

The 2010 “Sustainable KPFA” Budget

BACKGROUND: Pacifica is pushing budget measures that would entail drastic cuts at KPFA—principally to free up money for KPFA to make one-time payments to Pacifica. We believe these cuts would compromise what KPFA listeners hear on-air, and would be counterproductive, as they would diminish KPFA’s ability to fundraise.

OUR VALUES

RADIO FIRST: KPFA needs to prioritize spending sensibly: Our budget proposals maintain funding for KPFA’s programming, not Pacifica’s bureaucracy.

FAIRNESS: Other parts of the network need to pay for the services they get from KPFA

SUSTAINABILITY: Preserve the parts of KPFA that make money, so there’s some foundation left to build from when the economy recovers.

LINE ITEM	THEIR BUDGET	OUR BUDGET	ACTION TAKEN/EXPLANATION	AMOUNT SAVED
6400 Central Services	\$566,124	\$537,092	<p>Charge Pacifica rent -- \$29,032 Pacifica’s National Office gets free rent in KPFA’s building. KPFA gets a reduction in its central service levy for housing the Pacifica Radio Archive – apply the same reduction to KPFA for housing Pacifica National (which would still be lower than Fair Market Value).</p> <p>Stop the Junkets -- \$22,000 In the past year, Pacifica National spent more than \$110,000 flying members of the Pacifica National Board around the country for quarterly in-person meetings. In times of austerity, Pacifica’s board needs to switch to teleconferencing before it starts cutting jobs. Return the savings to the five Pacifica stations to help them close their budget gaps.</p> <p>Chop from the Top Pacifica can finance the reductions in central services by reducing the salaries of Pacifica’s highest-paid employees—managers working in the Pacifica National office earn nearly four times what a typical employee at KPFA does.</p>	\$41,032
Remit to N.O.	\$25,000	\$0	<p>Stop the Back-Door Levy Pacifica National is making KPFA replenish an endowment fund that Pacifica National (not KPFA) spent down – KPFA can’t afford this back-door levy while it’s facing massive cuts.</p>	\$25,000
National Office Payback	\$155,000	\$52,000	<p>Spread the Debt KPFA owes Pacifica National \$155,000 in back-dues—and Pacifica’s asking KPFA to make it all up in one year. It makes more sense to spread repayment over three years, so that KPFA doesn’t have to make permanent cuts to finance a one-time payment. After all: WBAI owes Pacifica more than \$1.5 million, but no-one’s asking them to pay it all back in one year. Pacifica technically owes KPFA more than \$1.4 million, dating back to the civil war ten years ago – but no-one’s asking them to pay all that back either.</p>	\$104,000
Salaries and Benefits			<p>PICK THE LOW-HANGING FRUIT</p> <p>Benefit-Shifting (~\$30,000): Five of KPFA’s union members have volunteered to switch to a cheaper medical plan through Medicare -- as long as KPFA reimburses the (small) difference in co-pays. Local management agreed to do this, but Pacific National backed away from that agreement.</p> <p>Severance (~\$10,000): If Pacifica uses the proposals in the plan to eliminate the cuts at KPFA, it can cut its budgeted severance costs as well.</p>	~\$40,000
Letters to Washington	\$0	\$25,000	<p>Share Costs KPFA carries “Letters to Washington” and Pacifica National markets it to affiliate stations – ask them to foot part of the bill for producing it.</p>	\$25,000
KU Satellite	\$0	\$15,000	<p>Pay For What You Get KPFA’s chief engineer manages and maintains the satellite system that distributes all of Pacifica’s national programs (like Democracy Now!) to its affiliate stations, whom Pacifica charges for the service. Pacifica should reimburse KPFA for the costs.</p>	\$15,000

TOTAL SAVINGS: \$250,032