

FPA BoD Minutes – 3/29/2023 @ 7:02pm

Minutes taken by Transcriptionist on behalf of the Board Secretary on

Minutes approved by the board on _____ @ pm

Attendance	
Members of the Board in Attendance (via electronic & phone participation)	Isaac Asare Ruth Bennett Steve Mullen Gayle Yiotis John Aaron Peggy Fox Colin Davies Happy Garcia
Staff in Attendance (via electronic & phone participation)	Chuck Pena Rocio Lopez Jerry Ferguson Jay Erausquin Maryam Shah Arcelious Joyner
Members in Attendance	n/a

Meeting Open		
Call to order at 7:02pm	Ruth Bennett (Vice President)	<p>Reminder of Code of Conduct</p> <p>Acknowledging conflict of interest in Board Code of Conduct</p> <p>Acknowledgements & Accolades:</p> <p>John, Gayle, and Ruth praise Steve for investment materials and productive meeting on Tuesday, March 28. Steve thanks Board and staff for attending briefing on Fisher Investments.</p> <p>Colin praises Ruth for choosing the very knowledgeable, well-received meet-and-greet speaker, historian Steve Darnell.</p> <p>Chuck thanks Maryam for preparing to cablecast the proposed reactivated Reston channel.</p>

		<p>Gayle, Steve, and Peggy thank Chuck for working hard with county to benefit FPA with new cable franchise agreements.</p> <p>Chuck thanks Rocio for organizing going away lunch for Kera Donaldson and thanks her for years of great work.</p> <p>Chuck acknowledges Arcelious for meeting with the HVAC vendor and working to solve the issue.</p>
Meeting Agenda	Ruth Bennett (Vice President)	<p>Remove outreach committee report by Happy and add discussion of finances by Steve.</p> <p>John talked to Isaac about discussing strategic planning ideas and Ruth added it to the agenda.</p> <p>Steve: Motion to amend agenda as described above; Gayle seconds. Amended meeting agenda approved unanimously.</p>
Approval of 2/22/2023 Meeting Minutes	Gayle Yiotis (Secretary)	<p>Steve: Moves to approve Minutes as amended; Happy seconds. Minutes unanimously approved.</p>

Staff Reports		
Executive Director	Chuck Peña	<p>Unfortunately, because the three cable operators (Cox, Verizon, and Comcast) could not come to agreements with the County, regarding issues in the pending cable franchise renewal agreements, the County extended their current cable franchise agreements until the end of 2026.</p> <p>Consequently, our channels will not have high definition on Verizon or Comcast; Comcast will not carry all four channels (only Cable Channel 10 and Radio Fairfax); and Comcast will carry Radio Fairfax on Channel 27 instead of 37, the channel on which Cox and Verizon provide carriage.</p> <p>Fortunately, the current percentages from Cox and Verizon are secured at eight-tenths of one percent (0.8%) of total gross cable revenues. Chuck noted the dispute between the County and the cable operators—the County is fighting, in the ongoing cable franchise agreements negotiations, for that which would benefit FPA and community interests.</p>

MAJOR CHANGE IN PROPOSED FPA OBLIGATIONS IN ORDER TO RECEIVE COMCAST RESTON FUNDING.

The County had originally wanted FPA to operate a remote TV studio in Reston—an extremely costly proposition, which Chuck was able to have dropped. The County subsequently proposed that if FPA would operate a reactivated RESTON CHANNEL, in exchange FPA would receive eight-tens of one percent (0.8%) of total Comcast Reston gross cable revenues (projected at about \$58K for the first year).

However, Chuck provided the County with information as to why the envisioned programming for the proposed renewed RESTON CHANNEL would be more appropriately incorporated in the schedules of the currently existing FPA channels, rather than a separate RESTON CHANNEL that FPA would be required to operate.

Chuck provided documentation showing that HALF of the programming that had been scheduled on the RESTON CHANNEL had been produced by individuals who are NOT Reston residents, and of this group HALF are not even Fairfax County residents (including FPA chief engineer Arcelious Joyner's mother, who was the producer of the "Friends, Faith & Fellowship" series on the former RESTON CHANNEL, and who is a Manassas, Prince William County, resident). Further, Chuck documented that a number of program series formerly shown on the RESTON CHANNEL are now produced at FPA, including a Spanish-language series, which the producer transitioned into a weekly RADIO FAIRFAX series.

