

MINUTES OF THE ANNUAL MEETING OF THE STAR ISLAND CORPORATION

Meeting held via Zoom Meeting Technology

Saturday, May 1, 2021

Pursuant to notice, the Annual Meeting of the Star Island Corporation (SIC) was held remotely on May 1, 2021, at 1:00 p.m. The meeting was attended by more than 250 members of the Corporation, as well as SIC staff and interested members of the Star Island community. The meeting was held remotely in response to the COVID-19 pandemic, and social distancing requirements of the Commonwealth of Massachusetts in place in May of 2021.

Call to Order and Welcome: Nick Dembsey, President of the Star Island Corporation, presided and called the virtual meeting to order at 1:00 p.m. He welcomed the Corporation members to the Annual Meeting and thanked those in attendance for taking the time to support Star Island. Nick also thanked the Corporation's staff and volunteers for their thorough preparations for the 2021 Annual Meeting. Nick then asked the Reverend Debbie Duval to bring the community together by leading us in an invocation.

Invocation. Reverend Duval gave the Invocation, noting that we were gathered in the spirit of beloved community, and asked the community join in the spirit of prayer.

Introductions, Appreciations and President's Report:

Nick offered a brief summation of 2020 from the President's viewpoint. He reported that though the pandemic did not allow the island to open for conferences this past summer, the Corporation remained active. Support for the island, through the Annual Fund, grants, and capital projects continued, enabling capital projects; retention of staff; and island security throughout the closure. He noted that the generosity of Shoalers continues to exceed expectations, despite the pandemic closing of the island. Nick thanked staff for continuing to persevere during difficult circumstances and noted that the spirit of the community remained strong.

Recognition of Transitions (Births, Deaths, Marriages). On behalf of the Corporation, Tom Kennedy (standing in for Erik Cordes) asked that the membership take a moment to commemorate significant life events within the Shoaler community over the past year.

Marriages

Miranda Chinman and Emily D'Addario
Andrea Greeley and Ty Wivell
Adam Hunnicutt and Aliza Majewski

Amy Lipton and Alex Henrie
Jared Lipton and Audrey Merriam
Nicholas Wells and Rachel Kramer

Births

Knolls Charlie Allen-Hall
Dylan Todd Blakney
Eleanor Louise Bush
Eben Willet Witherbee Case
Miranda June Dahab

Kieran James Jowaisas
Remy Hui An Wang Kennedy
Leo Sedovic-Peloquin
Finnley June Salb

Deaths

Hazel J. Anderson
 Mary Ann Armstrong
 Anna Bender
 Jim Bradley
 Ellen Brandenburg
 David Burnham
 Judge Hilton (Spike) Dier
 Karen Ellis
 Dan H. Fenn, Jr.
 Tony Flaherty
 Christine Gallagher

Jack Grebe
 William Roy Hamilton, Jr.
 Torvy Hurd
 Edith Kates
 Dorothy Keller
 Tom Kinraide
 Evie May
 Ellen McAvoy
 Diane McCorry
 Marilyn Meardon
 Peter Mercer
 George Misner

Anne (Nancy) Palmer
 Moses Michael Pellegrino
 Robert Pollack
 Joe Quigley
 Emma Lou Sailors Louis
 Jackie Smith Miller
 Betty Reed Spencer
 John Spencer
 Dana Swift
 Bill Thorpe
 Scott Ward

greetings and Reports: Affiliated Organization Presidents**ISA(UU)**

Patricia Coleman, the President of the ISA(UU), noted the Isles of Shoals Association (Unitarian Universalist), a member organization, remains steadfast in efforts to support Star Island, the place and community which means so much to all of us. She noted that through your support and active participation, the ISA(UU) helps to extend a gracious welcome to all who visit this place set apart from the sometimes-challenging world in which we live. Patricia noted that the ISA(UU) remains grateful for support of the ISA(UU) through membership, shopping on-island and online, as well as the support we know you demonstrate to Star Island directly.

