

Minutes for the regular National Finance Committee meeting March 1, 2022.

Meeting convened at 8:36 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Chris Cory, Elizabeth von Gunten, Julie Hewitt, Kim Kaufman, Julia Kennard (CFO), R. Paul Martin (Secretary), James McFadden, Sean Kelly McPherson, James Sagurton (Chair), Susan Young also attending was WBAI General Manager Berthold Reimers.

Agenda:

1. Convene meeting 8:30 PM (ET)
2. Roll Call
3. Adopt Agenda
4. Chair's Announcements (2 minutes)
5. Review the WBAI FY22 budget (WBAI General Manager, Berthold Reimers, presenting 90 minutes)
6. Budget Timelines and schedule for NFC review of budgets for FY22 (5 minutes)
7. Adjourn no later than 10:15 PM (ET)

Motion: (James Sagurton) "To approve the agenda." (Passed without objection)

The Committee discussed the motion.

Chair's Announcements 8:40 PM (ET)

"Tonight we will review the WBAI FY22 Draft Budget.

Intensive work is ongoing to produce appropriate Draft Budgets for our remaining five budgeted units. The Executive Director, the CFO and the NFC Chair are working together to produce realistic budgets. The CFO is working very hard with everyone involved and is working on the FY21 Audit and keeping the financials updated. These efforts are happening every day.

Tonight we are joined by two new members, Susan Young from KPFT and James McFadden from KPFA, and several returning members as a result of the PNB Committee election results being announced earlier today. As tonight is a special meeting authorized to work on budgets only, we will introduce the new members at our next meeting."

Review the WBAI FY22 budget 8:41 PM (ET)

The WBAI General Manager said that the WBAI local Finance Committee and LSB had not approved the FY22 budget. He said that that draft FY22 budget had had a deficit of about \$275,000 but it was actually higher because consultants had not been entered properly and they

weren't all included. He said that he was projecting FY22 revenue at about \$100,000 per month. He said that he is projecting raising \$3,250 per day for 3½ to four hours a day. He said that with regular on-air fund raisers after 30 days you're in trouble but this way you can just step it up and make up any shortfalls. He said that the station is asking people to be BAI Buddies (sustaining members) for Women's History Month. He said that his goal is to get about \$7,000 more per month from BAI Buddies. He said that he's projecting that as of May 2022, the station will raise about \$3,500 per day. He said that the fulfillment rate has also been increased with the budget that he was presenting to the NFC. He said that the previous draft FY22 budget that the WBAI local Finance Committee and LSB had not approved had projected a fulfillment rate of 78.3% but he was making it 79.8%. He said that the fulfillment rate last year was 88.3% and this year it was really 87%, but he wanted a cushion. He said that this draft FY22 budget incorporated Corporate Match revenue. He said that he believed that the Corporate Match was about \$1,450 in November would be about \$2,500 per month from December on and would go up to about \$5,000 per month in May. He said that WBAI had contracted with a company called "Double Your Donation" for \$2,000 per year on advice from personnel at other Pacifica stations. The company's software works with the *Allegiance* software and everyone who pledges gets an E-mail asking them if they work with a company that does corporate matching. He said that BAI Buddies has raised about \$18,500 per month for two or three years. He said that he was going to try to get it up to about \$20,000 per month as of March. He said that with Broadway re-opening that donations for theater tickets will resume. He said that in October the station had gotten \$2,500 from donations for ticket donations, and he was projecting that it would be up to \$6,500 a month as of March. He said that one producer wants to do two Community Events, one of which will be the premiere of that producer's movie. He said that he expects that by June things should be wide open and that other producers are also working on Community Events. He said that he's projecting a total Community Events revenue of \$1,587,903 for FY22.

The WBAI General Manager said that for expenses his strategy 2½ years ago was to increase the station's listeners so that WBAI can qualify for CPB money. He described some of his programming changes. He said he could make WBAI's Arbitron numbers available. He said that he was looking to reduce overtime pay for board operators by half to \$15,000 for the year. He said that the WBAI payroll is bare bones.

The committee discussed the WBAI General Manager's draft FY22 budget proposal. There were questions about projected revenue that has not been realized last year or in the first quarter of FY22. The committee discussed the observation that although the draft FY22 budget projects an end of year deficit of about \$92,000 WBAI's deficit was already substantially larger than that. The WBAI General Manager agreed with the Chair that the deficit will get smaller by the end of FY22. The CFO said that they'd had a couple of options here. She said that they were not prepared to slash expenses to the extent necessary to get a positive Net Income because they were concerned about the damage that might do to listenership. The CFO said that doesn't mean that some additional slashing will have to occur later, but that for now they have cut as much as they can. She said that it was an ugly situation, and it's more about reducing the negative instead of completely getting rid of it. There was a discussion of unaccrued invoices from FY21 that had to be paid with FY22 revenue.

There was a discussion of the WBAI draft FY22 budget not showing expense details for FY21. The CFO said that they had been in there in a previous version and that she would update that part of the budget proposal and would reissue the budget proposal with the old actuals.

The committee discussed the impact of mask and vaccination mandates on the projected Community Events, and it was pointed out that New York City will probably remove those mandates before those community events happen.

It was suggested that the WBAI General Manager project a fulfillment rate that was close to the observed fulfillment rate.

It was brought up that WBAI now pitches every day and the topic of potential donor fatigue was discussed. The issue of the WBAI Emergency Tower Fund was brought up. It was noted that the goal had been set at \$250,000, but that the last time it was heard about it was looking to have raised \$100,000. The WBAI General Manager said that although he had advertised the goal for the WBAI Emergency Tower Fund as being \$250,000 so that a year's worth of payments could be gotten he had never expected to make \$250,000.

The differences in the mix of Paycheck Protection Program money and bequests in the WBAI draft FY22 budget and the NETA Income Statements was discussed.

There was a discussion of ways of getting additional revenue, including grants. The WBAI General Manager said that he was working on a contract for advertising on podcasts that WBAI would produce and that he hoped that all five stations could do the podcasts he was setting up and share the costs. He said that Pacifica stations were not collaborating as a network. The fact that the Pacifica Affiliates Network is already doing podcasts was brought up.

The Chair said that it was almost time for the meeting to end and that we'd continue with the WBAI draft FY22 budget proposal at the next meeting.

The WBAI General Manager said that he would provide documentation for the BAI Buddies project. He said that once WBAI settles the accrued expenses from FY21 he can put the actuals from last year to this budget proposal. He said that the CFO has been trying to figure out how to break down expenses in detail so they can fit and be easily comparable. He said that there are a lot of Administration and Programming expenses which he said was a vestige of the past and that the challenge to the network is to get together and abide by income statements that do match the budget. He said that once that's done and income statements match budgets it will be easier to compare budget and actual.

Adjourned 10:20 PM (ET)

Submitted by R. Paul Martin, Secretary.