

**MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS OF  
VPM MEDIA CORPORATION**

**December 5, 2019**

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Pursuant to due notice, a meeting of the Board of Directors (the “Board”) of VPM Media Corporation (“VPM”) was held on December 5, 2019, at the corporate headquarters of VPM, Richmond, Virginia.

Members of the Boards who were present and constituted a quorum, were: Mr. Jim Krauss, Mr. Dennis McGaugh, Ms. Tassie Pippert, Mr. Stephen Davis, and Mr. Derek Redmond, all of whom are members of the Board of Directors of VPM. Mr. Mike Bisceglia, Mr. Josh Dare, Ms. Liz Blue, Ms. Louise Martin, Ms. Tanya Ross, and Mr. Todd Stansbury, all of whom are members of the Boards of Directors of VPM and the Virginia Foundation for Public Media (“VFPM”); and Ms. Cynthia Bailey, Mr. Philip Goodpasture, Mr. Rich Diemer, and Mr. Michael Williams, whom are members of the Board of Directors of VFPM.

Staff members present were President Ms. Jayme Swain, Chief Content Officer Mr. Steve Humble, Chief Financial Officer Mr. Gary Ometer, Chief Investment Officer Mr. Dan Smythe, Corporate Secretary Mr. Bill Miller, Ms. Meg Garner, Ms. Katherine Mitchell, Ms. Benae Mosby, Mr. Harry Orell, Mr. Mark Spiller, Mr. Henry Smith, Ms. Lisa Tait, Ms. Mary Arritt, Ms. Ren Bell, Ms. Jo Ann Cardwell, Ms. Jean Kane, Ms. Jennifer Macotto, Mr. Alex Moin, Ms. Carla Siqueiros, Mr. Sam Straus, Ms. Sue Wood, and Ms. Sarah Payne.

Also present were consultant Mr. David Ern and City Square Associates Managing Partner Mr. Chris Schiavone.

VPM Chair Mr. Josh Dare, called the meeting to order at 2:01 p.m. EST.

Mr. Dare began the meeting by recognizing Steve Clark’s retirement after 31 years of service. Mr. Dare noted that Mr. Clark joined the radio station in 1988 and may be best known as the producer of “What’s Bugging You” and “Sound of Swing.” Mr. Dare acknowledged Mr. Clark’s service to VPM and bid a fond farewell, saying, “We are grateful for his service and wish him the best of luck.”

**Approval of Minutes**

Mr. Dare requested approval of the Minutes of the Commonwealth Public Broadcasting Corporation Board of Directors meeting held on August 7, 2019. On motion duly made, seconded and unanimously carried, the Minutes were approved.



## **CEO Update**

Ms. Swain introduced several new members of the VPM team and spoke about a number of accomplishments since the last Board meeting. Ms. Swain also provided an update on the roll out of the “VPM 2020 & Beyond” Strategic Plan. Ms. Swain noted that the team had started to use the Strategic Plan to plot initiatives and projects against it and said it would serve as a framework for the FY 2021 budget development.

Ms. Swain then introduced Mr. Chris Schiavone, Managing Partner with City Square Associates, to present a market analysis. Mr. Schiavone presented information on VPM’s market and how VPM was performing. Moving forward, these data would provide a benchmark for future goal setting.

## **Content**

Mr. Humble updated the Board on current and future content priorities. With the Strategic Plan in place, Mr. Humble developed a more detailed content strategy. He said that the content strategy would be available on the website so external and internal producers could learn about VPM’s priorities in order to present pitches. Mr. Humble said VPM was working on three podcasting pilots as well as new broadcast content. He previewed the documentary “*Aged Out: Finding Home*,” which highlights the struggles that foster children face when they turn 18. He also show cased the documentary “*Heard*,” which follows four people who grew up in subsidized housing. He stated that both programs were part of the content on housing that VPM was focused since it was a demonstrated community need.

## **Revenue Strategy**

Ms. Lisa Tait presented a report on development and goals for increasing revenue over the next three years. Ms. Tait said her team was focused on three areas: corporate support, membership and major gifts, and she offered tactics under each to drive revenue growth. Data will play a key role in each area. Ms. Tait then informed the group that Mr. David Ern had been hired as a consultant to review the current customer relations management database as well as the development effort in whole.

Mr. Dare then asked the various committees to provide reports:

## **Executive Committee**

Mr. Davis stated that the Executive Committee met in a joint meeting with the VFPM/VPM Finance & Audit Committee on October 17<sup>th</sup>. He stated that Mr. Ometer asked that the Committee review borrowing for the capital expenditures that were approved by the Board at its

August 7<sup>th</sup> meeting since the corporate bylaws were silent in this regard. Mr. Davis stated that after discussion, the Finance & Audit Committee recommended approval and the Executive Committee approved VPM Media Corporation to borrow \$2.6 million to pay for much-needed capital expenditures.

