

ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS CORPORATION

Executive Committee Meeting September 24, 2020 – 7:30 AM Minutes

Present: Chairman Andrew Rand, President and CEO Lesley Matuszak, Melissa Yoder (CLA),

Phone/WebEx: Andrew Rand, Stephen Morris, Sid Ruckriegel, A. J. Rassi, Danna Luo-NETA, Amanda Campbell (CLA)

Absent: Helen Barrick

Staff: Luann Claudin

Chairman Andrew Rand called the meeting to order at 7:30 AM.

Chairman Rand asked for a motion to approve the Executive Committee minutes from the August 27 meeting. Sid Ruckriegel made a motion and it was seconded by A.J. Rassi. Chairman Rand asked for questions. A.J. Rassi asked for clarification about the \$92.3K bad debt in the minutes and whether it represented the dollar amount of \$92,300. Minutes will be updated to reflect the clarification. Minutes passed with unanimous approval.

Melissa Yoder from Clifton Larsen Allen was present to discuss and present the audit for the fiscal year 2020.

- All required audit procedures have been performed. Thanks to the audit team and WTVP staff to work through the audit proceeding.
- New audit standard notation relative to contributions. Recognize membership as contributions on page 3.
- Reference to the PPP loan forgiveness on page 3
- CPB stimulus monies are not a liability.

Overall, the new accounting principle was adopted on page 5. Other liabilities were the transition with U of I. Remaining item is the amount due to the U of I, which will be reflected on the books as a liability until the resolution happens (\$230,000 – shown as current in the new year). No seen difficulties with the audit. Proposed audit adjustments are the FCC revenue and receivables in the amount of \$140K. An in-kind donation of \$100K will be placed into FY21. There are no passed or waived adjustments. Internal controls put in place are the segregation of duties. Due to the lean WTVP staff, the relationship is essential with NETA.

Financial position, page 6 – Capital equipment purchases due to the FCC repack. Investments dipped but rebounded in the market. Account receivables were presented. Chairman Rand asked about the allowance for the uncollectible and provisions of those receivables. FCC payment was deposited in July of this new fiscal year. The PPP loan is in long term liabilities.

On page 7 – Total Liabilities - Long term liabilities are the mortgage and the PPP loan. WTVP is applying for forgiveness, but balance repayment is 24 months, so not this current fiscal year. Liabilities about the same as the depreciation.

On page 8 - Contributions are a \$350,000 increase in membership-fundraising dollars. CPB loan is in operating expenditures with no obligation to return.

Total expenditures, net assets were presented with operating revenue and operating expenses and statement of cash flow.

On page 10 – Functional expenses split into two categories program services and supporting services (columns) and how it comes in (rows).

Chairman Rand asked for questions on the audit. A.J. Rassi indicated the audit was very well done. No questions from the Executive Committee members.

Melissa continued with the management letter notations and the new risks and uncertainties with note 12 on the audit. Page 12 indicates the new revenue recognition standards and a new lease on accounting standards. Compliments to leadership and communication throughout the year with Lin McLaughlin in the WTVP business office. Melissa Yoder asked Amanda Campbell of CLA for comments.

Chairman Rand asked Melissa for the U of I clarification (Financial expenses-page 10). The contract was in the professional services under supporting services.

Chairman Rand asked for private time with auditors and dismissed staff at 8:21 AM.

Meeting continued at 8:40 AM with Chairman Rand inviting staff back to the meeting.

Sid Ruckriegel asked for the Development Report to be discussed next. Sid presented highlights on overall fundraising. Sid discussed the Development monthly revenue report. This report will be presented at future meetings. This report presents fundraising revenue through September 14 and compares month, fiscal year to date with comparisons to previous years. Chairman Rand complimented Sid on this report. Lesley asked for Sid's time on how to break out the revenue and report format.

Chairman Rand asked for a motion to accept the FY2020 Audit report. Sid Ruckriegel made the motion, and A.J. Rassi seconded it. The motion unanimously passed.

Danna Luo from NETA presented financials for August.

Profit and Loss for August – A net gain, including depreciation year-to-date through August, is \$233.1K. Expenses are trending according to budget. Danna asked for questions, hearing none, she moved to the balance sheet.

Balance sheet – Danna discussed the current assets, PPP loan, CSG and the IAC grant receivable. The CSG grant is anticipated at \$728K. The expenses for PBS dues are on an accrual basis for this fiscal year.

FY Audit – Danna presented highlights from the Fiscal Year audit report.

Chairman Rand asked for questions regarding capital costs and discussed the SOS capital funds. Sid Ruckriegel agreed with the analysis. Chairman Rand asked for a motion to remove the SOS funds' restriction and use for capital purposes going forward. The motion was made by Stephen Morris, followed by a second from A.J. Rassi and passed unanimously.

Chairman Rand thanked Danna.

A.J. Rassi made a motion to accept the financials, as presented by Danna, with a second by Stephen Morris.

The President's Report was next. Lesley presented and discussed the following:

Cullinan Family gift as a tribute for their sister, Libby Mathers.

Peoria Chamber proposal – Josh Gunn needs our help in building community relations. Any help to push the ask for \$30,000 to help the chamber and CEO council to promote the community and businesses. Added seven more interstitials to spotlight small local businesses with Josh.

New data on watchers – 46% of area over \$100,000 income. 1 in 4 – under 40

November and December pledge plans

Nominated WTVP Production for NETA and PBS awards

Nominated Sid and Flo Banwart for the Arts Partner Awards – joint nomination with PSO

Studio upgrades needed

Working with the Bloomington/Normal medical community

Capital budget – Discussion needed with Danna and Chairman Rand

The Sanitation District swept the back lot in preparation for repairing the lot. Sid indicated the city is going to get a couple of dates to review/meet.

The remote channel presents a lot of ways to prepare incarcerated individuals for learning and GEDs.

Employee handbook verbiage was cleaned up and is ready for approval.

By law from CPB/FCC and Bob Gates, we need to conduct WTVP's annual training for sensitivity, diversity and security.

Gilmore Foundation – we received a gift personally from Bob. Looking for guidance on the ask for the Gilmore Foundation, which will come up again this fall.

Bequest – need a policy on sharing information about contributions from the Development Committee.

Sid Ruckriegel thanked Lesley for her excellent work and leadership.

Chairman Rand asked for a motion for the handbook approval – Sid Ruckriegel made a motion with a second by A.J. Rassi. The motion was approved unanimously.

Lesley thanked Stephen Morris for his work and time on the back parking lot. Sanitary District is eager to confirm this is a City of Peoria issue.

With no other business for discussion, Chairman Rand thanked everyone for their time and adjourned the meeting at 9:11 AM.

Respectfully submitted,

Lesley Matuszak