Chief engineer Arcelious Joyner had advised Chuck that even if Comcast provided us with its playout equipment (or the \$62,000 needed to cover the cost of necessary playout equipment), FPA would still need to spend an additional \$18,000 in software and hardware, in order for the new RESTON CHANNEL playout equipment to properly interface with our existing program traffic scheduling systems. Moreover, any and all equipment needed for the RESTON CHANNEL would need to be maintained by our engineering department and replaced, at its end of useful life, at additional costs.

		<p>Further, although Programming Director Maryam Shah had been a good sport regarding the additional tasks of scheduling and playout of programming on the proposed RESTON CHANNEL, in fact, such responsibility would have laid an additional burden on Programming staff.</p> <p>It is to FPA's great advantage that the obligation to operate a reactivated RESTON CHAMNEL is no longer being considered, but the County is still willing to provide FPA with the eight-tenths of one percent (0.8%) of total Comcast Reston gross cable revenues, bringing Comcast's public access support obligations into conformity with those of Cox and Verizon.</p> <p>Gigi Sohn (Biden's nominee for 3rd Democratic seat on 5-member FCC) withdrew her name from consideration (although Biden has not chosen a replacement nominee yet), after West Virginia Senator Joe Machin indicated he would not vote for her.</p> <p>Nancy Werner (former General Counsel for the National Association of Telecommunications Officers and Advisors) is now partner at a law firm that commented to FCC, on behalf of the city of Philadelphia and other municipalities, presented a compelling argument that the commission should reverse its 2002 rule preventing local government regulatory authority over broadband, which would thereby empower local governments to work to end digital discrimination. (Copy sent to Board/staff.)</p> <p>Chuck now meeting with Cynthia Fuchs (current Director of Film and Video Studies program at George Mason University) in April to discuss collaborating.</p> <p>Longtime Senior Technical Advisor Kera Donaldson left FPA, and Royce Dunmore and Adrian De Jesus were promoted from part-time staffers to full-time Senior Technical Advisors.</p> <p>Happy: Asks Chuck how to cut costs.</p> <p>Chuck, Steve, and Arcelious to discuss not exceeding budget or touching cash reserves.</p> <p>Budget ends June 30 and new budget will be planned in May.</p>
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Engineering	Arcelious Joyner	Nothing to add to report.
Outreach	Jerry Ferguson	Nothing to add to report.
Training	Jay Erasquin	<p>Starting July-December schedule: changing number of classes and proposing new ones.</p> <p>Possibly offer classes on DaVinci, Adobe Animate or DX (web design).</p> <p>Training in radio/TV/online content could expand to bring in new students/members.</p> <p>Next orientation largest in a year (15 students).</p> <p>Isaac: Asks about growing interest in self-producing.</p> <p>Jay: We lost many members due to the pandemic and many learned to do shows at home or in studio with smaller crew. We can find ways to adapt to this growing interest.</p> <p>Lower membership means fewer students, volunteers, crew members, and producers.</p> <p>Peggy: Suggests we offer shows under 30 minutes.</p> <p>Combine 5-minute interviews into longer segments</p>

		<p>Programming department would have to schedule Used to have shorts/specials We could create our own commercials Maryam is creating Facebook ads</p> <p>Chuck: Emphasizes that classes subsidized by the Cable Fund must connect to cable programming.</p> <p>Jay: Classes for creating TV content and animation can help students produce online.</p>
Production	Lisa Clarke	Absent
Programming	Maryam Shah	<p>Hired Dorothy Monroe as part-time Master Control Operator. She has 30 years of experience and we welcome her. Began on Saturday, March 18.</p> <p>Trevor is leaving but trained Dorothy; we thank him for his work.</p> <p>Still trying to fill John's position because he is retiring, but he is waiting until the position is filled to help with training.</p> <p>Numbers steady but aiming to improve.</p> <p>Women's History Month Programming ending.</p> <p>Finding programming for Native American Heritage Month, Hispanic Heritage Month, and Asian American and Pacific Islander Heritage Month. Searching public domain and Smithsonian sources.</p> <p>Started podcasting social media ad this month after Chuck and Promotions Committee approved.</p> <p>Monitoring Google analytics on links to the orientation page and demographics: male-dominated, mainly Fairfax, awaiting feedback on how many people learned of FPA from ad.</p> <p>Next ad possibly about popular Radio Fairfax. Most accessed every month, favorited 4,300 times on TuneIn and beats some local stations there, positive viewer comments</p>

