

Regular Session Board Meeting Minutes for November 16, 2021

STAR ISLAND CORPORATION
Regular Session of the Board of Directors

MEETING MINUTES

November 17, 2021 at 7:03 p.m. EST via Zoom

Members in Attendance

Kyle Belmont

Patricia Coleman (President, ISA UU)

Leon Dunkley

Debbie Duval (President)

Elizabeth Erickson

Lucia Green-Weiskel

Tom Kennedy

Jeff Loewer (Treasurer and Acting Vice President)

Keri Mattaliano (President, SIUCC)

April Rosario

Topher Soltys

Arlyn Weeks (Clerk)

Louise Williams

Other

Sabine Michaud (Pel Liaison)

Joe Watts (CEO)

Opening Words were offered by Louise Williams.

Call to Order: Debbie Duval called the meeting to order at approximately 7:03 p.m.

Upon a motion duly made and seconded, the Board

VOTED to enter into executive session at 7:13 p.m. to approve the minutes of the October 5, 2021 executive session, to discuss a letter from the co-chair of the Nominating Committee, and to hear an update on the Portsmouth office.

The Board returned from the executive session at 7:53 p.m.

Minutes of October 1 & October 5, Meetings

Upon a motion duly made and seconded, the Board

VOTED to accept the minutes of the October 1, 2021 meeting of the Executive Committee and to approve the minutes of the October 5, 2021 meeting of the Board.

CEO Report

Joe Watts reported that bed nights for the 2021 season fell a bit short of target but that the income goal was achieved. The Annual Fund stands at approximately \$547,000 through the end of October, strongly ahead of 2019 numbers. We anticipate exceeding our goal this year.

He is pleased with the result of the 2021 Island evaluations. Meetings with conference chairs and registrars started on November 9. A survey sent out to 2019 conferees who did not attend in 2021 has generated about 200 responses, with 28% definitely planning to attend in 2022, 28% who will probably attend, 34% who are not sure, 8% probably not and 2% who definitely will not attend. A survey of 2021 attendees generated about 400 responses, preferring no gap night to a continuation of the 6-day conference plan with a gap night by about 3 to 1. There was a strong preference to move to a Sunday to Sunday schedule (57% yes, 17% neutral, 11% no, rest N/A). ISSCo has indicated that it would prefer a Sunday to Sunday conference schedule, and it would have some benefits for our conferees and employees. About $\frac{3}{4}$ of the survey respondents prefer or are neutral about the buffet meal model. We will probably reimplement most programs that were suspended due to the pandemic with the exception of the the business center.

Beloved Community Project

Joe Watts, April Rosario and Lucia Green-Weiskel reported that the group is actively working on four tracks, through established subgroups: considering a position on the permanent staff to support the Project; financial aid, accessibility and diversity; the Grand March and an Island song; and implementation of the Guidebook.

Treasurer's Report

Jeff Loewer reported that the nearly \$900,000 PPP loan has been forgiven. Income is on track for the year and spending is down a bit. We were conservative in our spending on COVID. Jeff referred members to the written reports that had been provided.

Pelican Liaison's Report

Sabine Michaud reported that close-up on the Island is almost finished.

Committee on Appointments Report

Lucia Green-Weiskel moved that the recommended nominations of Nina Peluso to the Committee on Appointments, Topher Soltys for a second term on the Finance Committee, and

Chuck Binzel as chair of the Fund Development Committee be approved. After the motion was seconded, the Board

VOTED to appoint these individuals as nominated.

Ratification of EIDL Approval

Twelve members of the Board voted by e-mail to apply for an Economic Impact Disaster Loan. There were no votes in opposition. The application has been submitted, although there has been a delay due to an issue of identity theft. The application is for a loan in the amount of \$281,100 from the Small Business Administration with a fixed interest rate of 2.75% and a 30 year term. Payments of principal and interest are deferred for the first two years, though interest accrues during this period. We are newly eligible for this loan as a non-profit. The initial intent was to use this loan to pay off a portion of our term loan from Cambridge Trust, but after consulting with the Finance Committee and the Finance Subgroup of the Crisis Response Team, we now intend to consider other options before taking action. Joe has explained the situation to our loan officer at Cambridge Trust, who has no objection to this course of action. This loan buffers the Permanent Trust.

