

Commonwealth Public Broadcasting Corporation
Minutes of a Corporate Board Meeting on October 26, 2017

The Board of Directors of Commonwealth Public Broadcasting Corporation met at the Corporation's headquarters in Richmond, Virginia, on October 26, 2017, pursuant to a notice to each member and following public notices posted on the Corporation's website and broadcast on its radio and television stations.

Directors present included Chairman Todd Stansbury, President and CEO Curtis Monk, Mr. Michael Bisceglia, Ms. Liz Blue, Mr. Josh Dare, Dr. David Gould, Mr. Steve Humble, Mr. Stephen Loderick, and Ms. Louise Martin. Ms. Marlene Jones participated by telephone.

Staff members present were John Felton, Ami Kim, Bill Miller, Katherine Mitchell, Mark Spiller, and Lisa Tait. CFO Larry Dankner represented NETA.

Call to Order

Mr. Stansbury called the meeting to order at 10:05 AM.

On motion duly moved and seconded, Minutes of the previous meeting of the Board of July 20, 2017, were approved unanimously. Mr. Dare moved that Minutes of the meeting of May 4, 2017, be amended to reflect that Stephen Loderick, rather than Steve Humble, was elected Treasurer. The motion was seconded by Mr. Humble and passed unanimously.

Community Station Board Reports

Radio

Mr. Miller reported that WCVE-FM achieved its highest ever market ranking in the Spring 2017 Nielsen survey. The station was the #3 station in the Richmond Metro with a 6.3 percent share of the audience and 120,000 listeners per week. On five previous occasions since 2002, the station was ranked #4. Adding in overnight listening and audiences for WCNV/Heathsville and WMVE/Chase City from markets outside of Richmond, the total estimated listening audience for the period was 133,000.

Mr. Miller noted that between July and mid-October, WCVE sold 20 new stories to NPR. The majority were related to happenings around Confederate statues and their various ramifications with a sprinkling of Virginia politics. Craig Carper placed a feature on the death and life of the Richmond personality known as Dirtwoman on the October 11 national broadcast of All Things Considered. WCVE News also had 50 stories picked up by WHRV/Norfolk since August, when the station started offering stories for their local newscasts. All stories are identified as coming from "partner station WCVE." WCVE has been sharing news stories with WMRA/Harrisonburg since last fall.

Mr. Miller said that WCVE reporter Saraya Wintersmith was interviewed about Confederate monuments in Virginia on C-SPAN on August 25 on the program Washington Journal. The station's newest news staff member is Megan Pauly, who relocated from Delaware Public

Media, and who has done freelance reporting work for WAMU and others, and who served as an intern for NPR Berlin. She holds an Undergraduate degree from Wichita State University, and a Graduate degree in Journalism from Northwestern.

Mr. Miller noted that WCVE-FM provided 14-and-a-half hours of live music performance from the Richmond Folk Festival, October 13-15. Estimating audiences from the last two years, the station served 36,000 listeners during the three-day exclusive broadcast. The station also broadcast live the Richmond Symphony Orchestra season's Opening Night with Joshua Bell and Yesong Sophie Lee, bringing the audience to an estimated 6000 more than were able to attend at the Carpenter Theatre.

Television

Mr. Felton reported that WCVE received Best Documentary Emmy nominations for both The First Thanksgiving in the New World and Feeling Good About America, The 1976 Presidential Election that Changed it All. The station earned a Best Documentary Emmy for Feeling Good About America, The 1976 Presidential Election that Changed it All. This is the House That Jack Built, the John F. Kennedy 100th birthday national program, was recently selected for broadcast by 258 PBS stations across the country representing 82 percent of the US population.

Mr. Felton noted that Polytrauma Rehab in the VA - Compassionate Care – premiered last month and is being considered for national public television distribution. A \$250,000 proposal is out to the Richmond Symphony and the University of Richmond regarding Richmond's bid for the Menhuin Competition, the world's largest violin competition. If Richmond is selected, concerts at area venues will be recorded for future broadcast nationally and locally

Mr. Felton indicated that Alzheimer's Part 2 is in production for summer 2018 release. The sequel will focus on best medical industry practices; the first program focused on family Alzheimer's caregivers. Gerry Rigged - Turning Democracy on Its Head was discovered by the US Supreme Court and the program was entered into the court as an information source relative to future court rulings on Gerrymandering. Poetry Out Loud - The Virginia Finals, the competition that encourages high school students to recognize the importance of poetry and recital skills has been renewed for a March 2018 studio recording and statewide broadcast.