### **Governance and Nominations**

Mr. Redmond provided a report from the Governance and Nominations Committee, stating that the Committee met in November. At that meeting, the Committee discussed recruitment of new VPM Board members. Ms. Swain was tasked with presenting a short list of names at the March meeting and the full Board would vote on the names at the June Board meeting. There was then a brief discussion on accelerating the process, but with no change in the schedule as presented.

### **Community Outreach & Membership**

Ms. Martin reported that the Community Outreach and Membership Committee met on November 22<sup>nd</sup>. There was discussion on the various Community Advisory Boards. At that meeting, members decided to sunset this Committee since much of the work would be done at the Community Advisory Board level. Mr. Dare stated that because this was an adhoc Committee, no vote or further action was required to terminate. Mr. Dare thanked Ms. Martin, Ms. Pippert and others for their work on the Committee.

### **VFPM/VPM Finance & Audit Committee**

Ms. Ross referred members to the Committee report from their last meeting on November 21<sup>st</sup> contained in their meeting materials. She asked that the Board members review the audited financial statements. Ms. Ross then deferred to Mr. Ometer for his presentation. Mr. Ometer briefly reviewed the audited financial statements noting the unmodified (clean) opinion provided by Keiter.

Ms. Ross then referred members to the proposed charter for the joint Finance & Audit Committee. After discussion, Ms. Ross moved that the VPM Media Corporation Board approve the Charter of the joint VFPM/VPM Finance & Audit Committee as recommended by the Committee. On motion, duly made, seconded and unanimously carried, the foregoing Charter was approved.

Mr. Ometer then reviewed the FY 2020 Budget vs. Actuals for the quarter ended September 30, 2019. Mr. Ometer informed the Board that he and NETA continue to improve the report noting the expansion of the list of revenue and expense items to provide more detail, the supplemental section at the bottom to reflect the loan proceeds, and the additional page to explain large variances and to reflect larger payments made to vendors. He reviewed items in which there were large discrepancies between amounts budgeted and actuals noting the budget process.

### **VPM Investment Committee**

Mr. Ometer then updated the Board on the 403(b) Savings Plan and the Defined Benefit Pension Plan. Mr. Ometer stated that a request for proposal (RFP) had been sent in mid-September to 16 firms with proposals due on October 7<sup>th</sup>. He explained that eight firms submitted proposals for both plans. After review of the proposals, the Investment Committee panel consisting of Jayme Swain, Rich Diemer, Dan Smythe and Gary Ometer interviewed four firms; two for the DB Pension Plan and three for the 403(b) Plan. After deliberation, the Committee panel retained Wells Fargo as Investment Manager for the Defined Benefit Pension Plan and engaged SageView as the Investment Advisor for the 403(b) Savings Plan.

Mr. Smythe gave a brief update on VPM's investments, noting changes.

### **Finance Update**

Mr. Ometer referred the members to the summary explanation of the 12<sup>th</sup> Amendment to the Defined Benefit Pension Plan for CPBC provided in the Board book. Mr. Ometer explained that the Defined Benefit Plan document required amendment since the corporation's name had changed, a new charter was in place and the Plan document was out of date. Mr. Ometer noted that the Plan document had been last amended in 1998 and rules and regulations had changed since then.

After discussion, Mr. Bisceglia requested that the VPM Media Corporation Board approve the Twelfth Amendment to the Defined Benefit Pension Plan for employees of CPBC/VPM. On motion duly made, seconded and unanimously carried, the foregoing amendment was approved.

Mr. Ometer then informed the Board that he would like to set aside (designate) \$1,000,000 of the proceeds from the Shenandoah Valley tower sale to be allocated to future capital expenses, or for lease payments related to renting space on the towers. He explained that the amount of the lease payments were uncertain and that VPM still had significant unmet capital needs.

Ms. Ross then requested that the VPM Media Corporation Board designate \$1,000,000 of the proceeds from the tower sale for future capital expenses or lease payments related to space on those towers. On motion duly made, seconded and unanimously carried, the foregoing motion was approved.

### **Other Business**

Mr. Dare informed the Board that the next Board meeting would be March 11<sup>th</sup>.

### **Closed Session**

At 4:47 p.m. EST, the Board went into closed session for the purposes of discussing proprietary business issues and personnel matters.

## **Adjournment**

At 5:36 p.m. EST, the Board exited closed session. There being no further business, the meeting adjourned at 5:36 p.m. EST.

Respectfully submitted,

Sarah M. Payne  
Assistant to Ms. Jayme Swain