The ISA(UU) is a membership organization whose goal is to raise funds for the benefit of Star Island. This is primarily through the operation of the Shops on Star – Gift shop, Book store and Lobby shop, as well as through membership dues. In 2020, the association was still able to contribute \$20,000 directly to SIC, despite not having been able to open the shops. Conference grants supporting great programming and other expenses, and the clergy grant program which supports ministers making their first visit to Star Island are included again in the ISA(UU) budget in 2021.

Patricia closed her remarks by thanking the Corporation members for their continued support.

SIUCC

Keri Mattaliano, President of the SIUCC reported that despite the island closure, the SIUCC conducted virtual conference activities throughout the summer. Some of these included: Candlelit Adult and Children’s Chapel Services; Pub Trivia; Virtual Hospitality Hours; Banquet Nights; and Porch Time; “Star Buddy” Pen Pals; Polar Bear Dip challenge; Annual 5k Run/Walk; and Youth Conference Movie Nights.

Keri reported that the SIUCC got a taste of what to expect from our 2021 speakers for SG1 Family and SG Family Weekend with virtual workshops from master storytellers Andre Keitt and Valerie Tutson. SIUCC also partnered with SIC to offer a virtual conversation with Reverend Traci Blackmon, a powerful social justice leader in the UCC community, on why “Story Matters” as we seek

to understand and dismantle how racism is built into our society.

Keri also noted the high level of contributions to the Annual Fund from the Star Gathering community.

Financial Report.

Jeff Loewer, Treasurer of the Corporation, stated that, in 2020, the staff, Board, and dedicated volunteers of the Star Island Corporation all worked tirelessly and creatively to ensure the long-term financial health and sustainability of the island we love during this extraordinary worldwide crisis. In a year with NO bed nights -- one of our traditional key performance metrics -- we ended the year in a strong position that allows us to confidently face the uncertainty that 2021 brings. Careful financial management, emergency funding from federal and state programs designed to combat the economic disruption of the pandemic, and unprecedented outpouring of generous support from our Shoaler community all combined to allow us to continue to maintain our permanent workforce, maintain the island, avoid extraordinary borrowing, and invest appropriately to ensure continued support of conferences and our community virtually throughout the pandemic.

The Finance Committee meets monthly and is charged to bring to the Board the information that it needs to carry out its responsibility of overseeing financial management, including annual and long-term budgeting, review of monthly financials, financial policy review, and other similar functions. It supports and assists the CEO and Finance Department in creation of the annual budget. It considers and recommends, in co-operation with the CEO and Finance Department, financial policies, room and board rates and related matters. It also implements SIC's conflict of interest policy on financial matters and manages the annual audit through an audit subcommittee.

Jeff gave a brief overview of highlights from the past year, noting that at the time of this report our annual audit is underway and the final financial statements may change as a result. He reported that Net Income for the year was \$345,250, up considerably from the revised budget of a loss of (\$762,878). Several items contributed to this increase, including the extraordinary Annual Fund performance of \$1,050,379; a Nonprofit Emergency Relief Fund (NERF) grant from the State of New Hampshire of \$547,101; a Paycheck Protection Program (PPP) loan, which was forgiven, from the U.S. Small Business Administration (SBA) of \$299,898. Jeff also reported that our capital expenditures for the year were \$416,467. This included continued investments in the wastewater treatment/wastewater reclamation facility, Brookfield/Rutledge Marine Laboratory, and completion of the chapel steeple project. In closing Jeff thanked the Finance Committee for their dedication and work for the Corporation.

Report of the Permanent Trust:

Chairman of the Permanent Trust, David Yermack, gave a brief accounting of another successful year for the Trust. Noting that the fund continues to be professionally managed, by long standing financial advisors (Wilkins Financial Services) he reported that the Trust continues to grow and has weathered a difficult year successfully. The Star Island Permanent Trust Fund concluded 2020 with assets at an all-time high of \$4.87 million, up 5.2% from 2019's value of \$4.63 million. Crucially, our advisors kept the endowment invested in the markets after the large March 2020 decline, and we enjoyed large gains in the bull market that began in April and continued for the rest of the year. The Trust also benefitted

from nearly \$130,000 in newly received bequests, memorial gifts, and direct donations. Strong Trust growth in recent years enabled 2020's payout to reach another all-time high of \$195,901, excluding the emergency distributions needed in 2007, 2008, and 2009. The Trust's distributions are based on 4.25% of the three-year moving average of Trust assets as of September 30, a payout rate consistent with broad non-profit endowment practice. 2020's payment marked the seventh consecutive year of increase.