Upon a motion duly made and seconded, the Board

VOTED to ratify the Board's e-mail vote to apply for the EIDL loan.

Other

After discussion, Liz Erickson volunteered to serve as the designated Board member of the Special Nominating Committee for 2022.

Upon a motion duly made and seconded, the Board

VOTED to elect Liz Erickson as the designated Board member of the Special Nominating Committee for 2022.

2021 Conference Season Report

Joe Watts directed members' attention to the written report from Justina Maji, and was in turn asked by Keri Mattaliano to share the board's gratitude with Justina for her report.

2021 Island Evaluation Summary

Joe Watts noted that while some new questions had been added to the questionnaire, and our pandemic season was obviously different in some important ways compared to our 2019 season, there were nonetheless some apples-to-apples categories. In these categories, the 2021 results went up over the results in 2019 in nearly every case. The full 2021 results are in the packet provided to the Board before this meeting. Discussion followed about the Board's need to see a comparison of each year's results with those of the previous conference year. A group composed of Kyle Belmont, Tom Kennedy and Lucia Green-Weiskel, to include a staff person named by Joe, was formed to explore this issue further and come back to the Board with a recommendation. The group will consult with Mary Ellen Jackson as needed.

2022 Vaccination Policies

Joe Watts reported that the staff, the Personnel Committee, our HR Department, the Health Committee, and the Crisis Response Team have all recommend that all 2022 employees be required to be fully vaccinated against COVID-19, relying on the CDC definition of that term. This policy will be communicated to staff and job applicants next month, when the Pelican application goes live. A decision on the policy for conferees and other overnight guests should be made by January 15 if at all possible, as this is when our online registration is expected to go live for our 2022 season. There is general support for a mandate for all eligible overnight guests in 2022 to be fully vaccinated.

2022 Budget Presentation

Jeff Loewer began by noting that the key issue for this meeting is the 2022 room and board rate. He identified the assumptions in the budget with respect to staffing and service level changes from 2021. This draft budget looks better than the one presented last month through the Long-range Integrated Financial Tool, but it still has a slimmer margin than would be present in a normal year. At its last meeting the Finance Committee recommended that room and board rates for 2022 be increased by 3 to 4% over 2021 rates, noting uncertainty, keeping up with inflation, and that the 2021 rate did not change from the 2020 rate.

Joe Watts noted a few key points about the budget, including that it assumes an occupancy limit of 250-260, has a higher goal for fundraising, and models certain services, such as an improved buffet model.

We did not use the reserve in 2021 (as originally intended), but we stopped adding to it. The draft budget anticipates adding to the reserve again. It increases the number of budgeted Pelican positions by 9 and anticipates increasing the minimum Pelican wage to \$9 per hour in 2022, with the hope of getting up to \$10 per hour by 2023 (although bringing the 2022 minimum Pelican wage to \$9.21 would put us halfway to our \$10 per hour goal for 2023). There is a 3% increase for year-round and seasonal professional staff. Capital spending is up to over \$500,000.

In response to a request, Joe will provide the figure for the reduction in income in 2021 due to reduced occupancy compared to our 2019 season.

There was a discussion about what was the right increase for our 2022 rates, within the 2.5-4% range. There was a desire to be as affordable as possible, and also to keep up with inflation (which is increasing at a significant rate). It was noted that we should balance rate increases with continued attention on our Financial Grants program.

Upon a motion duly made and seconded, the Board

VOTED, with 12 in favor and 1 opposed, to increase room and board rates by 3% for the 2022 conference season.

It was the consensus of the Board that the resulting rates could be rounded off.

Due to the lateness of the hour, the remainder of the agenda was deferred to the December 14 meeting.

Upon a motion duly made and seconded, the Board

VOTED to adjourn at 9:37 p.m.

All votes were unanimous unless otherwise noted.

Submitted by

Arlyn Weeks, Clerk