

STAR ISLAND CORPORATION
Board of Directors

MEETING MINUTES

March 26, 2017
Conference Phone Call

Members in Attendance:

Lisa Braiterman
John Bush (Treasurer)
Josh Davis
Nick Dembsey
Debbie Duval
Roger Kellman
Erik Cordes
Gary Kunz (President of the Board)
Suellen Peluso
Nathan Soule (incoming ISAUU President)
Mary Trudeau (Clerk)
Jordan Young (Vice President of the Board)

Other:

Joe Watts, CEO; Chris Bertoncini (InSource); Tammy Michaud (Berry Dunn)

Absent: Tom Coleman, Louise Williams, Hannah Swomley (Pel Liaison)

Opening Words:

Nick Dembsey spoke on the value of patience, and read a poem by Kay Ryan:

Patience
Patience is
wider than one
once envisioned,
with ribbons
of rivers
and distant
ranges and
tasks undertaken
and finished

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with modest
relish by
natives in their
native dress.
Who would
have guessed
it possible
that waiting
is sustainable—
a place with
its own harvests.
Or that in
time's fullness
the diamonds
of patience
couldn't be
distinguished
from the genuine
in brilliance
or hardness.

Check In:

After a brief check in, where members discussed family, friendship and the value of relaxation, the meeting was called to order.

Call to Order:

Gary Kunz, President, called the meeting to order at 7:10 pm

Approval of Minutes:

The Board reviewed the draft Minutes of the February 26, 2017 meeting. Upon a motion duly made and seconded, the Board

VOTED To approve the February 26, 2017 meeting minutes, as written.

REPORTS :

Updates from the CEO:

Joe updated the Board on storm damage to the island as a result of the winter storms. Noting that we were lucky this year, Joe reported that damage was limited. Roof damage will cost approximately 15K, and should be able to be absorbed into the contingency budget for repairs to the Oceanic. Joe also noted approximately (6) six broken windows from storm damage.

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Joe discussed the existing “amenities” plan utilized by the staff. He noted that this spreadsheet allows the staff to accelerate improvements, if the Board prioritizes such expenses. The Board requested that Joe circulate the plan to members for review.

Joe reported that Pel contracts were being reviewed, and that approximately 15 positions remained to be filled. Joe was confident that these positions would be filled shortly from the waiting list.

Treasurers Report:

John Bush noted that the new format for financial reporting was well received by the Finance Committee. The Board reviewed the new format, and agreed that it was an effective change in reporting style.

Pel Liaison Report:

There was no Pel report at this meeting.

SHORTER TERM BUSINESS

7:25 pm Tammy Michaud, from Berry Dunn, and Chris Bertoncini (Insource) entered the virtual meeting room to review the draft audit for 2016.

2016 Audit Presentation:

John Bush noted that the Audit Committee has met, and it is apparent that the Island had a “very good year”. Tammy introduced herself, and explained her role in the preparation of an audit. She reviewed the Executive Summary of the audit results, noting that there are required communications included in the document. She noted that there were no “modified” opinions, and that she considered this audit to be a “clean opinion.” Tammy noted that management responsibilities had been met by the SIC. Tammy noted that there had been a single significant adjustment related to the reporting of a gift, and that BerryDunn had identified this “material weakness” and had advised the staff on a corrective procedure for future reporting. She noted that there were no new Policy and Disclosure practices implemented in 2016.

The Consolidated Financial Statements were reviewed. Tammy noted that our debt service ratio was met and exceeds that which is required by the SIC lenders. She also noted the increased size of the cash reserve funds, as well as the improvements to the Net Income of the SIC. Tammy reported that our liabilities are consistent with the 2015 Audit, and that functional expenses were slightly decreased.

Tammy discussed emerging issues, including an analysis of the Snack Bar revenues, and continued review of the leases with Shoals Marine Lab. She noted that there are some pending changes in Non Profit Financial Statements in the IRS work plan, as well as ongoing discussions

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concerning “contract employee” and employee status, and agreed to monitor these issues with respect to the SIC reporting practices.

Upon questions from the Board, Tammy responded that she was comfortable with the reconciliation process for gifts that has emerged from this years audit. Joe noted that staff is looking carefully at this issue.

Tammy Michaud and Chris Bertoncini left the meeting at 7:48 pm.

Upon a motion duly made and seconded, the Board

VOTED to accept the 2016 Audit as drafted by Berry Dunn.

Upon a motion duly made and seconded, the Board

VOTED to approve the Treasurers report and CEO report.

Board Goals

Jordan Young presented an analytic review of the Board Goals. He noted that moving from “tactical” to “strategic” goals was an evolving process for the Board. He noted that he had worked to develop categories of goals, including Board goals for itself; cross over goals; strategic goals; tactical goals; and “parking lot” goals. He stressed that the orientation of the Board in the development of goals should be with a “focus to be strategic”. Roger Kellman noted that Board goals represent a “matrix of responsibilities” within a framework of strategic planning. Suellen reported that the Nominating Committee has periodically asked the Board to weigh in on the desired characteristics of a Board. Lisa remarked that a “more profiled Board” might help with strategic planning. She noted that the Nominating Committee is most effective when the Board can set parameters for the composition of the Board. She noted that defining a “volunteer leader” is a continuing process. Suellen argued that it is important to tie our goals into our leadership, by contemplating “where are we in the Seacoast and where are we in the universe?”

Erik suggested that delegating a goal to each Board member would be a way of dividing ownership of the goals. He noted that Accessibility should be a prioritized goal of the Board. Other priorities identified by the Board included: amenities; hospitality; and our role as an employer. Joe commented that the list developed by Jordan contains a tangible number of goals. Suellen noted that some goals are non linear, and that it is important to identify multi year goals.

Gary suggested that articulating responsibility for one goal per board member seemed a reasonable goal. He asked Jordan to continue to winnow down the list to 11 or 12 goals, with the intent of creating a manageable, yet comprehensive, list! Jordan agreed to bring a condensed version of the goals to the next meeting in April.

8:30 Annual Meeting Agenda discussion:

Gary reviewed the development of the Annual Meeting agenda. Noting that lunch will no longer be provided between the Conference of Conferences meeting and the start of the Annual Meeting, he believes that this will reduce confusion and allow for better logistics, as well as less interruption to the Council of Conferences meeting. Gary suggested four potential “breakout” session topics, and asked for members to select a session to attend:

1. Membership (Mary and Nathan)
2. Q & A Session (Gary and Lisa)
3. Marketing and Outreach (Erik and Suellen)
4. Property Standards (Roger and Nick)

Other:

Due to the lateness of the evening, the Board agreed to discuss the Committee on Appointments at the next Meeting.

EXECUTIVE SESSION:

Upon a motion duly made and seconded, the Board

VOTED to enter Executive Session to approve the Executive Session minutes of February 26, 2017 and discuss the Bringer of Light Award, Nathan Soule and Joe Watts were invited into the Meeting.

The Board returned to the public portion of the Meeting at 9:20 pm

LONGER TERM BUSINESS

Due to the hour, the Board deferred Longer Term Business to the April Board Meeting.

Reflections:

Gary thanked Jordan for his thoughtful analysis of the Board goals, noting that a tremendous amount of work is involved in preparing a comprehensive, balanced list. He noted that Louise Williams will be asked to prepare the Bringer of Light award speech.

Upon a motion duly made and seconded, the Board

VOTED To adjourn the meeting at 9:23 pm.

Submitted by:

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Mary Trudeau, Clerk