

Commonwealth Public Broadcasting Corporation
Minutes of a Corporate Board Meeting on April 19, 2018

The Board of Directors of Commonwealth Public Broadcasting Corporation met at the Corporation's headquarters in Richmond, Virginia, on April 19, 2018, 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 Chair Todd Stansbury, President Curtis Monk, Liz Blue, Josh Dare, Stephen Davis, David Gould, Steve Humble, Jim Krauss, Stephen Loderick, Dennis McGaugh, Louise Martin, Tassie Pippert, and Derek Redmond. Mike Bisceglia, Marlene Jones, and Tanya Ross participated by telephone.

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

Call to Order

Mr. Stansbury called the meeting to order at 10:08 AM. He indicated that the meeting would start with an opportunity for questions and comment related to staff reports that were sent out previously. He also commended Lisa Tait for her receipt of a prestigious award for development professionals in the Richmond market (The Nina Abady Award, the most prestigious award given by the Virginia Association of Fundraising Executives).

The Chairman called for a motion for approval of the minutes of the meeting of January 25, 2018. Minutes were approved unanimously on motion duly moved and seconded.

During discussion of staff reports, Mr. Monk indicated that Vice President for Television Programming and Production John Felton was in Geneva, Switzerland, for the Yehudi Menuhin International Violin Competition - the world's leading international violin competition for players under 22. He indicated that Richmond would be named the contest location for the next competition, in 2020. Mr. Stansbury noted that the combination of WVPT and the Community Idea Stations and the production truck are providing a significant service to the community. Mr. Monk observed that the truck was critical to the station's work providing internet streaming video from the Tom Tom Festival in Charlottesville. Mr. Krauss thanked staff members for their participation in the Shenandoah Valley auction, which serves to build relationships in the community.

Finance Committee

Mr. Loderick reported that the committee met earlier in the week by conference call. He noted that revenue through March is ahead of budget and expenses are tracking favorably in relation to

the budget so that the bottom line is more than \$400,000 to the good year-to-date. He said that management projects revenue will finish the year ahead of budget and expenses will be on budget.

Mr. Dankner reported that WVPT was on an accrual accounting system while WCVE uses a cash accounting protocol. Making the switch from accrual accounting to cash accounting is an important part of the transition. WVPT transactions have been captured on a cash accounting basis since official day of merger. Mr. Dankner indicated that he is working with an accounting firm for make sure the transition is done correctly and is completely reconciled.

Mr. Dankner indicated that a corporate net gain of \$300,000 is expected against the original budget for the year because of revenues that are expected to be higher than budget and expenses close to target. Mr. Bisceglia asked whether the figure included WVPT results, and Mr. Dankner indicated that it did not.

Mr. Dankner reported that MHz agreed to pay \$360,000 per year for expenses incurred by WCVE on behalf of MHz. The payments were made on the first day of each quarter and MHz has already paid the entire \$360,000 even though the relationship has now ended. Mr. Dankner indicated that he estimated that WCVE would most likely need to refund about \$50,000 when everything has been reconciled.

Mr. McGaugh asked whether rent for the Charlottesville office was included in the CPBC records. Mr. Dankner indicated that rent for that facility is being paid by the Virginia Foundation for Public Media.

Mr. Bisceglia asked about how the \$3 million previously authorized by the Board to fund payments into the pension plan is being handled. Mr. Loderick indicated that the \$3 million is inadequate to allow the plan to be terminated. When considering how to best invest the \$3 million, Mr. Loderick said that if the full sum is contributed to the plan, there would likely be no need for payments into the plan for the next five or six years. If the \$3 million is invested outside the pension plan, it provides more flexibility. Mr. Loderick said the recommendation of the Finance Committee is to keep the \$3 million out of the pension plan in order to invest it so that proceeds could be used to pay for the regular required contributions to the plan.

Mr. Bisceglia supported putting the funds directly into the Defined Benefit asset in order to eliminate contributions and reduce Pension Benefit Guaranty Corporation expense. The Board had discussion about the issue and asked the Finance Committee to develop a clear course of action. Mr. Dankner and Mr. Loderick were asked to set up a call with the Actuary and the Finance Committee to discuss pros and cons of various options. The call should also include Mr. Bisceglia. Mr. Dankner indicated that he thought such a call could be set up within about two weeks provided committee members were available.