		<p>Difficult to air shorts because server needs 28 minutes, and we want to minimize filler time. Advertise to producers for shorts but unknown when it will air since we need enough content. Could air during breaks or as filler if producers don't mind when it airs (no set time). Re-explore dedicated timeslot for shorts (at least 20-22 minutes of content).</p> <p>Isaac: Suggests collecting shorts until segment is long enough for a program spot.</p> <p>Peggy: Asks if we could pick a topic ahead of time to inspire short content creation (under 5 minutes) or put a call out for shorts.</p> <p>Maryam: Radio is easier to produce. Even short TV segments may need crew (difficult to produce). Asks Board Members for short videos.</p>
Office Manager	Rocio Lopez	<p><u>February 2023 Income Statement</u> (all amounts compared to last year)</p> <p>Income Cable Support Grant Cox down \$36K. Received Cox Q2 payment last month for \$157K. Verizon Total Income down \$125K from last year, \$344K Q2 payment for this year received.</p> <p>Usually receive Verizon report to calculate how much we will receive each month based on income. Report is late so last month's numbers used. Should receive report soon; numbers will be updated.</p> <p>Office suite rental income down \$6K, salaries/benefits/taxes up \$44K, facility expenses up \$18K due to higher electricity, maintenance reserve up \$15K due to AC unit repairs. Programming expenses up \$5K due to website upgrade, professional service expense down \$9K.</p> <p>Statement of Fixed Assets: Marketable securities are down \$790K due to market changes, accounts receivable (Cox and Verizon cable grant) is down \$20K, and the fixed assets internet computer equipment is up \$12K due to ongoing projects.</p>

Committee Reports

Finance
Committee

Steve
Mullen

Josh Velasquez and Keegan Anderson from Fisher Investments want to commend staff and Board for outstanding questions at March 28 briefing.

Package of summary slides forwarded to meeting attendees, including Fisher comparison to market and future forecast.

Rocio and Steve met with Morgan Stanley and considered them as financial advisor but small, boutique company. Capable and two references gave good input.

Side-by-Side Comparison of Fisher v. Morgan Stanley

Fisher Investments:

Large: 5-person investment team

200 or more people in research group

More info/input/help selecting best options

Extreme fiduciary

Place all assets with custodial firm: Fidelity (holds assets and provides accounting/reporting)

Collect no fees when Fisher buys/sells equities and fixed income assets (Edward Jones buys/sells to increase fees)

Revisit upgrading retirement options: wanted more Fidelity mutual funds but principal financial group said they were too expensive (plan pays expense ratios for investment)

References gave rave reviews

Morgan Stanley (Graystone Consulting):

Only 2 investment managers (Maureen Shuler and Larry Wethje), plus 2 others in support/management group

Amanda Thome and Nicholas Ulvert are active research

analysts who would assist in managing portfolio behind scenes

Steve nervous about how small: 2 people manage portfolio

Prioritize defining policy statement and adhering to it

Define investment strategy and evaluate/select investments

Ongoing review process to reevaluate investment policy statement, adjust, and reselect other investment products

Model of asset allocations provided in slides

Strict adherence to Investment Policy Statement (IPS)

