

STAR ISLAND CORPORATION
Board of Directors

MEETING MINUTES

Tuesday, September 27, 2016
Go To Meeting And Conference Phone Call

Members in Attendance:

Lisa Braiterman
John Bush (Treasurer)
Tom Coleman (President of ISAUU)
Nick Dembsey
Debbie Duval (SIUCC representative)
Roger Kellman
Gary Kunz (President of the Board)

Suellen Peluso
Hannah Swomley (Pel Liaison)
Mary Trudeau Clerk
Jordan Young (Vice President)
Louise Williams

Other:
Joe Watts, CEO

Absent: Josh Davis, Erik Cordes

Opening Words: Noting that she keeps this poem in her wallet, Lisa Braiterman read this poem from Billy Collins:

Adage - Billy Collins

When it's late at night and branches
are banging against the windows,
you might think that love is just a matter

of leaping out of the frying pan of yourself
into the fire of someone else,
but it's a little more complicated than that.

It's more like trading the two birds
who might be hiding in that bush
for the one you are not holding in your hand.

A wise man once said that love
was like forcing a horse to drink
but then everyone stopped thinking of him as wise.

Let us be clear about something.
Love is not as simple as getting up

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on the wrong side of the bed wearing the emperor's clothes.

No, it's more like the way the pen
feels after it has defeated the sword.
It's a little like the penny saved or the nine dropped stitches.

You look at me through the halo of the last candle
and tell me love is an ill wind
that has no turning, a road that blows no good,

but I am here to remind you,
as our shadows tremble on the walls,
that love is the early bird who is better late than never.

Check In:

After a brief check in where Board members celebrated and mourned with each other, the meeting came to Order.

Call to Order:

Gary Kunz, President, called the meeting to order at 7:11 pm.

Upon a motion duly made and seconded, the Board

VOTED to enter Executive Session for the purpose of discussing a challenging situation and to approve the minutes of the July 26 and August 28, 2016 Executive Session minutes. Hannah Swomley did not attend the Executive Session, but Joe Watts remained in the meeting.

The Board returned to the regular Meeting at 7:25 pm. Hannah Swomley returned to the meeting, and Louise Williams entered the meeting.

REPORTS :

CEO Report (including Communications; Development and Marketing; Facilities; and Registration Reports)

Joe Watts began the reports with praise for Lisa Santilli's Communications Report, noting that she had thoughtfully collected the successes of the social media campaigns and events sponsored by the Development and Marketing team. She summarized the media reporting and conference marketing efforts, noting the various successes with outreach and engagement with the Seacoast community. Joe noted that the photos included in the report were a nice touch!

Continuing with Development news, Joe reported that the Angell Foundation letter of intent was submitted on behalf of the SIC. This is an exciting grant opportunity geared towards increasing attendance at youth conferences. Joe noted that the Board would be asked to approve a grant

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request later in the meeting, and that the grant could provide up to 50K dollars towards funding room and board for youth conferences, as well as hosting people who work for nonprofits.

Joe reported that the staff has substantially completed the grant application for the NH Charitable Foundation, and has decided to expand the time frame for the use of the grant to 3 years, asking for \$20K dollars in Year 1, \$17.5K dollars in Year 2, and \$15K dollars in Year 3. This operating grant would enable the SIC to work to implement the newly approved 2020 Strategic Plan over the next three years.

The Gosport Regatta was held over the past weekend, and was by all accounts a festive event. Approximately 40 boats competed in the race, and with the exception of a loss of wind later in the afternoon, the day was a success.

The Development Report began with comments on the activity level, noting that there are many projects in place and spanning the next several years. Joe noted that it is a challenge to keep the various campaigns from competing with each other, but that donations and gifts are keeping pace with SIC plans – it's a good "problem" to have. Joe was pleased that Pam Smith, Suellen Peluso, and Fund Development Committee Chair Peter Squires had recently met to discuss overarching multi-year fundraising strategies.

