- **Breaking News Coverage:** WBAI's nimble response to national and global developments has been a priority. Recent highlights include live coverage of Mayor Eric Adams' indictment which included breaking news on the eve of Mayor Adams' indictment, live broadcasts from Mayor Adams briefing the day the indictment was unsealed, the reading and summary of charges as delivered by US Attorney Damien Williams, and the live press conference by City Council Speaker Adrienne Adams reacting to the first criminal indictment of sitting Mayor. We have also covered the Middle East crisis, and local hurricane updates. Special segments, hosted by Wuyi Jacobs and Paul DeRienzo, engaged listeners through open phone lines and expert discussions.

2. National Election Coverage:

- Building on the success of its nightly broadcasts of the RNC and DNC conventions, WBAI launched its "We Decide: America at the Crossroads 2024" campaign, a weekly program hosted by Jenna Flanagan and produced by Bob Hennelly, and Keziah Glow. This live two-hour show airs on Mondays and focuses on key election issues, voter suppression, and grassroots organizing as well as includes several dispatches from Pacifica affiliates from around the nation working with Lisa Loving.

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3. Producer Handbook:

- A new Producer Handbook has been rolled out, offering comprehensive guidelines to ensure smooth production and adherence to station policies. Key points include:
 - Enforcing a Hard Stop at :55 to maintain schedule integrity.
 - Submission of run sheets 24 hours in advance.
 - Ensuring FCC compliance and promoting WBAI Buddies during broadcasts.

4. Social Media Revamp:

- Intern Taylor Braithwaite has been instrumental in restructuring WBAI's social media presence. Posting schedules, content sourcing from the WBAI website, and the use of Instagram stories for missed shows are part of the strategy to enhance listener engagement and boost donations. Since social media revamp analytics report impressions (meaning visits to page) are up by 9,050 > 38.7%

5. Board Election Success:

- Thanks to the efforts of the Board Operators, specifically Shawn Rhodes who worked most nights/early mornings to ensure the rotation and legacy charting was in place. The National Election Supervisor stated voter turnout for WBAI's board election was higher than in previous years. This success was driven by meticulous planning, coordination, and adherence to national election protocols.

6. Fall Programming Lineup:

- WBAI introduced several new shows in September, including:
 - **Naturalistic Support** (Wednesdays, 2-3 PM)
 - **Earth Riot Radio** (Saturdays, 12-1 PM)
 - **Caribbean Voices and Beyond** (Saturdays, 1-2 PM)
 - **The Sweet Spot** (Saturdays, 10 PM - 12 AM)
 - **Groovelines** (Sundays, 12-1 AM)
- Returning shows include **Leonard Lopate at Large** and the debut of **The Abolitionist Show** hosted by Frenchie Davis.

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7. Ongoing Initiatives:

- Continued collaboration with board operators to ensure smooth technical operations and FCC training for producers.
- Work with producers to enhance show quality, ensure adherence to new policies, and improve overall production.

8. Sustaining contributions: As of Oct. 2, Bob Hennelly secured a \$22,500 sustaining contribution from the Transport Workers of America. This brings the total close to \$160,000 of union sustaining sponsorships.

Closing Remarks: The station's agility in responding to critical events, along with the introduction of new programming and the restructuring of social media, has contributed to a productive and impactful month. As we move forward, our focus remains on delivering unique and engaging content while encouraging listener support through WBAI Buddies. Special Thanks to all Board Operators for their agility and ability to nimbly adjust programming and conduct all the transitions listed above.

Warm regards,

WBAI Management