Digital

Ms. Kim reported that community engagement and cross-platform initiatives helped grow digital reach. The stations have 27,000 email subscribers, up from 25,700 last reported. Facebook followers amount to 9157, up from 7931 at last report. Twitter users total 4408, up from 4103. Website use in the third quarter of this year included 482,000 pageviews with 29 percent from mobile devices, compared to 471,000 and 27 percent digital use in the third quarter of 2016.

Ms. Kim noted the Digital Team applied to and will host a two day regional training session for PBS member stations presented by PBS on digital first video production. WCVE was one of eight stations systemwide chosen to host the targeted training. The Digital Team hosted Mug

Stop events during the radio membership drive. The mug was designed by a local artist and local businesses across the geographic area were visited. Mug sales and donations exceeded \$1900.

Ms. Kim said the Digital Team ran paid campaigns to promote Passport signups. Approximately \$400 was spent to reach 77,000 people. The campaign had 1,000 link clicks and contributed to strong Passport member growth. WCVE was selected by PBS to participate in a pilot Passport promotion program – PBS paid for the promotion efforts for select PBS shows.

Ms. Kim noted that the Digital Team is conducting a review of Customer Relationship Management systems to enhance the station's ability to better target and segment its email communications with constituents, eliminate email outreach processes, and streamline online transactions. The Team also applied for and received a Google grant that will provide the station with access to \$10,000 in Google ads each month. Members of the Team spoke at two national conferences about digital engagement.

Community Engagement

Ms. Mitchell reported that the station conducted 12 community events in conjunction with the Ken Burns Vietnam War series for PBS. She also noted that the Board approved an additional Community Engagement staff member at the last meeting and that person contributed significantly to driving up the number of events the station was able to schedule.

Ms. Mitchell noted that panel discussions of persons with firsthand Vietnam memories were recorded at different locations in the coverage area and broadcast between showings of the PBS series. These discussions were also posted online. She noted that eight in-depth radio stories about Vietnam were broadcast and posted on the station website. A total of \$25,000 was raised locally through station Development efforts to support the outreach. It was a nine-month project and will conclude with a November 29 panel – Vietnam: An Evening of Reflection.

Ms. Mitchell said that a Next Generation advisory board is being formed to provide decision-makers at the station with input from a younger generation. Ready To Learn activities are continuing with the station chosen to be part of a CPB Planning and Evaluation Grant, readings to students at Fairfield and Woodville schools and the Parent Project at Chalkley Elementary, and costumed character appearances at Flying Squirrels games, the Childrens' Museum, and the Peter Paul Development Center.

Regarding the Science Matters initiative, Ms. Mitchell indicated three Science Pub RVA events have been held with VCU supported by a National Science Foundation grant. A video producer has been hired to produce Hot Jobs videos on NASA, nursing, aviation, and energy. Outreach efforts in Charlottesville involved the Virginia Film Office, Ashlawn Opera, the City Market, the Paramount Theater, and TEDx Charlottesville.

Finance

Mr. Loderick indicated that first quarter fiscal news was good, with revenues ahead of expectations and expenses below budget. Investments also did well in the July to September quarter, and pegged a 12 percent return for the last 12 months.

Mr. Dankner noted that the audit of FY17 financials was under way; it is expected to be completed by the end of November. The Balance Sheet shows Current Assets of \$1,140,609 compared to Current Liabilities of \$453,904 – a 2.5 to 1 ratio – which Mr. Dankner described as very good. Total year-to-date Revenues are \$1,477,427 compared to the budget of \$1,355,502. Year-to-date Expenses are 2,000,623 compared to a budgeted amount of \$2,024,987.

Mr. Dankner said that Health Insurance expense is exceeding budget because more employees selected higher levels of insurance coverage – due to family changes – this year compared to last year. The overage for the year is expected to be \$90,000.

Governance

Ms. Blue indicated that, under the new Articles of Incorporation for CPBC adopted this year, there are two classes of Board members, appointed and elected. Two new members are expected to be appointed by the Virginia Foundation for Public Media on November 7, 2017. The two nominees to the CPBC Board are Derek Redmond, a transactional attorney, and Dennis Mcgaugh, owner of a security systems consultancy in Charlottesville. Both have skills not currently represented on the Board.

Ms. Blue moved appointment of both nominees subject to approval by the VFPM Board. Mr. Dare seconded the motion and approval was unanimous.

Mr. Stansbury noted that all Board members should expect to serve on at least one committee. Two new committees are being organized. One permanent committee will address Technologies; an ad hoc committee will oversee Strategic Planning. He indicated that Mr. Dare had reached out to a number of groups to assist with the Strategic Planning process.

