

STAR ISLAND CORPORATION
Board of Directors

MEETING MINUTES

May 23, 2017
Conference Phone Call

Members in Attendance:

Lisa Braiterman
John Bush (Treasurer)
Tom Coleman
Debbie Duval
Roger Kellman
Gary Kunz (President of the Board)
Chris Palazzolo (SIUCC President)
Suellen Peluso
Nathan Soule (ISAUU President) (arrived at 7:50 pm)
Mary Trudeau (Clerk)
Louise Williams (arrived at 7:50 pm)

Other:

Joe Watts, CEO and Dave Boynton

Absent: Erik Cordes; Nick Dembsey; Hannah Swomley (Pel Liaison)

Opening Words:

Roger Kellman read a short section from Alex de Steiguer's book Small Island, Big Picture, quoting a passage concerning "wandering ledges of the island as I often do...". Roger noted that he has been thinking about passion and purpose in being in "the moment".

Check In:

After a brief check in, where members discussed family, friendship, travels abroad and other personal details, the Board came to order.

Call to Order:

Gary Kunz, President, called the meeting to order at 7:14 pm.

Executive Session:

Upon a motion duly made and seconded, a roll call vote was taken, and it was

VOTED unanimously to enter Executive Session to discuss an issue related to Appledore Island;

The Board returned to the public portion of the Meeting at 7:40

Approval of Minutes:

Gary asked that the Board defer approval of the April 25, 2017 and May 6, 2017 meeting minutes until the June meeting of the Board of Directors. Upon a motion duly made and seconded, the Board

VOTED To defer the review and approval of the April 25 and May 6, 2017 meeting minutes until the June Board meeting

REPORTS:

Updates from the CEO:

Joe Watts reported that the annual fire safety inspection with the Rye Fire Department had gone very well, and that the occupancy permits for the 2017 season were delivered to the Island at the inspection. The Fire Department found no substantive faults within the structures, and the inspection was a positive visit.

Joe noted that bed nights are low within a few conferences, but that he fully expected numbers of registrations to continue to rise. He provided an overview of how staff periodically reviews bed nights, including multi-year trends from 2011 to the present. He reported that staff works on increasing bed nights proactively – through efforts such as joint SIC/conference marketing teams – and reactively, as we see which conferences are doing well and which are falling behind as we approach the upcoming season.

Joe reminded the Board that the Donor/Volunteer Recognition event had been held earlier today, and that the event seemed well received.

Treasurers Report:

John Bush noted the Five Year Financial Plan was discussed at the May 17 Finance Committee. It was noted that our long range financial planning will benefit from feedback from both the Development team and Strategic Facilities Planning Committee, which will help us develop and discuss alternatives. Joe noted that the new format of the Year to Date financials continues to be tweaked based upon input from the Finance Committee.

Discussion ensued concerning the annual work of linking the 5 year Financial Plan with the 5 year Capital Improvement Plan and our multi-year development plans. The resultant product will result in the annual update of our Long Range Integrated Financial Planning Tool, a draft of which is expected to be presented at the September Board meeting.

Suellen reported that the Development team is preparing to investigate our readiness for a future capital campaign, and is commencing a search for an appropriate independent consultant to work with the Development staff and Fund Development Committee. She noted that it is important to plan while continuing to raise money. It was noted that while it would be helpful to be able to include capital campaign figures in our long range financial plans, it is not prudent to do so until we have the results of our campaign readiness study.

Nathan Soule and Louise Williams entered the virtual meeting room and were announced at approximately 7:57 pm.

Pel Liaison Report:

There was no Pel report at this meeting as Pel Representative Hannah Swomley was not in attendance

SHORTER TERM BUSINESS

Pension Plan Modification

Joe Watts asked the Board to approve allowing individual employees to contribute their portion of their pension contributions to a Roth IRA account. This would allow contributions on a after-tax basis. Joe noted that this is a minor modification to the existing pension plan, and merely creates a new investment option for participants. Lisa discussed the risk to Board members as it pertains to pension plans, as there have been an increasing amount of regulations pertaining to such plans over the last few years. She noted that other institutions have chosen to have pension plans administered by a Committee to reduce risk to individual Board members. She noted that, by law, education of pension plan participants is required. Joe commented that he felt that Board members could rest comfortably on this issue, given that we have a pension expert at Insource working with us on our plan at this time. Joe also asked that the discussion be put on an upcoming agenda, and suggested that the Personnel Committee is the right committee to consult with on this issue. John Bush noted that we need to look at the requirements as a Board, and we need to determine our fiduciary responsibilities associated with the current pension plan.

