

Winter General Membership Meeting Minutes - 01/19/18

Minutes by Ferdous Al-Faruque

President Jeff Ballou opened the meeting.

Ballou made a motion to adopt the National Press Club's October general membership meeting minutes. It was seconded and unanimously approved.

Treasurer Ferdous Al-Faruque gave a report of the financial status of the club. He thanked previous boards and officers for their work to bring the club to the financial health it is currently in. He also gave a special shout out to Executive Director Bill McCarren, Georgetta George and the rest of the NPC staff who have ensured the club has been a financial success.

Al-Faruque started out his talk by stating the club had about \$4 million in cash and reserves at the end of December. There was also \$7 million in long term investments largely thanks to the sale of the Rockwell painting. Over the past few years the club has had no debt.

The financial health of the club is very good and Al-Faruque noted it should continue to be so if the club stays on its current trajectory. While the club's Rockwell investment has done well due to the boon in the stock market, he also noted that it is considered a long-term investment that the club has no plans to touch.

Al-Faruque said the club has performed at or better than expected since the fall general membership meeting. At the same time the club has had increased costs as it invested funds to renovate restrooms and locker rooms, new furniture in the Reliable Sources Bar, new big screens in ballroom and new staff hires.

The projection for the end of the year was that it was going to be the 11th consecutive profitable year thanks to the foresight of past and present club leadership as well as the NPC staff. Based on previous data the club projected a profit of \$834,000 but latest projection was over \$918,000. About \$80,000 over budget. The numbers obviously do not include the \$1 million plus in profits from the Rockwell painting and other investments.

Al-Faruque said 2018 is expected to be profitable and the club is estimated to make \$702,000 in profits but noted that over the past few years the club has also exceeded its budget projections. However, there are situations and costs that could change expectations such as bad weather, uncertainty around election season business, effects of renovation on the business and other unforeseeable events.

Over the past five years, costs have gone up as was expected but so has revenue and ultimately the club has maintained a similar level of annual profits according to Al-Faruque. He also noted cash and reserves saw a major boost due to the Rockwell sale and the club is back to normal cash and reserve growth.

While profits have been consistent, Al-Faruque cautioned that monthly club costs are also high and a month without any revenue due to any unforeseen event could set the club back so we still need to move conservatively with our spending and cash on hand.

Al-Faruque reminded members the club had significant debt in the mid-2000s and while the club has been making profits over the past 11 years, it didn't pay off all the debt until 2015. He also touched on

how a lower tax bracket under the administration's new tax plan could impact the club. While noting it is helpful, Al-Faruque stated it is not expected have a major impact on the club's overall finances.

Al-Faruque took questions including one asking about what is the primary revenue stream for the club and he stated it was primarily from events. Another question was how the club decide how our stock investments are distributed and Ballou noted there is a blue ribbon committee that makes recommendations to the board on that subject.

Membership Secretary Michelle Salcedo stepped up to the podium next and said following up from the October general membership meeting the club was well on its way to putting an updated infrastructure in place in terms of the club's membership review process. She said however when Karen Deem passed away the club lost not only a beloved staff member but a lot of the institutional knowledge the membership team relied on. The transition since her passing was rocky but is back on track.

Salcedo said the year began with 3,112 members overall: Of those 1,432 were journalist and 1,190 were communicators. She said at the end of December the membership totaled 2,951 with 1,387 journalists and 1,237 were communicators. One positive development however is that young member, and especially young journalist, numbers have been rising. She noted that was in large part thanks to the young members team leaders Emily Wilkins and Nikki Schwab who have put together attractive events.

Salcedo said we need to look at what we can do to not just keep members but also help grow the membership. She said we need to try to attract especially more journalist members which is increasingly harder as more news organizations move outside downtown DC and the city more broadly. She recommended the club develop a strategic plan for not just the coming year but for the next five years. She asked members to provide any suggestions they may have and noted one area that could be helpful is corporate memberships.

Salcedo answered questions including one about the number of non-resident members. She noted that non-resident member numbers have dropped. Another question was whether there was a backlog of communicator members to which Salcedo responded that there was no backlog at the time.

Salcedo also said attracting young members is tied to the club's longevity and needs to be a part of the long-term strategic plan of the club. She answered that two big factors for members dropping off is young members who see a significant increase in their dues but don't see a significant increase in their pay drop out because they can't afford them, and members who are transitioning to a new job.

Ballou stepped up to the podium and showed a video summarizing the club's activities under his presidency which was produced by Laura Coker and the NPC audio/video staff members. The president thanked the NPC leadership and staff for a successful year especially one where the news media was politically under fire. He also thanked his network, Al Jazeera, for supporting his presidency.

Ballou echoed Dr. Martin Luther King's notion of "the urgency of now" which he said was at the time about freedom of the press worldwide and noted the club addressed attacks on the press not just abroad but at home. He also thanked vice-president and president-elect Andrea Edney for her leadership and support.

Ballou handed over the gavel and presidency to Edney, and put on his past-president's ring.

President Edney took the podium, and thanked Ballou and the membership. She said she felt honored and believed the NPC has a strong role in defending good journalism. Because of the strong financial health of the club she said she planned on providing more journalism skill training to members through the professional development team.

Edney said it is a critical year because journalism is under siege from many sides and it's time to defend it, and ensure we all live up to the highest ethical standards. She encouraged everyone to sign the petition to free NPC John Aubuchon Award Press Freedom recipient Emilio Gutierrez. She also encouraged everyone to come to a 2pm press conference to speak out for Emilio's release.

Edney again thanked Ballou, the membership, former presidents, NPC staff and the board officers.

A member asked Edney about her recent pregnancy to which Edney answered she and her husband had given birth to a wonderful baby girl named Cecilia Jane Edney whom members will likely see every now and again at the club.

Edney told members they would be notified of the next general membership meeting and adjourned the meeting.