

MINUTES

Texas Daily Newspaper Association Board of Directors Meeting December 2, 2004 - Headliners Club, Austin

Present: Donnis Baggett, Larry Walker, Jeremy Halbreich (by conference call),
Wes Turner Gary Borders, Bob Carlquist, Buddy King, Charles Moser,
Doug Toney, Phil Berkebile, Ken Whalen, Darla Thompson

President Donnis Baggett opened the meeting at 10:00 a.m.

Baggett read a series of announcements and outlined the meeting format. He stated that, since copies of all reports and supporting information to be presented and reviewed had been mailed to board members prior to this meeting, those reports would only be summarized today in order to allow more time for discussion.

Baggett thanked Wes Turner for his service on the board. As chairman of the executive committee, Turner's rotation through the officer positions ends and he leaves the board December 31. He also recognized three absent members who leave the board this year. Larry Mayo's three-year term on the board expires at the end of 2004, Larry Rose retired, and Jack Pate took a new position out of state. Larry Rose and Jack Pate, who left the board earlier this year in June, were replaced by Guy Kerr and Doug Toney for the remainder of 2004.

Baggett explained that the principal purpose of this board meeting was to:

- 1) conduct a financial review of calendar year 2004
- 2) briefly review the various association activities during the last half of this year, and
- 3) adopt the 2005 calendar year operating budget

Baggett announced the results of the 2005 board election. Elected to serve full three-year terms were Charles Spence of *The Midland Reporter-Telegram*, Guy Kerr of the Belo Corporation, and Doug Toney of the *New Braunfels Herald-Zeitung*. Darrell Coleman of the Wichita Falls Times Record News was elected to fill the one-year unexpired term of Bob Carlquist who becomes treasurer in 2005.

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Baggett reported that the lineup of officers for 2005 would be: W. Lawrence Walker, Jr., publisher and CEO of the *San Antonio Express-News* - president; Jeremy L. Halbreich, chairman of the board, president and CEO of American Consolidated Media – vice president; Bob Carlquist, executive vice president and general manager of the *Houston Chronicle* – treasurer; and Donnis Baggett, publisher and editor of the *Bryan-College Station Eagle* - chairman of the executive committee.

Minutes from the July 22, 2004 board meeting were read and unanimously approved. Motion by Wes Turner, second by Bob Carlquist. (Minutes attached to file copy)

Minutes from the November 9, 2004 conference call board meeting were read and unanimously approved. Motion by Gary Borders, second by Charles Moser. (Minutes attached to file copy)

Phil Berkebile presented a nine-page Administrative Report (attached to file copy) which summarized the operation of TDNA for calendar year 2004. He said 2004 had been a really good year, one of the best we've ever had. TDNA achieved all goals and will end with a net 2004 budget surplus. The staff restructure and office move were finalized, and the move will take place on Saturday, December 18.

For 2005, Berkebile predicted a heavy work load for the reduced staff during the first six months – when the legislature will be in session, convention preparations will be underway, bookkeeping is wrapped up for 2004, and the bulk of TDNA's standing programs are activated. Changes planned for the 2005 Annual Meeting are expected to reduce the cost by about \$20,000 and bring the per-person cost down by 30%.

Berkebile expressed his thanks for the support of the boards he has worked for over the years. During his tenure as executive vice president there were 21 TDNA presidents and 76 board members. He also noted that there were 111 daily newspapers in Texas when he began in 1985 and that now there are 82 – a loss of 29 papers.

Baggett complimented Phil's work

Following a brief review of a four-page Legislative Report (attached to file copy), Donnis Baggett and Ken Whalen presented a more detailed review of the 2003 Legislative Session and discussed upcoming special legislative sessions.

Berkebile reviewed a five-page Membership Status Report (attached to file copy) along with supporting information that detailed regular and associate membership activity. Dropped and delinquent memberships were reviewed and membership recruitment efforts were discussed. Berkebile stated that inquiries had been received at TDNA from a Mexican newspaper about membership in TDNA. Following discussion, a motion was adopted to allow Mexican newspapers to join TDNA as associate members for the \$1,000 associate fee. Motion by Bob Carlquist, second by Jack Pate. Unanimously passed. An amendment to the motion, passed unanimously, stated that Mexican newspaper members, like all other associate members, would not qualify to serve on the board of directors.

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Berkebile presented an 8-page Financial Report (attached to file copy) including supporting documents detailing all aspects of the association's financial activity during calendar year 2003.

After introducing the 2004 budget adoption process, Turner turned the meeting over to vice president Baggett who conducted the 2004 calendar year budget construction and adoption process.

Baggett and Berkebile presented line-by-line explanations of all income and expense categories that were included in the budget draft mailed to all board members prior to this meeting (budget draft attached to file copy).

Following general discussion about all proposed budget categories, Berkebile presented staff performance evaluations and staff salary recommendations.

Turner called the board into executive session for the purpose of evaluating the job performance of Berkebile.

At the conclusion of the executive session Berkebile was called back to the meeting and the budget process was completed. The board voted unanimously to adopt the 2004 calendar year operating budget (attached to file copy). Motion by Greg Shrader, second by Charles Moser. Staff compensation amounts included in the budget were to be confirmed by written correspondence from Turner to Berkebile.

It was the unanimous decision of the board to continue the policy adopted for 2003 to select winners of the Taggart and Mayborn awards. The policy is as follows:

1. TDNA to mail forms to all TDNA members soliciting nominations for both awards.
2. A special committee chaired by Charles Moser would review nominations from the membership and add additional names of candidates they consider to be worthy of consideration.
3. The board of directors also will have the opportunity to submit names for consideration.
4. The final selection will be made by the executive committee.

The meeting was adjourned at 1:30 p.m.

Immediately following adjournment Turner and Baggett met with Berkebile to relate the board's review of his job performance.

Respectfully submitted,

Philip A. Berkebile