

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Saturday, June 29, 2013
On Island

MINUTES

Members in attendance:

John Bush, Treasurer
Nick Dembsey
Sharon Kennedy, President
Gary Kunz, Vice President
Karen Mathiasen, Clerk
Suellen Peluso
Russell Peterson
Sally Russell
Tom Smurzynski (Pres., ISAUU)
Charlie Stauffacher (Pres., SIUCC)
Jordan Young

Absent:

Erik Cordes
Josh Davis

Others attending the meeting:

Joe Watts, CEO
Don Kirlis, Pelican Liaison
Jack Farrell, Facilities Superintendent *
Martin Schrage, for Solar Power discussion*

* part of meeting

For opening words, Jordan Young read a poem by Marge Piercy:

To Be of Use

The people I love the best
jump into work head first
without dallying in the shallows
and swim off with sure strokes almost out of sight.
They seem to become natives of that element,
the black sleek heads of seals
bouncing like half-submerged balls.

I love people who harness themselves, an ox to a heavy cart,
who pull like water buffalo, with massive patience,
who strain in the mud and the muck to move things forward,
who do what has to be done, again and again.

I want to be with people who submerge
in the task, who go into the fields to harvest
and work in a row and pass the bags along,
who are not parlor generals and field deserters
but move in a common rhythm
when the food must come in or the fire be put out.

The work of the world is common as mud.
Botched, it smears the hands, crumbles to dust.
But the thing worth doing well done
has a shape that satisfies, clean and evident.
Greek amphoras for wine or oil,
Hopi vases that held corn, are put in museums
but you know they were made to be used.
The pitcher cries for water to carry
and a person for work that is real.

Sharon Kennedy, President, began by introducing the new Pel Liaison, Don Kirlis, to the Board members. Sharon then called the meeting to order at 10:25 a.m.

Minutes. It was unanimously

VOTED: To approve the minutes of the May 28, 2013, meeting of Directors.

CEO Report. Joe Watts, CEO of the Star Island Corporation, presented some highlights from the report, including some items pertaining to the Director of Development's report, which are included herein.

- **Unitarian-Universalist General Assembly.** This year's UU General Assembly was held in Louisville, Kentucky, earlier this month. Joe reported that several people involved with the effort felt that Star had a very successful outreach effort, and that we were very ably represented by long-time Shoalers Sue Flynn and Kris LoFrumento. The Board asked Joe to extend our heartfelt thanks to Sue and Kris. Next year's GA meeting is local, being held in Providence, Rhode Island.
- **Registration Update.** We now have registrations for 15,693 bed nights against a goal of 18,630. Recently, the pace of registrations has slowed, and if this pace continues, we will be behind our goal by around 250 bed nights by the end of the season. We are not projecting this shortfall in the financials at this time, as we are not yet ready to assume that the recent slower pace will continue.
- **Development Report.** Joe reported for Director of Development Angela Matthews, following which Sharon focused on two topics. (i) She reminded Board members that we should represent models for giving to the island and for participation in events, encouraging Board members to use their time on island to recruit/cultivate SIC members, committee members and possible future Board members. (ii) There is a format issue about the paper development report and whether it is what we want to see in the future. It is different from prior years, when we received a conference-by-conference comparison. Joe and Suellen agreed to work with Angela to come up with a couple of options for possible future development reports. Some people seem to want more data, others less. It is appropriate for the Board, not the Fund Development Committee, to decide the format and content of the Board's development report, with the Director of Development providing whatever information she deems useful.

- Facilities Committee. Joe updated us on three projects now very much in the works: (i) the Oceanic and new porch railing project, (ii) the new showers in the Underworld, and (iii) the wastewater treatment plant (WWTP). Regarding the WWTP, the next step is to draft the design and then to get it approved; associated funding issues are being worked on.
- Ocean Transport. Joe Watts noted that the agreement with Isles of Shoals Steamship Company has been signed.

Treasurer's Report. John Bush, Treasurer, gave the report. First, addressing the operating budget, John noted that we are over budget in certain areas, especially for administrative expenses related to information technology. Second, as set forth in the minutes of our May 28, 2013, Board Meeting, we have received a \$100K grant from the UU Congregation at Shelter Rock for capital expenditures in the area of fire safety. It is noted that, at the May meeting, the Board amended the capital budget to reflect the additional work we will be able to do in 2013 as a result of that grant. This raises the question of by how much, if anything, we should now amend the 2013 operating budget that we have already adopted. Discussion followed as to the appropriateness of such revision; there were several different opinions. Upon motion duly made and seconded, following discussion, it was, with eight ayes, one nay, and two abstentions,

VOTED: To adopt the 2013 revised operating budget, which reflects only those changes driven by the aforementioned revised capital budget.

