

**Minutes of a meeting of the Board of Directors
Commonwealth Public Broadcasting Corporation
August 21, 2013**

The Board of Directors of Commonwealth Public Broadcasting Corporation met at the Corporation's headquarters in Richmond, Virginia, on August 21, 2013, 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 Ric Arenstein, Chair Cynthia Bailey, President and CEO Curtis Monk, Dr. David Gould, Mr. Todd Stansbury, Reginald Gordon, Liz Blue, and Bill Pusey. Staff included John Felton, Pat Gregory, Secretary Bill Miller, Mark Spiller, and Lisa Tait.

Chairwoman Bailey called the meeting to order at 4:03 PM

Ms. Bailey extended a welcome to staff members and expressed her appreciation for their good work. She noted that she attended the Antiques Roadshow event in Richmond. She indicated that she met a number of interesting people and that the function was all hands on deck for the staff. She deemed it a big success. Dr. Gould also lauded the success of the Roadshow and said that publicity for the event was excellent.

Community Station Board Reports

MHz

Mr. Thomas reported on the accomplishments of the MHz Networks. With the upcoming separation of MHz from the Company, he noted the bulk of current activity is focused on due diligence on tower sales in Northern Virginia.

Mr. Thomas noted that the Al Jazeera English network had left MHz as Al Jazeera America began its service directly to cable companies in the US. Al Jazeera America purchased the properties of the former Current TV channel. Mr. Thomas said that Al Jazeera English had been replaced in MHz's roster with another paying customer, a third Chinese channel, which is business oriented and provides an English language service.

Mr. Thomas reported that affiliates in Miami and Los Angeles had dropped MHz Worldview. Those cancellations were accompanied by the receipt at MHz of many emails from both markets. He indicated that MHz staff had met with personnel at KCET in Burbank about the possibility of restoring MHz service in that market. Interest in MHz has been expressed by two other stations in Los Angeles market. In San Francisco, Mr. Thomas indicated, the MHz affiliate has given up spectrum as part of the FCC spectrum auction. Consequently, MHz Worldview has moved to the primary channel for that station. He said this is the first time MHz has been seen on a primary channel of an affiliate station.

WCVE/WHTJ Television

Mr. Felton commented on the activities of the Community Idea Stations television stations. He pointed out to the Board that new members had been nominated for Community Station Board positions. Standing for Re-election were Richard Crawford, Chairman of the Board for Virginia Investment Capital Group; John Gardner, Retired Scientist for Biotech Pharmaceuticals; Patty Kruszewski, Managing Editor for The Henrico Citizen; Edson Pederson, Pastor for Bethany Presbyterian Church; and David Selig, a self-employed medical industry administrator. Nominees seeking first CSB terms were Lisa Zajur, Director and Owner of the Spanish Academy and Cultural Institute and Deane Parker, retired Army officer and FEMA executive.

Ms. Blue moved and Mr. Gordon moved approval of all the nominees. Mr. Felton suggested the new members would be outstanding participants. The CSB has actively been seeking more members. He noted that Ms. Zajur is the spouse of the president of Virginia Hispanic Chamber, and Ms. Parker has played a role in overseeing elections in third world countries.

The nominations received the unanimous approval of the Board.

Mr. Felton indicated the production sales team is performing well in its effort to rent the Company's facilities. In the past several months, studios were rented to the Company producing the program Killing Kennedy for the National Geographic Channel. Facilities were rented for four days and the producer was billed \$8,000. The local production for national distribution, the Kennedy Half Century, will be sent nationwide in late October. A preview event in Richmond will be held on October 24, with the location to be announced.

Mr. Felton reported the series Virginia Currents was nearly cancelled due to a shortfall in funding. The Virginia Tourism Corporation then came on board as lead funder for the series, ensuring its continued broadcast for this year. Mr. Felton thanked the Board for its financial and philosophical support for the program. Charlottesville Inside Out has sufficient funding for ten new shows for the upcoming season. Additionally, \$2,500 had been raised as of the date of the meeting on a Kickstarter online fundraising effort. A total of \$9,000 is being sought via Kickstarter. He thanked the people in the room who helped to put together the campaign.

Mr. Felton indicated a debate between Gubernatorial candidates McAuliffe and Cuccinelli is unlikely to take place due to issues voiced by the candidates. Work is under way on many production proposals, including a show on the World Road Cycling Championships, coming to Richmond in 2015 and sponsored by Union Cycliste Internationale; and programs featuring the Richmond Ballet, issues brought forward by the Richmond Academy of Medicine, Virginia's First Thanksgiving, and the history of Richmond pop radio station WLEE. Mr. Felton noted the stations' pledge drive in August raised \$125,000, slightly short its goal, but contributing to overall fundraising efforts that are tracking ahead of last year at this time. Additionally, he said WCVE is the most viewed PBS station in state of Virginia in all dayparts.