Registration numbers for the season are better than anticipated, with an estimated bed night count of 20,030. This represents a gain of about 600 bed nights from 2015 numbers. Joe noted that this number does not include 257 bed nights "lost" to bad weather. It's possible that final reconciliation of bed nights might lead to a slight change in the 20,030 figure.

Joe reported that Facilities work to close up the island is ongoing. End of season tasks include moving artifacts from Vaughn Cottage to facilitate improvements and construction on the building. Joe reported that the staff has received concept level plans detailing proposed work at the Kiddie Barn, and Joe noted that the work was graciously and professionally done by Shoalers Tom Mansfield and Bruce Parsons. Staff is planning an October 6 trip to Star with NHDES to talk about the proposed Waste Water Treatment Facility. But the highlight of the report was Joe's reporting that the Pel Community has offered to donate 20K dollars from their coffers towards improvements in Pel quarters, particularly the Shack and Pel Hall, in the Underworld.

The Board briefly discussed the implications of the proposed work on both Vaughn Cottage and the Kiddie Barn, with respect to review by the Property Standards Committee. Joe noted that the Vaughn Cottage changes have been previously reviewed by the Committee, and the nature of the changes proposed may not require further review. The Kiddie Barn drawings are currently preliminary, and discussions with Property Standards Committee will occur as the planning evolves into a more comprehensive design. Roger Kellman agreed to reach out to Jean Stefanik, and discuss the review process.

Treasurer's Report: John Bush presented the Treasurer's report this month. John remarked that he had recently viewed the Childe Hassam exhibit at the Peabody Essex Museum, and encouraged all to try and see the exhibit before it ends in early November.

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John summarized our current position by stating that the Island had a very good year, and that with the projected surplus of 240K dollars in Operating Income, this summer represents the best finances in recent years. John mentioned his conversations with InSource concerning budgeting for professional services, noting that a proposed change in accounting software (to QuickBooks) could save the island money in accounting fees. John expressed his pleasure with the potential to fund the WWTF with a state sponsored, low interest loan equivalent to the cost of the entire system. He note that such a loan would be a good base for Island finances, and would allow some freedom with our other financing needs.

Pel Report: Hannah Swomley, who has returned to academic life and left the Island two months ago, reported on the end of season issues she has experienced in recent weeks, both through her end of season/weekend time on island and reports from remaining Pel crews. Hannah noted that the end of season staffing was problematic, and that this continues to be difficult for Pels remaining on crews at the end of the summer. She reported on difficulty with shortages of staff and allocation of staff, as well as training of new crew members late in the season. She suggested paying end of season staff an additional wage to compensate for the increased responsibilities and work load. Hannah also noted that while volunteers are helpful, training is sometimes onerous. Paid employees who have experience on the island are often more efficient. .

Hannah suggested that the timing of the Regatta, at a point in the season where few trained Pelicans remain on Island, might be reconsidered. She noted that it is hard to host a large event, and show off the best side of the Island with limited regular season staff, volunteer staff and recently hired staff. She suggested working to schedule the Regatta at a point in the season where staffing could provide better service and professionalism.

Hannah noted that the 20K dollar Pel gift shows a high level of commitment to the Island from the Pel Community. She noted that the gift shows Pel interest in developing community and preserving and enhancing the island infrastructure, as well as enhancing the summer's experience for the seasonal staff.

The Board agreed with Hannah's assessment of the end of season staffing issues, noting that it seems increasingly hard each year to provide staffing for the end of season, especially as the September conferences have become more popular and placed increasing demands on resources.

Upon a motion duly made and seconded, the Board unanimously

VOTED To approve the CEO Report (including Communications; Marketing and Development; Facilities; Registration), the Treasurer's report, and the Pel Report for the September 27, 2016 meeting.

Shorter Term Business:

Budget Planning Guidelines:

Joe presented the Proposed Budget Guidelines for 2017, as well as a 2017 Budget Timeline (draft of 9-7-16) noting that this document clarifies the work program for staff in developing a budget. Specifics in the guidelines include Room and Board increases designed NOT to impact families. This could include tactics such as keeping Room and Board rates flat for children and teens, and proposing more significant increases in single room rates. The consensus of the Board was that this strategy was appropriate. Other tactics include increasing discounts and financial aid programs to mitigate for increases in costs to Shoalers.

