

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION

Executive Committee Meeting

May 29, 2014

Minutes

Present: Chairman Joe Strupek, Wayne Baum, Dr. Cynthia Fischer, Jerry Kolb, Andrew Rand, Chet Tomczyk, Chuck Walker (webex); staff – Margie Stieghorst

Absent: None

Noting the presence of a quorum, Chairman Strupek brought the meeting to order at 7:32 am.

Minutes of April 24, 2014 Executive Committee meeting were reviewed. A motion to accept was made by Dr. Fischer, seconded by Mr. Kolb, and passed unanimously.

The April financials were presented by Mr. Kolb who noted that revenue was very close to budget. Performance of the endowment and success in Membership and Satellite Services put us over the monthly revenue goal despite underperformance in Underwriting and Major Giving.

Mr. Kolb and Mr. Tomczyk then presented a draft budget for discussion and review by the Executive Committee. On the Revenue side, it was noted that projections on the FY 15 Community Service Grant had yet to be received from the Corporation for Public Broadcasting, so the amount projected in the budget was a conservative estimate. Dues projections for PBS were projected to increase by \$153,000 due to the funds received from the Sweetnam estate in FY 13, so the CSG was only projected to increase by that amount due to the usual symbiotic relationship between the two numbers. Other revenue numbers were projected based on current performance including a significant reduction in anticipated Production Services revenue. The revenue projection also included the annual license fee to be received for operating the WQPT master control beginning in August. The Committee expressed concern over the shortfall in revenue against budget projection in Underwriting and Major Giving, and requested that the numbers be revisited.

As the review of Expenditures began, Dr. Fischer requested that the presentation document be reconfigured to more closely match the Revenue presentation. The rest of the budget discussion was tabled to allow time to discuss other business before the Special Meeting of the Board at 8:30 am.

The Executive Committee then reviewed the latest draft of the Memorandum of Understanding with the University of Illinois for shared management of WTVP and WILL. Mr. Strupek explained that the person hired would be a fulltime employee of the University so as to allow for acquisition of University benefits and the ability to manage within the context of University policy, but that 50% of the person's salary and benefits would be paid by WTVP. The shared executive would report to both the Dean of the College of Media and the IVPTC Board. A steering committee will be constituted to deal with any issues that may arise from management of the shared executive. Further discussion continued for information and clarification of tenets of the MOU.

Dr. Fischer inquired as to the notion of a holding company as employer and whether that would help in the integration of other stations into the collaborative. Mr. Strupek replied that it couldn't get done in the current timeline. The committee then requested that our corporate attorney be directed to draft an addendum to the MOU requiring that further conversation regarding the creation of a holding company or third party non-for-profit be held with the University as soon as possible. Other questions to be covered included the University procurement process vis-à-vis WTVP, how ties in the steering committee could be resolved, and whether prevailing wage agreements would apply to WILL contracts with WTVP. Mr. Tomczyk was directed to contact the corporate attorney with these questions.

The Executive Committee adjourned briefly at 8:32 am for a special meeting of the Board.

The Executive meeting reconvened at 9:00 am.

Mr. Rand then updated the Committee on actions taken by the Governance Committee regarding nomination for new Board members. Terms expire in June for Messrs. Baum, Garza, Rand, Spurgeon, Stach, Tomczyk, and Trowbridge, Ms. Huddle and Ms. Leiter. Mr. Burklund resigned earlier and two years remain on his term. Huddle, Rand, Stach and Trowbridge asked to stand for another term, and Mr. Tomczyk asked to be reelected until a new CEO is in place.

Mr. Rand then noted that several potential nominees were contacted by Governance Committee members and agreed to stand for election. Others were still being pursued. A partial slate of officers was also recommended.

Consideration of another budget draft was postponed to a phone conference on June 12.

The meeting adjourned at 9:30 a.m.

Respectfully submitted,

Chet Tomczyk
President & CEO