

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Monday September 21, 2015

7:00 pm.

Conference Call via Go To Meeting Application

Members in attendance:

Lisa Braiterman
John Bush, Treasurer
Tom Coleman (President, ISAUU)
Erik Cordes
Nick Dembsey
Sharon Kennedy, President
Gary Kunz, Vice President
Mary Trudeau, Clerk
Jordan Young

Absent:

Debbie Duval (President, UCC)
Suellen Peluso
Josh Davis
Dan Cassell (Pel Representative)

Others attending the meeting:

Joe Watts, CEO

Opening Words. For opening words, Mary Trudeau offered a reading to the group, a poem by Faith Shearin from her collection “The Owl Question”, 2002:

The Name of a Fish

If winter is a house then summer is a window
in the bedroom of that house. Sorrow is a river
behind the house and happiness is the name

of a fish who swims downstream. The unborn child
who plays in the fragrant garden is named Mavis:
her red hair is made of future and her sleek feet

are wet with dreams. The cat who naps
in the bedroom has his paws in the sun of summer
and his tail in the moonlight of change. You and I

spend years walking up and down the dusty stairs
of the house. Sometimes we stand in the bedroom
and the cat walks towards us like a message.

Sometimes we pick dandelions for the garden
and watch the white heads blow open
in our hands. We are learning to fish in the river

of sorrow; we are undressing for a swim.

Check In. A brief sharing of life events and circumstances was done between the Board members.

Call to Order. Sharon Kennedy, President, called the meeting to Order at 7:10 pm.

Upon a motion duly made and seconded, the Board

VOTED to enter executive session to approve the minutes of the August 31, 2015 executive session of the Board of Directors.

The Board resumed the public portion of the meeting at 7:15 pm.

Minutes of the August 31, 2015, Meeting of Directors at Star Island.

Upon a motion duly made and seconded, it was unanimously

VOTED: To approve the minutes, as written, of the August 31, 2015 meeting of Directors

Reports

CEO Report – Communication, Registration, Development and Facilities

- The *Communication* report was given by Joe, noting that social media has become an increasingly active sector of our marketing campaign. He described our use of social media marketing, including our “Facebook” presence, with several conferences maintaining their own pages, as well.
- *Registration* numbers for the summer are very close to the targeted bed night numbers for the 2015 summer season. Joe noted that we are close to the end of the season, and the September 15 bed night report indicates 19,427 bed-nights (99.4% percent of the 19,550 goal). Joe noted that we still have the potential to meet the goal, if weather cooperates and the Regatta is well attended.
- *Development* continues to have numerous ongoing projects. The pelican staff wrote 95 Thank You notes this summer, adding a personalized note to our donation acknowledgements. A more intensive phone solicitation program is planned for later this fall, and Joe noted that phone call volunteers would be needed. Sharon commented that participation by all Board members would be a strong sign of support. She noted that Board members who are unable to volunteer for this task, should “opt out” by communicating with Pam Smith.

Joe noted that the Island's **STEAM** program proposal pitched to the New Hampshire Charitable Foundation was not chosen to submit a final grant application. Joe said that staff is following up with the Foundation.

A \$25K dollar grant for the protection and preservation of the Vaughn collection has been awarded to the Island. Joe thanked Irene Bush, and the Vaughn staff, who assisted in the grant writing for this award.

The Regatta registration is ongoing, and there is still time to sign up and space available for an overnight stay. Joe noted that we have received excellent local press coverage, and the event appears to be gaining in popularity amongst the sailing community.

- **Facilities** report was presented by Joe Watts. Joe noted that Close Up started today and staff would be working to protect the Island for the upcoming winter months. Joe described the Strategic Facilities Planning Committee's ongoing work on a Comprehensive Facilities Assessment. As noted in past reports, Joe described the ongoing design of the Waste Water Treatment Plant, noting that permitting for the project would likely begin before the end of the year.
- In other comments, Joe noted the Personnel Committee's support of offering benefits for nine month staff positions. Joe noted that discussions are not specific to a person, but rather to a position.
- Joe also reported that Optima Bank has extended the terms of their loan commitment through October, and that the Island fully expects to transfer the loans to Optima Bank, from Eastern Bank, within this extension period.
- **Treasurer's Report.** John Bush reported that the Island had a "good year" financially and that the minor discrepancies in year to date comparisons were not significant. There was discussion between Board members concerning the relationship between the recent turmoil noted in the stock market and the annual dispensation from the Permanent Trust. John reassured the Board that as the fund distribution (4.5% percent of the Trust Fund) is based on a three year average, a small decline in the size of the payment to the operating fund was possible, but unlikely to be significant this year.

John discussed the terms of the Optima financing, noting that the bank has kindly continued to extend the same favorable terms to the Island through the issuance of three month renewal offers and that the prepayment penalty at Eastern Bank declines every day.

John reported that the Finance Committee supports a new definition of what constitutes a material variance (an item that requires comment or explanation in the monthly financials). Insource's proposal defines a material variance as a change of more than \$10K and 10% of a line item.