Mr. Monk asked Mr. Felton to comment on his discussions with the Richmond Chamber of Commerce. Mr. Felton indicated that consideration is being given to the production of a one time documentary tentatively titled A Taste of Richmond. He noted that Richmond is coming to be

considered a “foodie” town with a diverse group of restaurants. This program would tell a story of Richmond’s culture through its restaurant venues and people.

WCVE-FM

Mr. Miller reported on the goings on of the Company’s radio operations. He noted that new members of the CSB, elected at the last meeting of the Board, Trish Bernal, Deborah Orr, Paul Vecchione, and Karen Inman, had begun their terms in July. Officers elected in July were Paul Spencer, President; Jayne McQuade, Vice President; and Derek Redmond, Secretary.

Program highlights Mr. Miller announced included the scheduling of Wait Wait Don’t Tell Me to air twice each week, at its regular time of 3 PM Sunday and its new time of 11 AM Saturday. He noted that Encore performances from last year’s Richmond Folk Festival will be airing weekly on Saturdays up until the next live broadcast from the Festival in October. After the Festival, another seven-part series of live performance programs recorded at In Your Ear studios in Richmond will air on Saturdays through November.

Mr. Miller indicated that With Good Reason, the documentary program produced by the Virginia Foundation for the Humanities, which has been produced as a 30 minute show for the past 20 years, expanded to one hour last May. He also noted that some weekend evening syndicated programs would be ending their run on the station in September, providing an opportunity for locally-produced content to have better exposure.

Mr. Miller reported that the estimated weekly audience for WCVE-FM in the spring 2013 Arbitron survey was 120,300. Additionally, weekly audiences for the weekday time periods 6-10 AM, 10AM-3PM, and 3-7 PM, were all the largest they had been in the last three market surveys. In the Spring survey, WCVE-FM was the sixth most listened-to station in the market with a 5.8 percent share of persons using radio.

Finance Committee

Mr. Monk reported that the Corporation reported income of \$14.6 million with expenses of \$13.9 million for FY13, a \$700,000 change in net assets. He indicated that for cash, the Corporation is in a breakeven position. On the Company’s Balance Sheet, the Investment Portfolio grew by \$467,000 in the last fiscal year, for the first time in many years. Mr. Monk noted the Committee is pleased with the work of investment advisors RBC Wealth Management; the investment managers are appropriately balancing growth with liquidity needs.

Mr. Monk indicated that the Company’s Defined Benefit Plan continues to be an element in its financial picture. Right now, he said, the Company is funding the Plan’s need on a yearly basis. A point will be reached when it is feasible for the Company to terminate the plan and each individual will receive an annuity providing what each participant is entitled to receive under the plan. He noted the Board approved a budget calling for positive cash flow of \$74,000 and expressed optimism that the outcome would be achieved

Election of Officers

Mr. Arenstein moved and Ms. Blue seconded the following slate of officers to take office immediately and to serve one year terms or until their successors are elected: Curtis Monk, President and Chief Executive Officer; Fred Thomas, President and CEO, MHz Networks; Jim Holden, Treasurer; Bill Miller, Vice President, Radio, and Secretary to the Board; John Felton, Vice President, Programming, Community Idea Stations; Pat Gregory, Vice President, Information Technology, Community Idea Stations; Mark Spiller, Vice President, Engineering, Community Idea Stations; and Lisa Tait, Vice President, Development, Community Idea Stations.

The nominees were approved unanimously.

Mr. Monk presented the Diversity Policy and FY13 report associated with the policy that was reviewed by the Committee of the Whole. Mr. Arenstein moved and Mr. Gordon seconded acceptance of the policy and the report. The vote to approve was unanimous.

Ms. Bailey noted that the Board would leave on the table the Company's Emergency Succession Policy pending legal review.

On motion made by Mr. Arenstein and seconded by Ms. Blue, minutes of previous meetings of the Board of May 2, 2013 and August 9, 2013, were approved as submitted.

Executive Session

At 4:47 PM, 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 4:47 PM.

At 5:17 PM the Board returned to open session with a declaration from the Chair that no business had been conducted during the executive session.

Adjournment

With no further business, the Board meeting adjourned at 5:18 PM.

Respectfully submitted,

William N. Miller
Secretary to the Board
September 18, 2013