

## ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION

### December 12, 2017 Board of Directors Meeting Minutes

Present: Chairman Andrew Rand, Maurice Bresnahan, Helen, Barrick, Polly Barton, Elwin Basquin, Marcus Belin, Dr. John Day, Dr. Cindy Fischer, Jerry Herbstreith, Linda Huddle, Allen Mayer, Stephen Morris, Sally Snyder, Ashley Spain  
Staff –William Baker, Jerry Kolb, Mark Lasswell, Colleen Runkle, Julie Sanders

Absent: Dr. Jeff Huberman, Allen Mayer, Joe Strupek, Russ Trowbridge and Chuck Walker.

Noting the presence of a quorum, Chairman Andrew Rand called the meeting to order at 4:08 PM.

Mr. Rand took a moment to recognize our new board member, Mr. A.J. Rassi. Mr. Rassi works for Caterpillar and takes the place of Henry Vicary.

In the first item of business, the minutes of three meetings were collectively moved for approval. These included the minutes for the Board of Directors meeting of October 10<sup>th</sup> and the Executive Committee meetings of October 26<sup>th</sup> and November 30<sup>th</sup>. Motion for acceptance was made by Mrs. Spain, seconded by Mrs. Snyder and passed unanimously.

Mr. Kolb presented the Financial Report. The audit report for FY 2017 was presented. The report had an unqualified opinion and there were no adjustments to the statements as previously presented by staff. The management letter had one comment concerning policies and documentation of credit card use. Staff will create policy to meet the expectations of the auditors. Mr. Rand inquired about the previous year's comments about segregation of duties. Mr. Kolb reviewed the changes in procedure which eliminated those comments in the current year's letter. The October 2017 financials were presented and Mr. Kolb commented that this represents the first third of the fiscal year. The balance sheet continues to be generally in line with the previous year, with differences primarily the result of the travel program being noted. On the income statement, he commented on bequests and endowment income, which were the major contributors to a positive revenue variance. Expenses were \$13,166 over plan, but include \$9,340 of reimbursable expenses relating to the spectrum repack. Year to date net income has a positive variance of \$138,954.

Mr. Bresnahan gave the President's Report, which included:

FCC spectrum repack. Mr. Bresnahan commented on the transition fund and the expected \$250 million shortfall in funds. Industry groups like APTS and NAB are working on the issue and it is expected to be rectified. The organization filed estimated costs of \$1,625,694 with the FCC. The station is in Phase 7 of the transition with a planned completion date of January 17, 2020.

Legislative Relations. Mr. Bresnahan discussed the state of CPB funding in the House and Senate. It is expected that CPB, Ready to Learn and the interconnectivity project will all be fully funded. CPB represents approximately a quarter of the station's funding. He reminded the board that we have great

relationships with our local representatives, but that they can help reinforce those relationships if they have the opportunity to speak with any of our representatives.

Fiscal Year 2017 Goals & Strategies. Mr. Bresnahan provided an update on the Illinois Newsroom, which is a statewide collaborative. This project had been slow getting started, but is now getting up to speed.

Mr. Bresnahan discussed net neutrality and the expected upcoming vote by the FCC. The vote is expected to deregulate the internet allowing providers to favor particular websites or content.

Mr. Bresnahan then discussed ATSC 3.0, the newly adopted broadcast standards. These standards offer many interesting opportunities for broadcasters, but conversion is not mandatory and currently, there is no funding to help with any transition costs.

Mr. Herbstreith gave a report of the Pekin Friends of 47 group. He stated that the friends group was helping with the December pledge drive and was planning its annual bowl-a-thon for March 30<sup>th</sup>.

Mr. Rand then recognized that in place of the usual staff reports, that there would be a presentation in the open house immediately following this meeting.

Mr. Rand offered thanks to Mr. Bresnahan, the staff and the board. The meeting was adjourned at 4:42 P.M. but all board members were invited to stay for open house.

Respectfully submitted,

Maurice Bresnahan

President & CEO