

Regular Session Board Meeting Minutes for October 8, 2019

STAR ISLAND CORPORATION Regular Session of the Board of Directors

MEETING MINUTES
October 8, 2019 at 7:00 pm
By Zoom meeting

Members in Attendance:

Kyle Belmont
Erik Cordes
Nick Dembsey (President of the Board)
Debbie Duval
Gary Kunz
Jeff Loewer (Treasurer)
Nathaniel Soule (ISAUU President)
Mary Trudeau (Clerk)
Arlyn Weeks
Louise Williams

Absent:

Tom Coleman (Vice President of Board); Leon Dunkley; Celeste Magliocchetti (Pel Liaison);
Chris Palazzolo (SIUCC President)

Other:

Kerry Mattaliano (incoming SIUCC President); Joe Watts, CEO

Opening Words: Nathaniel Soule gave the opening words for the meeting.

Check In – After a brief Board member check in, sharing milestones, the meeting was convened.

Call to Order – Nick Dembsey called the meeting to order at approximately 7:05 pm.

Executive Session – Based on a motion duly made and seconded, the Board voted to enter into Executive Session to discuss legal updates and discuss the August 26, 2019 Executive Session Minutes. The Board was also advised of a Safe Community Policy issue from the past summer. The Board returned to regular session at approximately 7:35 pm.

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Approval of July 23, 2019 Meeting Minutes:

The minutes had been circulated and amended in the period of time between August 26 and this meeting, and all edits were included in the draft provided to Board members prior to the vote.

Based on a motion duly made and seconded, the Board
VOTED to accept the July 23, 2019 meeting minutes, as provided by the Clerk.

There were (2) abstentions from members who were not in attendance at the July 23, 2019 meeting.

REPORTS

CEO Report

Joe Watts noted that he had no significant updates, or changes, to his CEO report. In response to a question, Joe expanded on recent concerns expressed by the Rye Historic District Committee, noting that signage has been a recent discussion item between staff and the RHDC. Joe noted that the resolution of these discussions will likely include the collaborative development of fonts and stylistic signage to be used for the outdoor fitness route.

Treasurer's Report

Jeff Loewer noted that the financial statements were substantially as expected at this point in the season. He reported that the Annual Fund appeared on budget, and that bed nights were projected to exceed 21K. He noted that while the reports projected budget staffing expense overruns during close-up, the overall projected net operating gain is in line with the funds appropriated for the 2019 season. Gary noted that managing the budget is different from managing capital projects, and was concerned that we could be managing to the project list. Joe stated that decisions had been made to selectively adjust capital project plans to meet the overall capital budget bottom line, noting that unanticipated work had been done as well as deferring anticipated projects as a result of the Brookfield/Rutledge Marine Lab overages. Joe noted that perhaps we had bitten off more than we could chew in terms of the amount of capital projects that could be accomplished in a single season, with respect to, both, budget constraints and available labor, despite a noble effort by staff, contractors, and volunteers. He reminded the Board that an After Action Review of project participants would be held later this fall to evaluate the successes and difficulties that occurred this past summer with respect to the Brookfield/Rutledge Marine Lab project. Joe also noted that we have already gleaned some valuable insights we will apply to the 2020 season and beyond, such as increasing the capital project contingency percentage, delaying some major projects for a year to secure more refined estimates, and not trying to complete as many capital projects in such short construction windows.

Erik concurred with the assessment that, moving forward, it is important to not take on too many projects at once. Gary reminded the Board that planning ahead is like an “ounce of prevention” when estimating capabilities. Jeff noted that stress increases on various personnel when projects

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do not agree with estimations. Erik noted that he would not oppose a less ambitious year of capital projects.

Pel Report

Nick deferred the review of the Pel Report as Celeste could not be present at the Board Meeting.

Action Items:

Committee on Appointments Report:

While Tom Coleman was not present to present the report, Nick noted that it spoke for itself. He noted that the report suggested the development of a uniform template for committee charges. Gary noted that a template exists, but apparently is not being reviewed by all of the committees on a regular basis. He commented that the templates might need updating, but that we should not waste resources creating a new template, since a suitable template exists.

Board Covenant Update:

Kyle Belmont proposed new language for the Board Covenant, recognizing the growing importance of addressing social media responses. Kyle proposed the following language be added to the Board Covenant:

- **We will be role models of island citizenship on social media platforms by promoting the island, informing staff of issues, and only taking part in constructive dialogue. We understand others may view our posts as representative of the Corporation.**

Based on a motion duly made and seconded, the Board

VOTED unanimously to accept the proposed change in language.

Jeff asked that the Board consider broadening the scope of the amendment, beyond social media, and the Board agreed to discuss the issue at the February retreat.

