

WBAI Treasurer's Report
January 8, 2025

Neither the National Finance Committee (NFC) nor the WBAI local Finance Committee has met since the last WBAI LSB meeting. The NFC meeting set for December 24, 2024, was cancelled, and the WBAI local Finance Committee had voted in a poll to meet next in January.

WBAI's and Pacifica's Fiscal Year 2025 (FY25) runs from October 1, 2024, to September 30, 2025. We are in the second quarter of FY25 at this time. We await Income Statements and other financial documents from the National Office which should inform us of the current actual revenue and expense figures for all of Pacifica, including WBAI.

On January 1, 2025, the WBAI interim General Manager sent out an E-mail with *preliminary* figures for the on-air fund raiser that had run from December 9, through December 31, 2024. Here are those figures:

Proceeds from the on-air fund raiser including Online, Phone, and Checks: \$72,458.32
Union Commitments: \$55,840.00
PayPal: \$5,097.57
Preliminary TOTAL: \$133,395.89

To put the interim General Manager's figures for the on-air fund raiser in perspective here are some projections from the WBAI draft FY25 budget:

Listener Support \$1,200,000.00 The station must raise \$100,000.00 in Listener Support every month to meet this budget projection.

Total Operating Expenses \$1,035,120.40 This is what WBAI Management and the Executive Director have projected that WBAI's operating expenses such as salaries, Tower rent, Studio rent, Programming Expenses, etc. will be for FY25. The Operating Expenses amount to about \$86,260.03 every month.

Total Expenses \$1,228,212.40 This figure adds Central Services fees to the **Total Operating Expenses** above and this comes out to \$102,351.03 every month.

Total Revenue \$1,424,500.00 This is what WBAI Management and the Executive Director have projected that WBAI will raise, from all sources, for FY25. The station must raise \$118,708.33 every month to meet this budget projection.

Going by the approved WBAI FY25 budget the interim General Manager's total of \$133,395.89 would cover about one month and a few days of WBAI's Total Expenses. We need to keep these FY25 Budget figures in mind when the final net revenue from the December on-air fund raiser the is revealed.

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With regard to the Total Expenses in the WBAI FY25 Budget, which includes the projected Central Services fees, people on the NFC and PNB have said that they will be looking for WBAI to actually pay those Central Services fees in FY25. WBAI's Central Services fee payments for FY25 are projected to be \$208,133, which is about \$17,344 per month. As related in the December 11, 2024, Treasurer's Report the National Office's records indicate that WBAI had not paid any FY25 Central Services fees through that date. Also in that Treasurer's Report I related that the NFC had passed a motion that said that Pacifica Management was authorized to, "*provide direct oversight to division Management to ensure timely payment for all FY25 budgeted Central Service Fees.*"

WBAI has not been paying Central Services fees on a regular basis for years. What the station has been doing is sending any bequests that have been received to the National Office as payment for Central Services fees. You can't count on bequests, which are usually a part of a deceased person's will, to pay monthly Central Services fees. For FY24 the National Office calculated that WBAI owed \$69,000 in Central Services fees.

When the first quarter Income Statement for FY25 is finally released I doubt if WBAI will have fulfilled its Central Services fee obligations. I will not be at all surprised if it shows the station running a bottom line deficit for the first quarter. Such shortfalls will probably give rise to some difficulties in Pacifica. One thing to keep in mind is that the Central Services formula calculates the Central Services fees as a percentage of a station's revenue, so if WBAI receives less revenue than projected then the the station's Central Services fees will have to be lowered too. But that will not pay WBAI's bills.

I'm pessimistic about the future of WBAI and Pacifica. Some of Pacifica's financial problems have been caused for the past 11 years by Pacifica losing membership in the Corporation for Public Broadcasting (CPB). Ironically, the infamous "Project 2025," aka the *2025 Presidential Transition Project*, specifically talks on page 247 about defunding the CPB and Pacifica. While Pacifica's fate is not tied to that of the CPB anymore Pacifica will still be facing a hostile right-wing dominated Presidency, Senate, House of Representatives and Supreme Court. If a law similar to the now defunct H.R. 9495 should pass then the Secretary of the Treasury would be authorized to designate any non-profit as a "terrorist supporting organization" and revoke its tax-exempt status. That would pose another existential threat to Pacifica. There is also the possibility of a non-financial threat from the Trump Administration's Federal Communications Commission.

The next NFC meeting is scheduled for Tuesday January 14, 2025, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, January 15, 2025, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin
WBAI LSB Treasurer