

**Minutes of a meeting of the Board of Directors
Commonwealth Public Broadcasting Corporation
February 19, 2013**

The Board of Directors of Commonwealth Public Broadcasting Corporation met at the Corporation's headquarters in Richmond, Virginia, on February 19, 2014, pursuant to a notice to each member and following public notices posted on the Corporation's Website and broadcast on its television and radio stations.

Directors present included Board Chair Cynthia Bailey, Mr. Jim Holden, President and Chief Executive Officer Curtis Monk, and Mr. Todd Stansbury.

Staff members present included Mr. John Felton, Mr. Pat Gregory, Ms. Maureen Kelly, Mr. Bill Miller, Ms. Trish Poupre, and Ms. Lisa Tait. Comptroller Larry Dankner from NETA also attended.

Call to Order

Ms. Bailey called the meeting to order at 1:00.

She noted that since the last meeting, the Company staged a great Downton Abbey event, a number of television production projects were under way, and a new radio feature premiered. She reported that she recently met with a Ready-To-Learn volunteer who was very excited about receiving a thank you gift from Chocolates by Kelly in recognition of her contribution to WCVE FM.

On a motion made and seconded, Minutes of the previous meeting of the Board, of November 6, 2013, were approved unanimously. Ms. Liz Blue and Mr. Bill Pusey voted Yes by Proxy on approval of the minutes.

Community Station Board Reports

WCVE Radio

Mr. Miller reported that a new radio version of Virginia Currents, which will air during Morning Edition and All Things Considered on a weekly basis, premiered on February 13. He described Capitol Events, a nightly, 60-second review of legislative activity, as a joint television/radio effort, because WCVE FM Capitol Correspondent Craig Carper serves as principal newscaster for the show. He also noted that Assembly 2014, the daily, in-depth radio report on activity of the State Senate and House, has been on the air since opening day of the legislative session, January 8. Mr. Miller reported that since the last meeting of the Board, WCVE FM had seen nine of its stories broadcast nationally on NPR, one on the Gubernatorial election victory of Terry McAuliffe, one on the stabbing of State Senator Deeds, five on the indictment of former Governor McDonnell, and two on the Virginia gay marriage decision.

Mr. Miller reported that in the most recent audience survey of the Richmond market, WCVE was the 8th most popular station of 34. It was the 5th most popular station during morning drive and the 7th most popular during evening drive, but the single most popular station with an all-news format for both of those dayparts. In reviewing audience measurement over the past five years, he indicated that 50,000 fewer people are using radio on a weekly basis as in 2008 – a four percent decline. He noted as a success the recently conducted Five Day Frenzy on air fundraising event, which brought in just under \$110,000 in pledges, compared to \$96,000 in the preceding year. This marks three fundraising drives in the last 12 months in which a defined ending date has been associated with a campaign that met its goal.

With regard to replacing the transmitter and antenna for WCVE FM, both of which are more than 20 years old and are increasingly unreliable, Mr. Miller cited a resolution passed by the Radio Community Station Board at its meeting of January 15, 2014. The CSB moved to strongly encourage the Board of Directors of Commonwealth Public Broadcasting to make it a priority to obtain a new transmitter, antenna, and tower for radio broadcasting.

WCVE Television

Mr. Felton reported that The Kennedy Half Century, a WCVE-TV national public television production surrounding the legacy of JFK's presidency, aired 1,184 times on 449 channels with availability in 93% of all households in the United States. The new season premiere for Charlottesville Inside-Out was took place in January with and featured a story of a Soar Plane organization in Charlottesville that contained aerial footage. Mr. Felton noted that host Terri Allard seemed to enjoy covering the story largely while flying in a Soar Plane.

Mr. Felton said that discussions continue with three partner organizations to stage the Peoples' Debate, focusing on the race between Senator Mark Warner, who is running for reelection, and his yet to be nominated opponent. WCVE PBS Richmond was one of ten

stations selected for the second year in a row to participate in the 2014 PBS Online Film Festival taking place in Spring 2014. He noted that WCVE provided the winning film for the 2013 festival; that production was titled "Live Art" and was viewed at the May 2013 Board meeting.

Mr. Felton indicated that work is under way on securing funding for numerous production proposals. He cited the Richmond 2015 UCI World Cycling Championship documentary, a documentary on the first Thanksgiving that occurred at Berkeley Plantation in the 1600s, and a nostalgic documentary telling the history of WLEE-AM, a local radio station that predated the FM revolution and that dominated the Richmond market under the leadership of Harvey Hudson in the 60s and 70s.

Since the beginning of the 2014 fiscal year, the Ready to Learn initiative participated in 31 community engagement events or special projects. These were attended by 7951 adults and affected 17,977 children. During that time, 3,420 books were distributed locally.

Finance Report

Mr. Holden indicated that the Finance Committee reviewed financial progress of corporation. He noted the Company's Investment Advisors reported that 2013 was a very favorable year. Investments started with \$6.2 million balance and ended with a balance of \$6.7 million. The Committee also reviewed Corporate financial statements. He said this year is a little complicated because the statements still include MHz even though it is no longer part of the Corporation. Financial statements will be developed that include only Community Idea Stations data. Mr. Holden reported that, through end of December, the Company has seen very favorable results. Total Revenues are ahead of budget, Total Expenses are less than budget, and Net Income is ahead of budget. Even if investment gain is removed, the Company is still running a positive net income. Mr. Holden noted this is a very favorable situation after seeing the Company struggle for years to meet breakeven. He gave credit to management.

Mr. Holden noted the Audit Report was prepared by the Keiter accounting firm. The firm provided a clean audit report, and he said the Committee recommends the Board accept the Audit Report for FY 2013. As a motion from committee, no second was required. The vote to approve was unanimous with Proxy votes from Ms. Blue and Mr. Pusey.

Mr. Holden asked Mr. Dankner if he had anything to add. Mr. Dankner replied that he sees strong commitment in management and staff to the Company's financial strength. He indicated that he maintains good relationships with staff.

Mr. Holden noted that the Committee of the Whole had discussed a change to the Company's 403b plan and moved that, in the event that an employee leaves the company, the de minimis amount that can be paid out in a lump sum be changed from \$1,000 to \$5,000. The change would provide an administrative advantage, saving time and responsibility for auditing. Mr. Holden indicated there would be no disadvantage to the Company or the employee. The payout could be rolled into another retirement vehicle. The motion was seconded by Mr. Stansbury. The vote to approve was unanimous, with Proxy Yes votes from Ms. Blue and Mr. Pusey.

Action Items

Ms. Bailey reported that Board member Suzette Denslow accepted a position in the Governor's office and tendered resignation from the Board. She said that Mr. Pusey recommended Ann Louise Martin for Board membership. Her deceased husband was a long time Board member, and she is a volunteer, a significant donor, and serves on the Capital Campaign committee.

Ms. Bailey moved Martin's election to the Board. Mr. Stansbury seconded. The vote to approve was unanimous with Proxy Yes votes from Ms. Blue, Mr. Pusey, and Board member Mr. Reggie Gordon.

Adjournment

With no other business to come before the Board, the meeting adjourned at 1:21.

Respectfully submitted,

William N. Miller
Secretary to the Board
March 7, 2014