David also reported that, in May, after 20 years as a Trustee over four separate terms, nine of them as Chair, Jon Skillman stepped down. The Trustees would like to express their gratitude for Jon's many years of accomplished service during a period in which the Trust enjoyed great success. Edmund Jones, former Treasurer of the Star Island Corp., was elected at the Corporation's Annual Meeting to succeed Jon as a new Trustee.

Report of the CEO.

Joe Watts, Chief Executive Office, began his remarks by thanking everyone for joining this virtual meeting. He thanked Board President Nick Dembsey and the Board of Directors for all they have done for Star Island over the last year. He noted that under the Board's collective leadership, the Corporation had succeeded in managing a unique set of circumstances.

Joe offered his thanks to all 2020 employees, including year-round and seasonal staff. He also offered a special thanks to all current staff, many of whom were in attendance, and to all Corporation members, noting that what we all do is encouraged, appreciated, and essential.

Joe encouraged everyone to read the written reports thoroughly, since there is important information contained in the reporting, and not nearly enough time in the meeting to discuss everything that happened in the last year. He noted that capital projects had been ongoing this past summer, including maintenance on buildings and landscaping improvements. He reminded the Corporation that upcoming work continues to focus on building a water reuse system, in conjunction with the State of New Hampshire.

He reported that virtual conference programming was offered by several conferences, maintaining important connections between Shoalers, despite the inability to gather physically on the island. Joe ended his report by noting that our Star Island community remains strong, and that hopefully we will be able to gather together soon.

Actions of the Meeting:

Electronic Voting

Nick Dembsey noted that the Commonwealth of Massachusetts has sanctioned online voting during public meetings for the duration of the pandemic. Nick briefly reviewed the technology for voting, and instructed Corporation members on, both voting and reporting problems with voting. Tim Dullea, Star Island's IT Manager, explained the process of online voting, walked everyone through a test vote, and presided over the subsequent electronic voting.

Report of the Membership Committee and Action:

Caroline Quijada, Chair of the Membership Committee, noted that the group met via conference calls throughout this past year. Caroline stated that the strength of Star Island depends on the work of our membership and committees, and she acknowledged her fellow 2020 committee members: Patty Boynton, Tom Coleman, Ben Cordes, Cam Duval, Candace Erickson, and Marlene Smurzynski.

Caroline reported that the Membership Committee is delighted to present a slate of 19 candidates for membership in the Star Island Corporation. Caroline asked for the SIC to consider the proposed slate of nominees:

Alison Barrows Ronn
Katherine Foster
Kristen Greger
Kemp Harris
Anna Henschel
Stephanie Hubbard
Kelsey O’Keefe
Susan O’Loughlin
Emily Phipps
Jocelyn Pierce

Matt Ronn
April Rosario
Kristin Simard
Neil Simister
Marita Sturken
Hannah Swomley
Bill Tibbs
Eric Zuend-Misner
Lisa Zuend-Misner.

It was thereupon **moved, seconded and voted**

To approve the (19) new candidates for membership in the Star Island Corporation.

Approval of 2020 Annual Meeting Minutes. Clerk Mary Trudeau requested that the membership to dispense with the reading of the minutes, and to vote to approve the Minutes of the 2020 Annual Meeting.

It was thereupon **moved, seconded and voted** to dispense with the reading of the minutes.

It was **moved, seconded and voted** to approve the minutes of the Annual Meeting of May 2, 2020, as written.

Report of the Nominating Committee and Action: Will Emmons, representing the Nominating Committee, reported that the committee has nominated (4) members to the Board.