Mr. Dare identified proposals submitted by three groups, including Susan Johnson O’Neil and Points Ahead Consulting priced at \$3,000, Sarah Milston and Spark Mill priced at \$21,000, and Katherine Whitney with Warren Whitney priced at \$45,000 with a succession planning proposal for an additional \$12,000. After discussion, Mr. Stansbury noted that a methodical, multi-month process will be needed to achieve valued results.

Executive Session

At 11:02 AM, upon motion duly seconded, the Board voted unanimously to go into executive session for the purpose of discussing proprietary business issues and personnel matters. The Board excused those present and went into executive session at 11:02 AM.

At 1:48 PM, the Board returned to open session. Mr. Bisceglia moved to acknowledge that the Board passed three resolutions in executive session. Mr. Loderick seconded the motion, which passed unanimously. At 1:50 PM, upon motion duly seconded, the Board voted unanimously to return to executive session for the purpose of discussing proprietary business issues and personnel matters. The Board resumed meeting in executive session at 1:50 PM.

At 3:10 PM, the Board returned to open session with a declaration from the Chair that no business was conducted during the executive session.

Adjournment

With no further business to come before the Board, the Chairman declared the meeting adjourned at 3:10 PM.

Addendum to the Minutes

Vote on Actions related to SVETC Merger

On January 15, 2018, Board Chair Todd Stansbury sent the following request, via email, to all members of the Board:

This note requests your concurrence, by Jan. 22, to a few actions necessary to consummate the Nov. 10, 2017 Combination Agreement, pursuant to which Shenandoah Valley Educational Television Corporation will contribute its public broadcasting assets to CPBC. The FCC granted its consent to the transaction on Jan. 10. The closing date is set for Jan. 29.

First of all, CPBC's bylaws (copy attached), permit this board to approve actions by "polling" all directors via email, then recording the results in the company minutes at the next scheduled meeting. Although we have not taken advantage of this convenient mechanism before, the actions required here seem tailor-made for seeking your consent via polling. Specifically, we will merely be approving changes to the bylaws and electing members to the board pursuant to the express terms of the Contribution Agreement, which of course this board unanimously approved in November 2017. Liz, chair of the Governance Committee, has agreed with the use of polling here.

The Combination Agreement calls for CPBC to amend its bylaws to provide that three board members will come from the Shenandoah Valley region. Section 2 of CPBC's bylaws currently requires directors to be "chosen from all regions in which the Corporation operates full-power television and radio stations." The Agreement also provides that the first three Shen. Valley members will be Stephen Davis (current SVETC chair), Tassie Pippert, and James Krauss. We propose to modify that Section to read as follows:

Sec 2. *** Directors shall be chosen from all regions in which the Corporation operates full-power television and radio stations, provided that at least three directors shall reside in the WVPT service area in the Shenandoah Valley. The initial Shenandoah Valley directors shall be Stephen Davis (without regard to his residency), Tassie Pippert, and James Krauss. ***

Note: Stephen (SVETC's current board chair) lives in Charlottesville, so his residency needs to be addressed here. Per our arrangement with SVETC, his replacement will come from the Valley.

All three have been vetted by the Governance Committee, and will bring significant skill sets to the CPBC board. Bios for Stephen, Tassie, and Jim are attached.

In addition to amending the bylaws and electing the three members to the board, the Contribution Agreement calls for CPBC to adopt resolutions authorizing the consummation of the transaction. Therefore, pursuant to Section 7 of CPBC's bylaws, your consent to the following actions is hereby requested:

1. Resolved, that CPBC authorizes the execution, delivery, and performance by CPBC of the Combination Agreement, including the consummation of of the transactions contemplated therein;
2. Resolved, that effective upon closing of the transactions in the Combination Agreement, the CPBC bylaws shall be amended as described above; and
3. Resolved, that effective upon closing of the transactions in the Combination Agreement, Stephen Davis, Tassie Pippert, and James Krauss shall be elected to the CPBC board, for terms commencing on the closing date.

With these actions taken by our board, Stephen, Tassie, and Jim will attend our meeting on the 25th (although they will not become voting directors until closing occurs on the 29th).

Please acknowledge your consent to the 3 actions above by return email no later than Monday, Jan. 22. If you have any questions, please do not hesitate to contact me.

As of January 22, 2018, the following Board Members have indicated their consent to the three proposed actions: Todd Stansbury, Josh Dare, Marlene Jones, Tanya Ross, David Gould, Eric Rhoades, Louise Martin, Stephen Loderick, Steve Humble, Liz Blue, and Mike Bisceglia.

Respectfully submitted,

William N. Miller
Secretary to the Board