John discussed the financing of the Waste Water Treatment Plant, noting that this project will require long term financing. He noted that Joe Watts is researching financing options, and is assuming that the Island would need to finance approximately \$500K.

- **Pel Report.** There was no Pel report.
- Upon a motion duly made and seconded, the Board

VOTED: To accept the CEO Report (including the Development, Facilities and Registration Reports), and the Treasurer's Report.

SHORTER TERM BUSINESS

2016 Budget Update. Joe Watts stated that staff is on track to meet budget planning guidelines and expects to submit three (3) versions of the 2016 budget to the Board for the October meeting. Joe noted that this schedule allows the staff to present a refined budget for the November Board meeting.

Joe mentioned that there was unlikely to be a room rate change for cottages and hotel rooms, but that motel unit prices would likely increase. Joe noted that staff will continue to investigate variable rate pricing for future budgets. Joe offered a preliminary estimate of a bed night number for the 2016 summer of approximately 19,600. To assist in achieving this goal, a staff member will be assigned to work with marketing teams for specific conferences. It was noted that some bed nights are better than others, and that bed nights are not a perfect predictor of income.

Joe stated financial aid and discounts would be presented in October, as well. Joe noted that not all of the available financial aid monies were dispersed this season, but that the actuals were higher than budgeted for discounts.

Joe reminded the Board that the Wastewater Treatment Plant costs will not be included in the 2016 budget, and that should financing for the Plant become available, the budget would need to be updated.

Fundraising goals are likely to be similar in the 2016 budget, and Pam Smith will be working on these numbers.

Staffing models are under discussion, and while Joe had no specific comments at this point, he believed there could be changes proposed to the current staffing level.

In response to a question, Joe noted that he expected a budget surplus to be approximately 75K to 125K dollars, similar to that achieved in recent years.

Committee Charge Update: Sharon reminded the Board that liaisons are expected to review the charges of their assigned committees, and revise as needed by the end of the year. She suggested reaching out to Committee chairs for input and assistance.

Ad Hoc Committee to evaluate Committees update: Sally Russell has begun to gather information, and noted that a survey had been sent to all Board members to garner consensus on the mission and role of the Ad Hoc Committee. Sally asked all Board members to complete and return the survey promptly.

LONGER TERM BUSINESS:

Sponsorship Policy: Joe Watts presented the final version of the Island Sponsorship Policy, noting that with three (3) minor language changes, this was the same document reviewed at the August Board meeting, and that the Fund Development Committee and staff recommend Board approval. There was little discussion, and upon a motion made and seconded, the Board

VOTED To adopt the Sponsorship Policy for the Star Island Corporation

Rutledge Marine Lab Committee Liaison Report: Erik Cordes reported that Meg McVey will be leaving the Committee, and her position as Chairwoman, at the end of the year. Joe reminded all liaisons to discuss the new process for the appointment of Chairs with the Committee whenever a vacancy arises.

Erik noted that the lab had a very successful summer. Tanks were filled by volunteers, and there was a wide variety of flora and fauna in the lab. Erik noted that there was a Milkweed project, designed to maintain habitat for Monarch butterflies, in progress on the island.

In other news, Erik stated that it was likely a name change would be made, and the lab would be renamed as: Rutledge Marine Education Center, a moniker that better describes the purpose and function of the resource.

Strategic Facilities Planning Committee Liaison Report: Nick Dembsey reported on recent developments on the Committee, noting that Dick Case has returned to the Committee as chair, and would likely keep this position for the foreseeable future. Nick noted that Dick has significant expertise with the solar array, and as a retired engineer, provides a great service to the Island through his contributions on the Committee. Nick noted that the Solar Tracking system is working well, and that there has been a reduction in diesel fuel consumption through the ability to manage the system via the software. The Committee is working on a Facility Assessment Report, and will try to have this report to Jack Farrell by November.

Working with SFC, our long-term fire safety professional services company, we are checking in on our progress on our multi-year plans. Nick noted that the access/egress improvements to the Atlantic wing of the Hotel must be done this spring.

Other:

- **September Board Meetings.** Upon a question by Sharon Kennedy, the Board discussed the necessity of a September Board meeting. Sharon noted that the August retreat and meeting is only a few weeks before the September meeting. While both views were represented in the discussion, consensus seemed that it is good to meet regularly, and that perhaps a short meeting would be in order.
- **February Retreat.** Sharon Kennedy noted that the Board continues to work on the goals developed at the 2015 February retreat, and asked Board members to consider inviting Ellen Koenig to return to the 2016 February retreat to continue working on the development of Board goals. Sharon also stated that the Board would be reviewing the recommendations of the task force on Committees at the February meeting.

Meeting Reflections: It was noted that missing Board members leave a void in the meeting. The consensus of the group was that this meeting was positive and productive, and short!

The next Board meeting is scheduled for Tuesday October 27, 2015 in Boston at the Federal Reserve Building. The meeting will be held from 1:00 pm to 5:00 pm.

There being no further business, it was moved, and seconded, and then unanimously

VOTED: To adjourn the meeting.

The meeting was adjourned at 8:34 pm.

Respectfully submitted,

Mary Trudeau, Clerk