Joe noted that if the state sponsored, low interest loan for the WWTF does not come to fruition, our WWTF financing plan will need to be reevaluated in terms of cash flow.

The Guidelines show an estimated average pay increase of 2-4% per position, with a focus on the hourly rates at the lower end of the pay scale. End of season hiring and expenditures were discussed, with Joe noting that the Personnel Committee will be meeting soon to discuss wages and changes to the end of season hiring practices. Joe noted that some of the proposals to improve EOS staffing could have a financial implication on the budget.

Timing notes in the Guidelines will help detail staff progress, and allow the Board to review the progress periodically. The final budget is expected to be presented at the December Board of Directors meeting.

Upon a motion duly made and seconded, the Board unanimously

VOTED To approve the Budget Guidelines and Timeline, as amended at the September 27, 2016 meeting.

Annual Committee Charge Review:

Gary reminded the Board members that Committee charges should be reviewed on an annual basis, and that liaisons should discuss this obligation with Committee chairpersons. Jordan noted that changes in recent years had included revisions to make language more positive, and that Kate Brady keeps records of the updated charges. Jordan also suggested reminded Chairs of the required Annual Report for submission to the Annual Meeting.

Grant Approvals: Joe requested that the Board approve a Grant request to the Angell Foundation for a grant of up to 50K dollars to fund attendance at the Star Gathering 1 and Youth Empowerment and Spirituality youth conferences, and to encourage staff members from other nonprofit agencies to attend conferences.

Upon a motion duly made and seconded, the Board unanimously

VOTED To approve a grant request to the Angell Foundation for up to 50K dollars to fund attendance at youth conferences and encourage staff members from other nonprofit organizations to attend conferences.

Longer Term Business:

2020 Strategic Plan

The Board reviewed the final draft of the 2020 Strategic Plan. The Board discussed an objective in the Community section which stated “Develop Financial Strategies to Ensure Star is Affordable To All”. After limited discussion, the Board agreed that this objective was adequately represented in the Economic section of the Plan, and should be omitted from the Community section of the Plan.

Upon a motion duly made and seconded, the Board unanimously

VOTED To approve the 2020 Strategic Plan, with the omission of an objective concerning affordability from the Community section of the Plan.

OTHER

Committee Liaison Reports:

Conference Services Liaison Report:

Debbie Duval reported on the Conference Services Committee, noting that they are a healthy, high functioning committee with meetings twice a year. Noting that a recent face to face meeting was held on island, Debbie discussed some of the issues discussed this summer, including outdoor dining; amenities; noise issues; and family friendly menu planning. Debbie noted that the Committee is a well functioning group, and that a member with ADA compliance experience would be an asset.

Debbie noted that the Committee has had positive results from surveys in the past, and is proposing a survey to help with menu planning.

Strategic Planning Committee Liaison Report:

Nick Dembsey reported that Dick Case is the Chair of the Committee. He noted that the Committee met four times this year, often face to face. The Committee continues to review facilities projects, and provides feedback on the Five Year Capital Improvements planning.

Nick reviewed the successes of the solar power production this summer, noting that 46% of July’s power needs were met through the solar array this summer. This is a 5% increase over last summer, and represents a July savings of 1,300 gallons of diesel fuel. Nick noted that the multi phased approach to energy conservation was apparent this summer in the energy need reduction seen from the updated kitchen appliances. Nick noted that the Reverse Osmosis machines often ran on solar energy this summer, providing free water to the island!

Other:

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There was no other business.

Reflections: Joe noted that he is considering changing his report presentation to a question and answer format. Reports are sent to Board members prior to the meetings, and changing to this format could reduce meeting time. The Board was in agreement that this was a worthwhile programming change for the meetings.

Upon a motion duly made and seconded, the Board

VOTED To adjourn the meeting at 9:06 pm.

Submitted by:

Mary Trudeau, Clerk