		<p>References satisfied but only had “rainy day funds” (not essential) and intentionally invested conservatively Two references: one had overall return of 6% per year for 5 years and other noted occasional double digit returns (no ROI provided) Both satisfied but lower ROI than Fisher References say they meet with advisors every 4-6 months</p> <p>MS Lower fees than Fisher: Fees reduced after becoming a client (quoted same fees as individual investors) but expect 1% (expect less as portfolio grows) Fee .85% for first 10 million; combined fee is decent, .65% is reasonable Final fees subject to change (might increase)</p> <p>Excellent with security of financial data (specialty), risk review asset allocation, security, cybersecurity and fiduciary (still buy/sell equities/fixed income assets and collect fees) 25% of proposed portfolio had commodities/mutual funds/real estate.</p> <p>Both Great with communication and proactive/responsive service Start from scratch: sell all EJ assets.</p> <p>Auditor Dan Burnett likes Fisher and Fidelity (thorough, timely reports) and suggests voting to switch now.</p> <p>John: Mentions the Rule of 72 (compounding): 1 dollar invested at 1% becomes 2 dollars in 72 years 12 years to double money at 6% (EJ) v. 9 years at 8% (Fisher) More money available to be compounded at Fisher</p> <p><u>Reasons to Switch from Edward Jones to Fisher:</u> Investment assets not doing well and getting small ROI \$8 million portfolio and only \$200K income Not meeting objectives on target rates Proprietary mutual funds result in higher fees/not as valuable Top 25 equities in portfolio are 9% of total portfolio but should be 35-40% of total Thousands of investment products (undesirable) Return on mutual funds around 5.5-6% (lower)</p>
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		<p>High, redundant, and non-transparent fees (double dipping) EJ Monthly fee for assets under management and mutual fund managers fees around \$7K monthly (over \$60K year). Fees not transparent.</p> <p>Tiered fees erode portfolio value and lead to less overall wealth Smaller percentage of investments in most desirable strata of stocks</p> <p>Prospectively better off with Fisher: good track record and known success for 28 years (MS has lower track record). Good time to switch: market is down, selling now will get a loss, invest less at beginning but will recoup losses faster Fisher has more durable stocks/bonds with high potential and quality (“heavy weight players”) ROI closer to 35% v. 9% (triple quality of investment) More personalized management Originally chose EJ to get out of market fast with low or no cost (no longer necessary) Mainly mutual funds and Fisher has none (all equities and fixed income securities—hard investment assets)</p> <p>Other options: Charles Schwab was looked into but not recommended (1 advisor and small return).</p> <p>Colin: Proposes Board vote to stay with Edward Jones (EJ), move to Fisher (F), or move to Morgan Stanley (MS).</p> <p>Board discussed having another meeting and vote on issue. Interim board meeting? How long would it take to get the documentation (trailer)? How much additional information would this provide? We would need to ask MS for an equivalent plan.</p> <p><u>After considerable discussions, motion made to move all FPA cable/non-cable investment program assets from Edward Jones to Fisher (with Fidelity as custodian):</u> Steve motions; Gayle seconds Yes: Gayle, Peggy, John, Steve, Colin No: None Abstain: Isaac, Happy, Ruth 5-0-3 (Motion passes by majority)</p>
Performance Management	Gayle Yiotis	Significant staff turnover, but capable people coming in.

Membership Development	Ruth Bennett & Colin Davies	<p>Meet-and-greet was one of best and first paid. Look for more speakers specialized in programs for libraries Many members attended, and Q&A was informative Streaming on YouTube for two weeks per speaker request</p> <p>Isaac: Suggests having a meet-and-greet where producers pitch shows, and certified technicians can volunteer to help. Ruth says we could restart the practice of giving producers 5 minutes to talk about their show or air scenes at M-and-G.</p> <p>Let Ruth know if you have ideas for programs or speakers.</p>
Operations	Hurriyet Ok	Absent
Promotional Development	Peggy Fox	<p>Reiterates Maryam's promotional plan Offers to be on the Strategic Planning Committee</p> <p>Name change to NOVA Public Media at standstill. Trying to contact NOVA Media Productions (no storefront). Spoke with owner and he said it is probably fine but to email him; waiting to hear back.</p>
COVID Transition	Happy Garcia	<p>Fairfax County ended Covid emergency on March 1 and federal government is planning to end it in May.</p> <p>Committee meeting in April and will report by next meeting.</p>
Strategic	John Aaron	<p>Ask community including constituents, customers, and clients who rely on us for production, training, content, and distribution. Who are the leaders, influencers, innovators, repeat customers, and customers who have fallen away (covid, technology change, distribution more restrictive)?</p> <p>Isaac: Wants John to review current strategic plan (measure success, where we fell short, quantitative evaluation) and report to board before moving forward in updating.</p> <p>Steve: Says original had targets for six (6) months and one (1) year after approval, but we need to keep up with benchmarks. Targeted actions from original plan still valid and need to be accomplished, but we can consider alternatives.</p>

		John can choose committee members or Board member can volunteer
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Meeting Close	
Unfinished Business	Isaac sent out Engagement Plan. Colin, Steve, and Gayle praise it. John: Move to accept. Gayle seconds. Approved by unanimous vote.
New Business	None
Confirm Future Meeting Dates	April 26
Adjournment at 9:45 pm	Steve: Moves to adjourn. Ruth seconds. Meeting adjourned by unanimous vote.