Upon a motion duly made and seconded, the Board

VOTED to allow individual employees the option of contributing their portion of the pension contributions to a Roth IRA.

Annual Meeting Debrief:

Gary Kunz reviewed the responses he had received concerning the Annual Meeting, noting that members seemed engaged in the proceedings. Members expressed concern with a lower than expected turnout, noting that as membership numbers increase attendance should follow suit. The Board discussed the possibility of live streaming upcoming meetings, and questioned whether remote viewing would impact quorum numbers. Gary asked Board members to send him any relevant notes taken at the breakout groups.

Council of Conferences Meeting Report:

Joe Watts summarized some of the discussions and comments from the Council of Conferences meeting held prior to the Annual Meeting. He felt the meeting was productive, and enjoyed by those in attendance.

He noted that there is interest in the topic of “civility” and kindness on the Island, and in particular, extending “civility” from the Island into our mainland lives. He expressed concern with low attendance levels at the meeting, noting that some of the conferences were under represented. The Board noted that some of the “ephemeral” conferences, such as YES or YAC tend to have little interest in the Conference of Conferences. The Board noted that, in particular, the September conferences were under represented at the meeting.

June 17, 2017 Board Meeting on Island:

Joe reminded the Board that the June meeting will be held on June 17th, and will be held on island. Noting that the meeting does not include a “sleepover”, Joe urged members who would like to spend a night or two to contact Mike Bray, as soon as possible. He noted that the Island is offering the Centennial rate of One Hundred Dollars (\$100.00) per night for Board members and guests wishing to spend Friday or Saturday evening on the Island. Boats will be available for those who need to leave after the meeting on Saturday.

LONGER TERM BUSINESS

Updates from Sub Groups:

Board Meeting Subgroup:

Louise Williams note that she is planning on proposing a new schedule for Board meetings at the June on island meeting. She asked that comments be sent to her prior to the June meeting.

Dashboard Subgroup:

Lisa Braiterman reported no recent progress on development of a “dashboard”. She noted that she needs to schedule time with Nick Dembsey in June.

Pel Compensation Subgroup:

Nick Dembsey sent Gary a note stating that the group has met twice, and has a third meeting scheduled in June.

Personnel Committee Liaison Report:

Debbie Duval reported that the Committee has three new members, and has been consistent in meeting quarterly. She noted that the Pel raise was well received, and a Sabbatical policy recommendation has been offered. Debbie stated that the Committee is working on revising the Personnel Handbook, and that she felt the Committee remains active and engaged.

Wastewater Treatment Facility Financing Discussion:

Joe Watts and John Bush reported on the ongoing work to finance the WWTF through the Clean Water State Revolving Fund (CWSRF) administered by the NH Department of Environmental Services (DES). Noting that the proposed contract is complicated, and tailored to other types of borrowers, John explained that a simple mortgage would be a preferred contract. Negotiations with DES continue, and Josh Davis is helping to formulate a memo to the DES which captures our main requests. John noted that it is in Star Island's best interest to stretch out the duration of the loan past the twenty years currently offered by the DES. This is possible if the SIC can prove that the lifespan of the system exceeds a twenty year period.

Noting that the loan must be approved by the NH Governor and Executive Council, Joe expressed that our stretch goal is to come to mutual agreement on the loan documents by June 7, which would enable us to get the loan for our project on the Governor and Council's June 21 meeting agenda. As the SIC Board is not scheduled to meet prior to that date, Gary asked that the Board consider empowering SIC's Executive Committee to review and approve the final agreement between the SIC and the DES for obtaining the CWSRF loan. Joe also explained that if we can't make the June 7 deadline, we can still come to mutual agreement on the loan documents prior to Joe's extended time off this summer, and that Dave Boynton could close on the loan in July. Based on a motion duly made and seconded, the Board

VOTED to empower the SIC Executive Committee to review and approve the final agreement concerning the CRSWF loan, administered through the NHDES.

Upon a motion duly made and seconded, the Board

VOTED to approve the Treasurers report and CEO report.

Reflections:

The Board noted that, again, technical issues with the conference call made listening and contributing awkward at times. Feedback and "cutting out" were reported by several

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participants. Joe noted that viewing faces helps him during the meeting, and encouraged more members to use the camera function.

Upon a motion duly made and seconded, the Board

VOTED To adjourn the meeting at 9:06 pm.

Submitted by:

Mary Trudeau, Clerk