Ms. Tait reported on development giving through March. She said that her report did not include WVPT and that all areas were performing extremely well. Total individual giving is up seven percent from the same time last year, and total membership is up two percent, though WCVE-FM giving is down two percent. She said she expects FM membership to increase by year-end.

Commonwealth Circle income is up 15 percent. Corporate support is down three percent from last year. Ms. Tait reported that the number of TV members was up six percent, the number of WHTJ members was up 16 percent, and the number of FM members was down ten percent. Commonwealth Circle member numbers are up six percent in Richmond and seven percent in Charlottesville. She noted that she expected the FM member number to turn around after the stations start providing two independent services later in the year.

Mr. Humble asked about her confidence in reaching the \$5.4 million fundraising goal for the year and Ms. Tait expressed confidence in achieving it.

Governance Committee

Ms. Blue submitted the Proposed Officer Slate for the 2019 fiscal year from the Governance Committee. The nominees are:

Chair: Josh Dare

Vice Chair: Steven Humble

President and CEO: Curtis Monk

Secretary and Vice President, Radio: Bill Miller

Treasurer: Tanya Ross

Vice President & General Manager for Programming & Production: John Felton

Vice President, Digital: Ami Kim

Vice President, Engineering: Mark Spiller

Vice President, Development: Lisa Tait

Vice President, Community Outreach: Katherine Godin Mitchell

Dr. Gould moved approval of all of the nominees, and Mr. Redmond seconded the motion. Approval was unanimous.

Ms. Blue asked Mr. Miller to present nominees to the Radio Community Station Board. He said that the nominees approved by the CSB are, for election to first terms, Susheela Varky, Andrew Ryan, and Marshall Orr. Standing for reelection are David Fisk, Ray McNaughton, and Elizabeth Palen. Mr. Dare moved and Mr. Humble seconded their election; the six were approved unanimously.

On behalf of the committee, Ms. Blue offered a revised Conflict-of-Interest policy. She noted that, if approved, all board and staff members should sign the policy statement at the July meeting, where a PowerPoint and educational session would be on the agenda. Mr. Davis moved approval of the policy. Mr. Humble seconded and the motion was approved unanimously.

Ms. Blue brought forward revised Articles of Incorporation and Bylaws for the corporation. She said the revisions make clear the different classes of membership and when terms start and end. Additionally, the Bylaws revision changes to one year from two years the terms of office for the Chair and Vice Chair. Mr. Davis moved approval of the documents and Mr. Humble seconded. Approval of both was unanimous.

New Acquisitions Committee

Mr. Davis reported that the committee met ten days prior and referred board members to a report from Mr. Monk that was included in their meeting packets. He said that the committee reviewed the WVPT and FM station acquisitions, and noted that the company is now responsible for a much larger geographic service area. He noted that several staff changes had taken place for WVPT employees and that the committee is looking forward to the start of the new formats for WCVE Radio starting June 1.

Mr. Stansbury asked Mr. Miller to describe the special station event that is scheduled for June 1, and Mr. Miller indicated that the festivities that evening would celebrate the station's 30th anniversary and the initiation of the new, two-station service. Special guests include retired All Things Considered host Robert Siegel and Performance Today personalities Fred Child and Bruce Adolphe.

Mr. Monk noted that this would be Mr. Stansbury's last meeting as Chair of the Board. He read a poem that he composed to mark the occasion and indicated that more change had happened during Mr. Stansbury's two years as Chair than in all the preceding years of the company's existence. Mr. Stansbury expressed his appreciation for all the support and the hard work of members of the board and staff.

Executive Session

At 11:21 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 11:21 AM.

At 2:04 PM, the Board returned to open session with a declaration from the Chair that no business was conducted during the executive session.

With no further business to come before the Board, the Chairman declared the meeting adjourned at 2:04PM

Respectfully submitted,

William N. Miller
Secretary to the Board