

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

**June 10, 2020**

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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 June 10, 2020, via teleconference.

Board members that 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, Mr. Stephen Loderick, 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 Mr. Luis Alvarez, Ms. Cynthia Bailey, Mr. Rich Diemer, Mr. Philip Goodpasture and Mr. Michael Williams, all of whom are members of the Board of Directors of VFPM.

Executive 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 and Ms. Sarah Payne.

VPM Chair Mr. Dare, called the meeting to order at 2:02 p.m.

Mr. Dare began the meeting with several housekeeping items since this was the Board’s first Zoom Webinar Board meeting.

Mr. Dare then noted that this was the last VPM Board meeting for Mr. Mike Bisceglia, Ms. Liz Blue, and Mr. Stephen Loderick. He thanked them for their service and contributions and said he looked forward to continuing to work with them on the VFPM Board.

Mr. Dare commended the essential VPM staff whom were still coming into the office to maintain critical operations. He also congratulated the VPM News and Digital teams for coverage of the pandemic and the protests following the death of Mr. George Floyd.

Mr. Dare then reminded everyone that this was his last Board Meeting as the Chair for the VPM Board of Directors. Mr. Dare stated how proud he was of the progress VPM had made and how the Board members came together to shepherd the station to new heights.

**Approval of Minutes**

Mr. Dare requested approval of the Minutes of VPM Media Corporation Board of Directors meeting held on March 11, 2020. On motion duly made, seconded and unanimously carried, the Minutes were approved.

Mr. Dare then introduced Ms. Swain, who turned the meeting over to Mr. Stephen Davis. Mr. Davis put forward the following resolution expressing appreciation for Mr. Dare:

Be it resolved that the Board of Directors of VPM Media Corporation expresses its most sincere appreciation to Josh Dare for his two terms of service as Board Chair from 2018-2020 and the tremendous impact he made on the organization.

Josh joined the VPM Media Corporation Board in 2015, which was then known as the Community Idea Stations. Before becoming Board Chair, he was Vice Chair from 2016-2018. Josh was instrumental in helping the organization navigate the 2017 FCC Spectrum Auction, particularly his outreach and engagement with the community and station supporters.

A long time NPR fan, Josh has been a station supporter and advisor for decades. In his role as Co-Founder of the strategic communications firm The Hodges Partnership, he provided professional consultation for many years and took a personal interest in seeing the organization succeed and thrive.

As an experienced public relations executive with extensive ties to the Richmond community, Josh has been invaluable connecting the VPM team to key stakeholders and assisting in communication strategies, such as his guidance and input during the rebrand to VPM. During his tenure, he was a tireless ambassador on behalf of the organization, regularly attending events, hosting donor lunches and supporting outreach to Virginia's delegation in the House of Representatives.

Josh served on the search committee that hired Jayme Swain as CEO of the Virginia Foundation for Public Media and President of VPM. As Board Chair during a significant time of transition, he spent countless hours briefing and on-boarding Jayme, who is indebted to Josh for his wise and thoughtful counsel.

Josh's time as Board Chair is characterized by his passion for public media, care for the staff and sense of humor. The Board of Directors and VPM Management is deeply grateful to Josh for his dedication and leadership as Board Chair.

Ms. Swain then called on Ms. Cindy Bailey, noting that it was also Mr. Mike Bisceglia's final meeting as the Chair for VFPM. Ms. Bailey then presented the following resolution of appreciation for Mr. Bisceglia for his service as the VFPM Board's first Chairman.

Be it resolved that the Board of Directors of Virginia Foundation for Public Media expresses its most sincere appreciation to Mike Bisceglia for serving as the organization's founding Board Chair for three terms from 2017-2020.

A member of the VPM Media Corporation Board, Mike helped lead the organization through the 2017 FCC Spectrum Auction and was instrumental in the creation of the Virginia Foundation for Public Media. Mike has devoted a significant amount of time and energy establishing and structuring the Foundation, which was designed to ensure

that the auction proceeds were thoughtfully stewarded for the long-term health of the organization. The Foundation and VPM have greatly benefited from his business acumen as well as his singular knowledge of the markets and investment strategies for non-profits.

During the transition of leadership at the station, Mike created the Board's Production Committee, which greenlit programs: THE INN AT LITTLE WASHINGTON, which aired nationally on PBS, TIGHTROPE with Nicholas Kristof and Sheryl WuDunn, DEMOCRACY IS DYING in partnership with the University of Virginia Center for Politics and STATECRAFT: THE BUSH 41 TEAM in partnership with the University of Virginia's Miller Center.

As a passionate news consumer, Mike also supported the Foundation's investment into trusted local journalism by hiring local reporters and digital editors to provide multiplatform coverage of the area's most important issues.

Mike served on the search committee that hired Jayme Swain as CEO of the Virginia Foundation for Public Media and President VPM, and she is eternally grateful for his thoughtful questions, high bar for excellence and tremendous financial support.

