

WBAI Treasurer's Report  
March 8, 2023

The National Finance Committee (NFC) met on February 14, and February 28, 2023. Both of those meetings were held by teleconference.

At the February 14, 2023, NFC meeting the Executive Director sent the committee the "Consolidated Monthly Income Statement For the Three Months Ending Saturday, December 31, 2022" which is the First Quarter of FY23. She emphasized that it was just a draft and that there were still blanks in some areas. She said that in some cases revenue was not broken down and the National Office was still in the process of trying to break some of that down to make the document more detailed. She said that the National Office was working on the revenue for each division<sup>1</sup> in Pacifica and they were looking at ways to decrease the expenses if they need to. She said that having an idea of the first quarter revenue and expenses, they were projecting what the Second Quarter would be like. The Second Quarter will end on March 31. She said that with the information from the First Quarter each division had an idea of what their monthly revenue needs to be compared to their monthly expenses and they can make any adjustments that are needed. She said that all divisions were looking at ways to cut back on expenses and generate revenue and that that was pretty much the daily work of the Executive Director and National Business Manager.

There was some concern on the NFC that we were getting a quarterly Income Statement instead of monthly ones. The Executive Director said that the Income Statement broke down the financials on a monthly basis, but that not all of the financial information was sent to the National Office in files compatible with the *Great Plains* software. She said that a lot of the data was just a lump number at end of each month and that number had to be broken down based on bank reconciliations. She noted that there had been a problem for a while getting full access to the *Great Plains* software. She said that quite a few divisions still did not have bank reconciliations for as far back as a year and the National Office needed to reconcile all of those bank statements which is very difficult. She said that we were entering a pre-audit phase as well and we have to get the reconciliations done to match things up with the correct line items in order to determine what each expense item was for. She said that part of the delay was that the National Office couldn't do the February financials until all of the January financials were done and they have to check all of that against the bank reconciliations, all of which they have to do one month at a time. The Executive Director also said that some of the coding don't make sense from some stations. She said that this was some of the work that the Executive Director and National Business Manager had to work on with station General Managers and Business Managers. The Executive Director added that they also have to work on the FY22 taxes.

Because the Income Statement was so preliminary it is not supposed to be released to the public yet. I will note, however, that it showed WBAI with a deficit for the First Quarter of FY23 of more than \$100,000. Whatever adjustments are made to this Income Statement that figure will

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<sup>1</sup> The divisions in Pacifica are the stations KPFA, KPFK, KPFT, WBAI and WPFW and also the National Office, Pacifica Radio Archives (PRA), Pacifica Affiliates Network (PAN)

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probably be approximately correct. I look forward to the time when this Income Statement is allowed to be released to the public, including those involved in Pacifica governance.

At the February 28, 2023, NFC meeting there was a discussion of the timeline for the FY24 budget process. The NFC has been doing the budgets late for quite a few years now and one of the main values of having a budget is that it can be used as a road map to indicate how to handle an organization's finances. If it's too late it's not so useful. I sent the NFC several budget timelines from years past, and the NFC may decide to try to get the FY24 budgets done before October 1, this year. This topic will probably be on the agenda for the next NFC meeting. The fact that there is no enforcement involved with stations that don't get their draft budgets in on time was brought up. I *think* that some Directors want to have some form of consequences for stations that don't submit their budgets in a timely way.

At this meeting the NFC reviewed again the WBAI draft FY23 budget proposal. The General Manager sent a newly modified WBAI draft FY23 budget to the committee during the meeting, but it contained some confidential information and the NFC focused on the previously considered draft FY23 budget.

A request was made for the actuals for FY22 to be included in the draft budget and be put next to the relevant budget line. The WBAI General Manager said that no progress had been made on that and that it was a lot of work. He said that he'd only gotten the actuals a week or so earlier and that he would need to go over it all with the National Business Manager on a daily basis to match the numbers and the categories and he'd need the Executive Director to also go over the specific items. He said that with the National Educational Telecommunications Association (NETA) he had gotten his estimation of WBAI's actuals to be 80% to 90% in compliance with NETA's figures. He said that if he could work with the National Business Manager for an hour a day on this they could get it done in a week. He said that it's important because in the past when there were slight discrepancies between WBAI's accounting and NETA's he'd spent a lot of time trying to figure out what they were going back and forth about with NETA and it took a lot of time to straighten it out.

