

MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB

Oct. 20, 2008

Maureen Groppe, Secretary

Chairman Keith Hill called the meeting to order at 6:37 p.m. Present were President Sylvia Smith, Vice President Donna Leinwand, Membership Secretary Mark Hamrick, Secretary Maureen Groppe, Vice Chairman John Donnelly and Governors John Hughes, Gayela Bynum, Theresa Werner, John Gallagher and Dipka Bhambhani. Also General Manager Bill McCarren and Director of Membership Sarahanne Driggs.

Groppe moved and the board approved the minutes of the September meeting.

MEMBERSHIP

Hamrick moved and the board approved the applications of 29 members. Hamrick said that number is down from previous months, which may be a reflection of the economy.

Hamrick moved and the board approved retired dues status for three members.

BOARD AND COMMITTEE LIASON REPORTS

Awards -- Groppe moved and the board approved the following revised criteria for the Kozik environmental award: Entries must demonstrate a clear understanding of the environment and raise awareness about an environmental problem. Those that demonstrate how their series had an impact or prompted action will receive particular consideration.

Holiday Bazaar -- Fifteen vendors are participating.

Broadcast -- Held panel on the future of electronic journalism; is working on a radio show.

House -- Voting on whether to replace Wild Turkey with Maker's Mark.

Professional Development -- Held workshops on twittering, reporting from Facebook, journalists in transition and PC Basics 101.

Events -- The debate watch parties were well attended. About 200 people attended the event with Onion writers. The holiday party will be Dec. 13.

Photography -- A storm chaser photographer is speaking at the committee's October meeting.

Communications & Marketing -- Working on coverage of the NPC forum in New York, trying to get sponsorships for the event, and encouraging students to attend.

Travel -- Hong Kong is the next trip. The January long weekend trip is to Dublin. The February trip is to Egypt.

Speakers -- The heads of the Senate campaign committees appeared in October. The Bill Joel luncheon sold out. The heads of the national parties are scheduled for the day after the election.

4th Estate Dinner -- Sold out except for four seats in the balcony. Approximately \$57,000 has been raised for the library.

Newsmakers -- Held 65 so far. House Majority Leader Steny Hoyer coming in November.

International Correspondents -- October events included an Iranian blogger talking about how young Iranians view the election. November events will include an international media panel discussion on the election results.

TREASURER'S REPORT

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Leinwand said the Club is doing better than expected this month. The budget committee is working with the general manager on next year's budget and on continuing greater transparency in the budget.

Smith moved and the board approved going into the Committee of the Whole.

Hamrick moved and the board approved a monthly dues increase of \$1 across all membership categories.

Smith moved and the board approved leaving the Committee of the Whole.

GENERAL MANAGER'S REPORT

McCarren said September's performance was slightly better than budgeted for both revenue and profit. October also looks to be on track and November through February are looking reasonably good. McCarren said the Club hasn't yet seen an impact from the slowing economy. McCarren is looking at budgeting for \$1 million more in revenue for 2009 over 2008. The projected profit would be \$709,000 compared with this year's expected \$386,000. That's the level of profit the Club needs in order to meet the goal of having \$1 million in reserves by July.

Hamrick said he heard business is down again at the Reliable Source on Saturdays and asked whether the budget assumes it will remain open on Saturdays next year.

Leinwand said that is included in the budget assumptions. She suggested the Club look at whether closing the Reliable Source but opening the Fourth Estate on Saturdays would lose the Club less money and be more of a member benefit.

Hughes asked if the Record will continue to be published twice a month. Smith said she's assuming that will be the case. She has heard no complaints about the reduced publication and has received a lot of compliments about The Wire.

Groppe asked if anyone had an objection to emailing this year's candidate letters to those for whom the Club has a good email address and mailing it to everyone else. No objection was heard.

PRESIDENT'S REPORT

The first Cosgrove Award, which honors continued service to the Club by a former president, was given to 1961 President John Cosgrove. The House Committee is looking for an appropriate place to hang the plaque, which was purchased through contributions.

Smith asked McCarren to put out the box for donations to the employee holiday fund soon after the election. Smith will also spread the word through The Wire.

Smith said the member luncheon price of \$16 has not increased for at least 10 years. She said it's been proposed to increase the price to \$20 and to be more firm on the Club's cancellation policy beginning in November. Cancellations for luncheons must be made before 2 p.m. on the previous weekday to receive a refund. Cancellations for signature events, such as the inaugural and 4th Estate Dinner, must be made three days in advance.

Werner asked how much the luncheons cost per participant and whether the new price would reflect the full cost.

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Leinwand said she would prefer raising the price \$1 a year to get to the \$20 price and then raising it annually by inflation after that. Donnelly agreed.

McCarren said the Club is probably breaking even on the \$28 cost for guests of members and making money on the \$35 charge for members of the general public.

Smith is working with the Fourth Estate on promoting on the walls and in the menu the Club's historic photos that will be hung in the renovated restaurant.

Smith said the Cardiac Arrest Foundation is interested in endowing an award for coverage of heart/health issues. She asked for board sentiment on whether that would be too narrow. Members said it would be.

Smith presented a review of the Club's awards with questions for the board about potential issues with some of the awards. She said the trust fund that funds the awards has about \$300,000, but every year we dip into the principal by \$20,650. Some awards are endowed. Others aren't. Some of the endowments don't fully cover the cost of the awards.

Hamrick said the awards should be self-sustaining.

Hughes asked what it would take to stop the bleeding. Smith said the Club would need \$1 million more in the fund to generate enough annual income to fully fund all the awards.

Groppe said that if the goal is to make the whole program self-sustaining, we need to find out what money we have left to work with for the unendowed awards to guide the changes to them.

Bynum suggested doing fundraising for the trust fund, such as dedicating next year's Fourth Estate Dinner proceeds to the fund.

Werner said we should ask the endowers to fully fund the awards and cut them if they don't, or give them out every other year.

Smith said there's not a lot of time to make changes in next year's awards before the contest brochures need to be printed. She said she would get together with Groppe to make recommendations at the board's November meeting.

The next meeting was set for Nov. 17.

The meeting was adjourned at 8:40 p.m.