Mike's tenure as Board Chair is characterized by his role in envisioning and creating the Virginia Foundation for Public Media. The Board of Directors and VPM Management are deeply grateful to Mike for his dedication and leadership as the Foundation's first Board Chair.

### **CEO Update:**

Ms. Swain remarked on a few important topics. First, she thanked the team for its ability to pivot to remote work. She thanked VPM's essential workers, including the engineers who keep our signal on the air, production staff, radio hosts Phil Liles and Benjamin Dolle, and reporters, who have delivered the news under difficult circumstances. She also thanked the team working at home for innovating with new ways to serve the audience.

Second, Ms. Swain emphasized the courage and fortitude shown by the VPM News team. The year started incredibly busy with the General Assembly that was immediately followed by the COVID-19 pandemic and protests in response to the death of George Floyd. She noted the bravery of reporters facing dangerous situations and remarked that VPM vigorously opposes any efforts to silence journalism.

Ms. Swain commented on the national and local conversation about systemic racism, and how it has forced Management to take a closer look at diversity and inclusion at VPM. Ms. Swain aspires for VPM to truly represent the community through staff, content, talent, Boards and volunteers. While steps have been taken to be more diverse, there is a lot of work to do to create transformational culture change. Ms. Swain said she is committed to this work, which will be difficult and at times uncomfortable, but believes it's necessary for VPM's long-term relevance and impact.

Ms. Swain completed her remarks by commenting on the FY 2021 budget recommendation. She said VPM must right-size to focus on the most important priorities, including being more agile and digital first. In such an uncertain time, Ms. Swain said the team crafted a conservative budget based on the current facts and will manage dynamically through the year as the economic impacts of the coronavirus become more clear. She specifically thanked Mr. Ometer for his tireless efforts in constructing this year's budget.

### **Content:**

Mr. Humble provided a content update, referring to the pipeline report in the Board materials. He noted that the report does not have significant changes given that many projects can take anywhere from 6 months to a year to plan produce and distribute.

Mr. Humble said that the team is listening to the audience and focusing on projects that expand and diversify the audience, both in content produced and platforms for distribution.

Mr. Humble touched on several projects relevant to the issues of race in our community, including:

- HEARD, a documentary around the housing crisis in our region told in the first-person by people who are living their lives in the face of incredible challenges in Gilpin court.
- Two podcasts, SEIZING FREEDOM about Reconstruction, as told from the perspective and in the words of courageous former slaves seeking their freedom through diary and newspaper accounts, and SHAPE OF THE CITY, a series about the history of Richmond and how it was laid out by city planners and developers and the racial injustices that were a part of that planning.
- Virtual Town Halls, which will launch later in the summer and cover a range of topics on systemic racism in our community

Mr. Humble then spoke about the hard work of the VPM News team and how coverage is not just radio but multiplatform. He noted that VPM was attracting news audiences on digital. One video posted on Twitter showed Richmond police tear gassing a peaceful crowd. The video garnered over 1 million views and led to an apology from the chief of police, a suspended officer and Mayor Stoney talking to concerned citizens. Mr. Humble then asked VPM's Digital News Editor David Streever and VPM's City of Richmond reporter Roberto Roldan to share their experiences covering local news.

Mr. Streever spoke of the number of digital "engagements," noting that there had been two million "engagements" over the last month which is four times more than in a normal month. Mr. Roldan talked about the challenges in covering a busy news cycle. The Board then followed up with several questions and thanked David, Roberto and the entire news team for their work.

### **Governance and Nominations:**

Ms. Bailey and Mr. Redmond provided an update from the joint Governance and Nominations Committee. Mr. Redmond said that after a thoughtful process, the Committee enthusiastically

recommended adding three members of the VPM Board. He offered the following motions with respect to Board members:

Motion: I move that this Board recommend that the VFPM Board approve the Resolution appointing Irene Carney and Jim Cheng to the VPM Media Corporation Board. On motion duly made, seconded and unanimously carried, the appointment of Ms. Carney and Mr. Cheng to the VPM Board motion was approved.

Motion: I move that this Board approve the Resolution electing Vann Graves to the VPM Media Corporation Board. On motion duly made, seconded and unanimously carried, Mr. Graves election to the VPM Board was also approved.

Ms. Bailey then continued, requesting that the Board, upon recommendation from the Committee, approve the following motion electing a VPM Chair, Vice Chair and an Executive Committee Member at-Large:

Motion: Based on the recommendation of the joint Governance and Nominations Committee, I move that this Board elect Mr. Stephen Davis to serve as Chair and Mr. Derek Redmond to serve as Vice Chair of the VPM Media Corporation Board for FY 2021, and that Mr. Rich Diemer be elected to serve as the At-Large Member of the VPM Media Corporation Board Executive Committee. On motion duly made, seconded and unanimously carried, the aforementioned motion was approved.