Nominations for terms as Directors of the SIC:

Elizabeth Erickson – for a 1st one-year term (completing Arlyn Weeks’ 1st term)
Topher Soltys – for a 1st three-year term
Lucia Green-Weiskel – for a 1st three-year term
Leon Dunkley – for a 2nd three-year term

Nominations for one-year terms as Clerk and Treasurer of the SIC:

Clerk: Arlyn Weeks and Treasurer: Jeff Loewer (incumbent)

Nominations for five-year term as an Officer of the Permanent Trust of the SIC:

Elizabeth Erickson (incumbent)

Nick thanked Will for the committee's good work and asked for any nominations from the floor. Hearing none, Nick asked for a motion to close nominations.

Based on this motion, it was moved seconded and voted

to close nominations for the Board of Directors, the Treasurer, the Clerk, and the Permanent Trust positions.

The motion was passed.

Based on a motion made and seconded, it was voted

To approve the recommendations of the Nominating Committee for the positions on the Board of Directors; the Treasurer; the Clerk; and the Permanent Trust.

The vote passed.

Nominations for Election to the Nominating Committee and Actions:

In accordance with the bylaws, the Star Island Corporation members directly elect members to the Nominating Committee. Arlyn Weeks reported on the nominations to the Nominating Committee, noting that recommendations include:

Jane Clay for a first, three-year term
Gary Kunz for a first, three-year term
Nick Dembsey for a second, three-year term
Rodney Lowe for a second, three-year term
Kris LoFrumento, serving as Co-Chair.

As there were no nominations from the floor, a motion was made and with no second needed, it was voted

to close nominations for the Nominating Committee.

The vote passed.

Based on a motion made and with no second needed, it was voted

to elect Jane Clay; Gary Kunz; Nick Dembsey; Rodney Lowe; and have Kris LoFrumento serve as Co-Chair of the Nominating Committee.

Special Nominating Committee Report:

Arlyn Weeks reported on the work of the Special Nominating Committee. She noted that the Special Nominating Committee is created under the bylaws, consists of the Chair of the Nominating Committee (who also serves as Chair of the Special Nominating Committee), the Presidents of ISA(UU) and

SIUCC, the Clerk of the Corporation, and one other Board member. Arlyn Weeks represented the Board on the Special Nominating Committee.

Arlyn noted that the committee had met and is recommending the election of Tom Coleman to a first, one-year term as President of the Board of Directors, and the election of Debbie Duval for a first one-year term as Vice President of the Board of Directors. The Board of Directors will be voting on this matter at their next meeting, to be held directly after the close of the Annual Meeting.

Action on Reports: Mary Trudeau asked the members to accept the reports given this afternoon and included in the member packets distributed prior to the meeting. These included: President's Report, the reports from the affiliated organizations [ISA(UU) and SIUCC]; the Financial Report; the Report of the Permanent Trust; the Report of the CEO, and the Report of the Membership Committee.

Upon a motion duly made and seconded, the Corporation voted

to accept the reports of the President, the affiliated organizations [ISA(UU) and SIUCC]; the Financial Report; of the Permanent Trust; the CEO, and the Membership Committee.

Ratification of Board Actions and Technical Motions:

Mary Trudeau, asked the Corporation membership to ratify and approve all acts of the Officers and Directors of the Corporation since the last Annual Meeting, as disclosed in the minutes and other Corporation records.

Based on a motion made and seconded, it was voted

to approve the motion to ratify and approve all acts of the Officers and Directors of the Corporation since the last Annual Meeting, as disclosed in the minutes and other Corporation records.

Authorization to sell and endorse stock and bonds standing in the name of the Corporation:

Mary Trudeau moved that the Treasurer, the President of the Corporation, and the Chief Executive Officer of the Corporation be authorized to sell, assign, and endorse for transfer certificates representing stocks, bonds, mutual funds or other securities now registered or hereafter registered in the name of the Corporation. The motion was seconded, and it was voted

To authorize the Treasurer, President, and CEO to conduct the aforementioned transactions on behalf of the Corporation.

The motion passed unanimously, with no abstentions recorded.