Grant Approval:

Joe requested Board ratification of grant applications to both the Rosamund Thaxter Foundation and the Live Oak UU Church Endowment . The staff has applied for a grant of \$2,500 to fund an sustainability interns and staffing from the Rosamund Thaxter Foundation, and a grant of \$15K from the Live Oak UU church Endowment to purchase a new motorized accessibility vehicle.

Based on a motion duly made and seconded, the Board

VOTED unanimously to approve the grant application to the Rosamund Thaxter Foundation for \$2,500 to support sustainability interns and staffing in 2020.

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Based on a motion duly made and seconded, the Board

VOTED unanimously to support the grant application to the Live Oak UU Church Endowment for \$15,000 to purchase a motorized vehicle to improve island accessibility.

Grant Amount Threshold Increase:

Joe noted the Campaign Readiness Assessment's recommendation to increase substantially, or even remove, the monetary threshold requiring Board approval for grant applications. As an interim measure, Joe requested that the Board raise this threshold beyond the \$10,000 included in our current grant approval policy, to \$25,000. Joe noted that the majority of the grant applications fall beneath \$25K, and lifting the threshold to \$25K would be helpful for a few reasons. Joe also noted that some grant funders require Board approval regardless of the amount requested, and that in these cases, we would continue to seek Board approval.

Gary questioned whether property encumbrances would necessarily be submitted for Board approval, indicating that he believed any encumbrance should be considered by the Board. Jeff noted that with email polling, he did not feel asking Board approval was onerous. Jeff also stated that grant proposals reflect the mission statement of an agency, and that the Board should be responsible for reviewing the source of funds. Erik agreed with Jeff, but noted that the current CEO and Board relationship was strong and ideologies similar.

Based on a motion duly made and seconded, the Board

VOTED to raise the threshold of staff approved grant applications to \$25K dollars.

There was one vote in opposition, and no abstentions.

DISCUSSION ITEMS

Annual Committee Charge Review Reminder:

Nick reminded the Board liaisons to have committees review their charges on an annual basis. He noted that inaccurate charges can be rewritten.

2019-2020 Board Meeting Calendar:

Nick reported that Board meetings will occur on both Tuesdays and Wednesdays over the next year, in response to scheduling issues reported by Board members. He noted that the 2020 calendar will be voted on in November. He reported that we are considering holding the next on-island Board Retreat over Labor Day Weekend in 2020.

Campaign Readiness Assessment:

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Joe reported that after careful consideration, the staff has decided to defer commencement of a feasibility study to determine if we are ready to proceed with a major fundraising campaign, as recommended by the Campaign Readiness Assessment. The staff believes that prior to commencement of a feasibility study, we should engage in two efforts, the first of which is enhancing our current volunteer corps. Additional time will allow for Board planning and education, as well as reorganization of supporting committees. The second effort is for SIC to strengthen relationships with Friends of Star (non-Shoalers), including local businesses; philanthropists; and the seacoast population. Continuing to build these networks will be advantageous to future fund raising efforts.

Joe also noted that deferring a feasibility study, and therefore a major fundraising campaign, enables to maximize the timing of a future campaign. TSIC has a unique fundraising cycle, and we should time our feasibility study and likely resulting campaign to maximize the benefit of our summertime period of engagement.

The Board was in general agreement with the staff's decision to defer a feasibility study.

Long-range Integrated Financial Tool (LIFT)

Joe discussed the improvements made to the LIFT model, noting that various financial scenarios have been modeled and color coded in the current LIFT. Models included a major fundraising campaign scenario, a weather related scenario, and a recession scenario. Joe noted that in his development of the models, he found some of the results surprising. For instance, a weather related cancelation of a full family conference would have a far greater impact on SIC than a recession. He noted that a sudden change is harder to handle than one you can plan for, as evidenced in the recession model, where our austerity measures apparently mitigate for down turns in the economy. Nick noted that use of the model by the Board will build intuition, and help us learn.

2020 Budget Updates:

Joe reminded the Board that draft budgets will be presented at the November Board meeting. He asked that the Board approve the room and board rates at the November meeting, potentially allowing for a budget approval in December, though the final budget proposal is planned for January

2019 Financial Grants Report:

Debbie Duval reported on the success of the awards program this past season. Noting that the awards totaled \$26,663 this year, she reported a slight decline from the \$28,870 awarded in 2018. Debbie reported that the Committee is working hard to develop a single application for financial aid requests, creating uniformity between the SIC grants and the grants given by conferences. She believes that standardizing the application will simplify that application process for applicants. Debbie noted that Kyle Belmont will be joining the Committee for the coming year.

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At 9:01 pm, Nick asked that the remaining discussion items be deferred until the November meeting.

Meeting Reflections

Due to the hour, there were no substantive meeting reflections.

VOTED To adjourn the meeting at 9:00 pm

Meeting Adjourned.

Submitted by:

Mary Trudeau, Clerk