The General Manager told the NFC that he had done a lot of digging into the budget and that he had some proposals that would save about \$150,000 in the FY23 budget, but we would need to go into executive session to discuss them. He said that his disposition would be to fight to not get those things done but he would have them as a measure to be implemented if the NFC demands it. The NFC Chair said that some cuts would have to be discussed with the Union at WBAI. The WBAI General Manager said that WBAI was short in its monthly on-air fund raiser goals even though the station was doing pretty well with BAI Buddies which was still getting about \$18,000 a month, He said that the Broadway ticket donations were making about \$7,000 a month. He said that Community Events had made about \$5,000 so far. He said that as WBAI Management focused on PSAs (Public Service Announcements) that on-air fund raising was faltering. He said that on-air fund raising was about 80% to 85% of the station's goals. He said that since May 2022, the station had gotten about \$50,000 of PSAs. He said that the station had gotten one partial payment from the New York City Department of Transportation for \$4,000. He said that getting PSAs from the Department of Transportation and the Department of health was

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a lot of work. He said that Management more or less knew what they were doing now and that they were going to solicit PSAs from the Department of Sanitation. Program plans for on-air fund raising were described to the NFC. He said that the station was working with the Executive Director to get grants for some Women's History Month programming. The General Manager said that about 30 shows did not have any BAI Buddies and 31 shows only had one BAI Buddy. He said that 30 shows with 10 BAI Buddies per program contributing \$17 each represented about \$5,000 a month. The General Manager said that there had been an "End of the Earth protest" because he'd called a mandatory Staff meeting about this problem, and he said that if a show can't get 10 BAI Buddies why are they on the air? He said that producers should donate and get their friends, enemies and relatives to become BAI Buddies. He said that how to do it without starting a war and being called anti-producer was an issue. He said that there has to be some form of basic responsibility.

The General Manager then started talking about how the big problem was that producers were not coming up with new premiums.

The General Manager said that the station is asking New York City Council members to donate discretionary funds to WBAI. He noted that many City Council members had been on WBAI. He said that in the past when WBAI had done this Pacifica did not have a current audit available and so the station couldn't cash the check that it had gotten. The General Manager said that he was hoping to get about \$5,000 a month from publishers who've had authors interviewed on WBAI, and he's getting a list made up of those publishers.

NFC members applauded WBAI Management for its efforts to raise more revenue, but said that Pacifica didn't have the money to support stations that were not self-sustaining, and they demanded a balanced budget. More than one NFC member said that they would not vote to approve this WBAI draft FY23 budget and send it to the PNB.

The NFC then adjourned to an executive session. The official report out from that executive session was, "The NFC met in executive session to address personnel and proprietary contractual matters. No decisions were made."

It's unfortunate that we can't send out the First Quarter Income Statement yet, but it's also unfortunate that some stations can't send the National Office financial information that can be easily entered into such an Income statement. When we can I'll be sure to send out that Income Statement for the First Quarter of FY23.

The WBAI General Manager's monthly newsletter for February 2023, blames producers for the station's financial problems saying that not enough producers are coming up with premiums that raise money. I strongly disagree with the General Manager's statement on this. Not every producer at WBAI has access to products to push on the air, nor has every producer enough money to buy premiums and offer them. The General Manager told the NFC that, "there has to be some form of basic responsibility," I agree, and it needs to apply to more than just the producers.

The General Manager also dumped on the PNB and the LSB in his official communication that I think goes to everyone that WBAI has an E-mail address for. I disagree with him there too. The General Manager is one of principal people who wrote up the current

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Pacifica bylaws. Those bylaws make LSBs governance boards, not fund raising boards. The bylaws do that on purpose. You can't expect the bus driver to also pay for the bus. You'll get nowhere that way.

WBAI's draft FY23 budget proposes a deficit of about \$144,000. But for the First Quarter of FY23 that deficit is already at more than \$100,000. This leads me to believe that the draft FY23 budget is seriously underestimating the end-of-year deficit. Things are not looking good for WBAI and Pacifica right now.

The next NFC meeting is scheduled for Tuesday March 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