Recognitions:

Bringer of Light Award:

Mary Trudeau, representing the Board of Directors, announced that the Bringer of Light Award recipients this year are Bob and Bobby Jorgensen. Married for 67 years, Bob and Bobby have been coming to the Isles of Shoals for over fifty years. Bob and Bobby, while never Pelicans themselves, are

parents and grandparents of Pelicans. Beginning their journey as conferees, Bob and Bobby were All Star 1 conference chairpersons in the late 1970's, subsequently transitioning to staff as Island Manager and Executive Secretary of the Corporation (respectively).

As Island Manager, Bob was noted for his calm navigation of the turbulent 1970's. Bob, as manager, encouraged equal rights for male and female Pels, and it was under his tenure that parietals were vanquished, and Pelicans allowed far greater freedom than in earlier summers. Bob was the first Island Manager to allow beards on staff! Bob was a mentor to many, who credit his work ethic and willingness to consider and reconsider as formative. He was staunch in his convictions and was firm in support of things being "the right thing to do."

As Executive Secretary to the Corporation, Bobby managed the Boston office and was a year-round presence for the island. Bobby sustained relationships with vendors; kept Shoalers updated on news and events; and staffed Board meetings. Perhaps Bobby's finest hour, on behalf of the Corporation, was when she took on the IRS who challenged the Corporation's interpretation of a tax code. With patience, perseverance; and her impeccable record keeping, Bobby challenged the IRS and won!

Board Members Completing Their Service:

The 2021 Annual Meeting marks the completion of service on the Corporation to Nick Dembsey; Erik Cordes; and Mary Trudeau. Gary Kunz, and Nathan Soule, who completed their terms in 2020, were also thanked for their service.

Star Island and Star Island Corporation – 2021 and Beyond

Nick Dembsey, as outgoing Board President, gave a brief overview of the upcoming summer months, as well as implications for Star Island Corporation, going forward.

Committee Involvement:

Celeste Magliocchetti and Bethany Swanson spoke to the Corporation, urging members to become, or remain, involved in the support of the island. Noting that valuable work is done by volunteer committees, they urged members to participate in the good work of the various committees. The island runs on the energy of the Corporation, depending on the time, talent, and treasure of its membership.

Introduction and Message from the Board:

Nick Dembsey noted that an Operational and Financial Update would be forthcoming, and he presented Joe Watts, CEO, and Jeff Loewer, Treasurer of the Corporation.

Operational Update:

Joe Watts summarized the recommendations and responses of the various staff and committees to the ongoing COVID-19 pandemic. Noting that changes to planning are evolving as information is received, Joe noted that he anticipates a successful, limited opening with reduced numbers of conferees this summer. Noting that various testing and health protocols would be set, and amended as needed, he expressed confidence that a modified conference season could be safely held on the island this summer. Joe reviewed some of the planning details, including changes to food service; staffing; housing; and

sanitation that are being developed, noting, again that changes are expected to almost every facet of the seasonal planning. He noted that Star Gathering 2 and LOAS 1 and 2 were already full.

Financial Update:

Jeff Loewer reviewed the assumptions for a limited opening, as well as additional costs due to COVID, with respect to the financial implications for the island. Noting that the staff has continued to apply for, and receive, available loans and subsidies, he outlined the changes to financial models for the operation of the conference center. The initial provisional budget for 2021 anticipated a loss of \$670,000, but with a forgivable PPP loans and an application for an employee retention tax credit, the current 2021 budget is balanced. He emphasized that financial aid for room and board expense is available to conferees.

Questions and Answers:

Nick and Joe entertained questions from the attendees of the Annual Meeting. Questions generally concerned protocols and expectations for the upcoming conference season. Joe assured the membership that safety of both conferees and staff was the foremost priority, and that protocols would be evolving throughout the pre-season, as relevant information is obtained.

Closing:

The Reverend Dr. Leon Dunkley presented a closing to end the 2021 Annual Meeting. Noting that we are each a lifeline to each other, Leon ended the meeting with a rendition of Gosport Harbor, noting that the “the Shoals are calling.”

Upon a motion duly made and seconded, the Corporation voted
to adjourn the Annual Meeting at 4:00 pm.

Submitted by:



Mary Trudeau, Clerk
Star Island Corporation