

WBAI Treasurer's Report  
April 10, 2024

The National Finance Committee (NFC) met on March 26, 2024. The local Finance Committee met on March 20, 2024. Both of those meetings were held by teleconference.

At the March 20, 2024, local Finance Committee meeting the committee discussed with the General Manager the fact that Pacifica is not issuing him a debit card, which many vendors require in order to make purchases and pay bills. The committee again discussed the \$25,000 stock option that was going to be donated to WBAI. The General Manager said that the inability to have an account that could receive such a donation was not due to transferring from other banks to Bank of America. He said that the account, which was a National Office account, had been shut down by a previous interim Executive Director who'd taken her name off the account. He said that this problem had been going on for at least right months.

In his report the General Manager said that he had nothing new since his last report. He said that he had less access to WBAI's financial information and that the committee needed to get a report from the National Office.

The General Manager told the committee that 388 Atlantic Ave. had been sold. He said that the new landlord, which he described as a progressive non-profit organization, had seen how irregularly WBAI had been paying its rent. The General Manager said that in negotiations the new owner had suggested that WBAI's space in the building be reduced so that the station could pay a lower rent.

The General Manager said that with regard to FY24 WBAI had raised about \$58,000 in October, about \$63,000 in November, about \$61,000 in December, about \$40,000 in January and about \$55,000 in February. He said that the goal had been to raise about \$100,000 every month. He attributed the lower amounts raised to the station playing less and less of Gary Null and Christine Blodale following the FCC situation. He said that WBAI was not generating enough money to pay for the Tower Rent, the rent at 388 Atlantic Ave. and for the call center.

The General Manager said that the BAI Buddies revenue had gone up from about \$18,000 a month to about \$21,500 a month.

The General Manager said that he'd made a lot of cuts to the station's expenses. He said he'd gotten rid of morning show hosts that were paid as consultants unless they brought in enough money to get paid. He said that when buying things from Amazon and STAMPS.COM the order had gone through but days later they said the purchase had been rejected. He said that he'd told the National Office that those vendors wanted to get a voided check. He said that he'd gone through three months of being told no such things existed anymore. He said he'd gone into his files and found a voided check from years ago and sent that to STAMPS.COM. He said that there were other examples where he needed a debit card to pay the station's bills and to purchase things for the station. He said that he was also having problems with Bank of America forcing him to generate a new password every two months. He said that he also was having trouble depositing checks by scanning them and sending them to Bank of America for deposit.

I asked the General Manager what the National Office's response had been when he'd brought these problems up to them. In answer the General Manager told about the National

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Office insisting that consultants fill out forms to get paid, and he told about other bills that he was having a problem getting paid. He said that the problems was that he is required to use Automatic Clearing House (ACH) instead of a debit card. When I asked the question again he said that he was trying to not be too needy. I urged him to bring these issues up to the National Office to get them resolved. I also suggested that he bring these problems up at the monthly meetings between the Pacifica General Managers and the Executive Director because if he can't pay bills due to the National Office not allowing him to pay them the way that the vendors demand to be paid then that's a big problem and it needs to be solved.

A member of the local Finance Committee who had been a WBAI Director on the PNB said that Pacifica has interim General Managers at three of the five stations, and two of them are volunteers. He noted that another station has a General Manager who's retiring and it was not clear that a full time General Manager will be hired at that station. He further noted that WBAI could soon be the only Pacifica station with a regular General Manager.

After further discussion with committee members about the problems associated with not having a debit card available the General Manager said that he would send an E-mail to the National Office and copy the four WBAI Directors and me and break down the problems he has had with vendors and he'd try to be as non-confrontational and as non-annoying with the National Office as possible. I have not gotten that E-mail as of April 9, 2024.

At the March 26, 2024, NFC meeting we were told that the KPFK Treasurer had resigned and was no longer a member of the NFC and that the KPFK LSB would elect a new Treasurer at its April 14, 2024, meeting.

The NFC Chair reported that the WBAI draft FY24 budget had been presented to the PNB and that the PNB went into executive session to discuss it.

The Executive Director said that Pacifica had Accounts Payable of about \$1.3 Million. She said that the FJC loan payoff would be about \$2.5 Million and the Economic Injury Disaster Loan (EIDL) payoff would be about \$ 2.7 Million. She said that the interest due on the FJC loan was about \$517,000 and that the interest on the EIDL was about \$114,000. She said that because of the sale of the KPFK building she was talking to FJC about revising the loan agreement. She said that she was working with the Small business Administration to remove the EIDL lein on the KPFK building.

The Executive Director said that she was looking for volunteers for a Corporation for Public Broadcasting (CPB) compliance group. She said that she hoped that people would help with that. She said that Pacifica must be in compliance with all CPB rules for a year and clear up the issues raised by the CPB in 2013, 2020, and 2023 in order to apply for CPB membership. She also said that there would be a Grid Review Working Group to look at Pacific's programming. She said that there would also be an Underwriting Working Group to make sure that any underwriting complies with Pacific's guidelines. She said that underwriting would be handled locally.

The NFC discussed the "Pacifica Foundation Consolidated Monthly Income Statement For the Three Months Ending Sunday, December 31, 2023" with the Executive Director. She said that there were still some revisions that need to be done to it.

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After that the NFC went into executive session. The report out from that executive session was, “The NFC met in executive session to discuss the PNB mandate with regard to the Executive Director working on a plan, including personnel issues, for dealing with extreme financial situations.”

The NFC meeting scheduled for April 9, 2024, was cancelled because the anticipated WPFW draft FY24 budget was not ready yet, also the Chair had had a “slight traffic mishap” which necessitated her getting her damaged car towed and repaired.

The General Manager has told the WBAI Staff that we have to raise about \$250,000 in order to catch up with payments for Tower Rent, and to pay the call center. The station began an emergency on-air fund raiser on April 8. As of 6 AM (ET) on April 10, 2024, this emergency on-air fund raiser had raised \$15,229.

There are executive session meetings going on throughout Pacifica, and WBAI is running a serious deficit, with the possibility that 4 Times Square could pull the switch on WBAI’s transmitter because we are so far in arrears on our Tower Rent, The call center could just stop taking calls during our on-air fund raisers because we are in such debt to them. But one bit of good news is that the back rent at 388 Atlantic Ave. has been forgiven. So we will probably lose some space there, but at least we’re unlikely to get evicted soon.

It is a serious problem that the General Manager can’t pay bills or deposit money in the WBAI bank account due to a conflict between how vendors demand to be paid and how the Pacifica National Office demands that the General Manager pay those bills. In my opinion the General Manager needs to make a demand that the National Office make the move to Bank of America work for WBAI, and if that sounds like confrontation then he should confront the National Office. It is absurd to deny WBAI the means to pay what bills it can pay.

I am very pessimistic about the future for WBAI and Pacifica. WBAI’s in an emergency on-air fund raiser designed to pay down arrearages on bills that would make the station’s projected end-of-year deficit significantly larger or effectively shut down the station, and some of the people in Pacifica who have been gunning for WBAI for years are in a position to take action against the station. If the station makes the \$250,000 goal this month what effect will that have on people’s desires to donate when the word “emergency” is not being used to describe our regular on-air fund raisers?

The next NFC meeting is scheduled for Tuesday April 23, 2024, at 8:30 PM (ET). The next local Finance Committee meeting is scheduled for Wednesday, April 17, 2024, at 7:00 PM (ET). These meetings will be held by teleconference.

R. Paul Martin  
WBAI LSB Treasurer