The Committee then requested that the Board approve the creation of two new Community Advisory Boards per the responsibilities set forth by the FCC. Mr. Redmond stated that Management had revised the new Community Advisory Boards to be more aligned with the strategic plan and more diverse. The following motion was then put forth:

Motion: I move that, upon the recommendation of the joint Governance and Nominations Committee, the VPM Media Corporation Board create a Richmond Community Advisory Board and a Charlottesville/Shenandoah Valley Community Advisory Board and that those Advisory Boards will be governed by their respective charters, which they will create. On motion duly made, seconded and unanimously carried, the aforementioned motion was passed.

### **Finance and Audit:**

Mr. Ometer then reviewed the budget v. actual report for the quarter ended March 31, 2020. Ms. Ross thanked Mr. Ometer for his hard work. After a brief discussion, Mr. Ometer referred the members to the draft Gift Acceptance Policy that was recommended by the Finance and Audit Committee. Mr. Ometer thanked Ms. Lisa Tait and the attorneys at Williams Mullen for putting this document together. The following motion was then presented:

Motion: I move that this Board, upon the recommendation of the Finance and Audit Committee, adopt the Gift Acceptance Policy as presented for VPM Media Corporation

and authorize staff to take steps necessary to implement the Policy. On motion duly made, seconded and unanimously carried, the gift acceptance policy was approved.

### **VPM Investment Committee:**

Mr. Bisceglia expressed his thanks for all the legwork done by Mr. Smythe, Mr. Ometer and Mr. Diemer to get the various VPM Investment pools organized, updated, managed and communicated. He reflected that much of the work done in the past year required extensive process, involving request for proposals (RFPs), RFP reviews to select providers, bringing providers up to speed and then extensive updating of all documents. He then asked Mr. Smythe to review current assets.

Mr. Smythe opened by advising the Board that there are 3 significant pools of assets at VPM, the 403(b) Plan, the Quasi-Endowment, and the DB Pension Plan.

**403(b) Plan (\$6.3mm)** - May 7, was the date that SageView, the new investment advisor, rolled out the updated 403(b) Plan investment options to VPM employees. Target date funds were added, a Roth option was included, and perhaps most importantly, extensive employee education and employee one-on-one financial planning by SageView was implemented.

**Quasi-Endowment/RBC (\$17mm)** - Mr. Smythe updated the Board on the combination and optimization (elimination of high-cost and duplicative holdings) of the multiple VPM Investment Accounts. Given revenue uncertainty at VPM, during Q1, additional cash was raised providing ample liquidity for FY 2021. As of May 31, assets were invested 60% equity/30% fixed income/10% cash.

**Defined Benefit Pension Plan** - Mr. Smythe then addressed the significant changes to the DB Pension Plan using as a guide the exhibit, *VPM DB Pension Plan Restructuring*, provided in the Board book. Mr. Smythe and Mr. Ometer reviewed the nearly one-year process of their work on the DB Plan and advised that the final step was to have an updated IPS approved by the Board. Upon inquiry by Mr. Redmond, they explained that the ultimate goal was to terminate the DB Pension Plan as soon as possible subject to market fluctuations, etc.. Mr. Williams then inquired as to how many participants were currently in the Plan. Mr. Ometer stated that the total was around 140 and about 70 of those were retirement age. Mr. Bisceglia then spoke of the tremendous job that had been done by Messrs. Smythe and Ometer over the past year in reviewing the Plan and making changes.

Mr. Redmond noted that this discussion had been really helpful. Mr. Redmond also requested that the minutes reflect the breadth of the discussion around the Plans.

Mr. Smythe then passed the meeting to Chairman Bisceglia.

Mr. Bisceglia spoke to the investment guidelines for the VPM Media Corporation's Defined Benefit Pension Plan. After a brief discussion, Mr. Bisceglia asked for the following motion:

Motion: I move that this Board upon the recommendation of the VPM Investment Committee, adopt the Investment Guidelines for the VPM Media Corporation Defined Benefit Pension Plan as presented. On motion duly made, seconded and unanimously carried, the VPM Investment Guidelines were approved.

#### **Board Fiduciary Training - July 22, 2020**

Mr. Smythe and Mr. Ometer advised the Board that there would be bi-annual fiduciary training to ensure that all Board members are up-to-date. Williams Mullin has been top notch in advising VPM on this topic and will conduct the training session on July 22, 2020.

#### **Closed Session**

At 3:48 p.m., the Board went into closed session for the purposes of discussing proprietary business issues and personnel matters.

At 4:55 p.m., the Board exited closed session for the purposes of recommending the VPM FY 2021 budget to VFPM. With no other discussion, the following motion was put forward:

Motion: I move that this Board recommend that the VFPM Board approve the FY 2021 VPM budget. On motion duly made, seconded and unanimously carried, the recommendation was approved.

#### **Adjournment**

There being no further business, the meeting was adjourned at 5:18 p.m.

Respectfully submitted,

Sarah M. Payne  
Executive Assistant to Ms. Jayme Swain