It was also

VOTED: To accept the CEO report, including the report of the Director of Development, and the Treasurer's report.

Financial Aid Committee and Discount Reports

- Financial Aid. Sally Russell, who has taken over the committee chair's position from Sharon Kennedy, gave the report. She noted that the process of assigning the awards is very laborious, and she now appreciates just how much work Sharon did on making the awards. Sharon was given an enthusiastic round of applause for her three years of excellent work on this project. Sally feels that some re-engineering of the process is in order, and made several suggestions:
 - We need a better sharing of data with the Island Registrar.
 - Ultimately, financial aid is better handed by the island staff – perhaps the Island Registrar – with input from volunteers.
 - We should encourage people to register online. (This saves tremendous amounts of paper-and-pencil recordkeeping.)

Sally reminded us that there are three rounds of awards. This year the first round totaled \$7400 to sixteen people. In the second round, going on now, Sally said she is seeing

many more applicants, which means that the various awards need to be smaller. Jordan reminded us that as long as a conference is not filled, it costs us very little to grant a scholarship because the scholarship is essentially returned to the SIC by someone who would otherwise have been unable to attend a conference. Sharon noted that not all conferences have scholarship funds.

- **Report on Discounts.** Joe Watts reported that a combination of the discounts for former Pels, eligible families, and eligible individuals has thus far provided Star with registrations for 802 bed nights, most for full-week conferences. The staff is doing an analysis of the impact of the discount programs. They are also working on discount programs for 2014. The generosity of the Star Island Corporation sends a powerful message to our conferees through scholarships and discounts.

Pel Report. Newly elected Pel Liaison Don Kirlis gave an initial report, which included a bit of his own background. Don is married and has two adult daughters. As a Pel, he is working mostly on maintenance. He feels that morale among the Pels is good. Don noted that being considerably older than the typical Pel, he is sometimes regarded as a “go to” person for Pels who might have concerns of one sort or another. Don mentioned how much the Pels are enjoying the Pel Garden. Sharon indicated that we would offer Don some guidance in his role as the new Pel Liaison to the Board.

VOTED: To accept the Pel report.

2014-2016 Strategic Plan. Sharon Kennedy led a brief discussion. She asked Board members to think about metrics (i.e., how we will measure progress) for the August retreat. The staff is asked to present proposed tactics for each goal and objective at the retreat. John noted that the critical issue for revenue is the number of bed nights; for expenses it is our spending on capital improvements. We expect to approve the Plan at the end of this meeting.

At 12:15 p.m., the meeting was suspended for lunch, resuming at 1:00 p.m.

2013 Board Goals. Sharon focused on three of our Board goals: (i) collaboration and communication with our constituents, (ii) assessing overall reporting to the Board, and (iii) building leadership. We would like more useful ways to measure progress for each of our goals. As part of collaboration and communication, it was suggested that we use more video products, as they can be very powerful tools. It would be helpful to consider ways to link conferences with content. For example, we could use the Starburst tool with a link to showcase island successes. Starbursts are useful for imparting information to a variety of groups, such as conferees, donors, etc. It would be useful to have periodic reports from our various staff members and committees, perhaps scheduled at various times during the year. It was noted that our thirteen-member Board represents only five conferences, which is not ideal, and asked Board members to suggest names of possible future Board members from other conferences. Russ suggested that we might have an annual regulatory compliance review. The Board, having survived some difficult times over the past few years, is currently enjoying a time of success, which makes it a good time to recruit new Board members and communicate our success broadly.

Picking up on a suggestion earlier made by Don Kirlis, the Board, after brief discussion, informally decided to “pass the hat” among the Board members so that we might show our support for the Pel Garden through a gift from the individual Board members.

Solar Energy Project Overview. Russ Peterson gave the report, noting three important project goals: (i) to save money, (ii) to rid the island of (most) fossil fuel, and (iii) to send a positive energy-conservation message to the Star community and beyond. He summarized progress to date, and gave an overview of what we expect to happen this summer:

- Board receives an overview of the project to date (at today’s meeting).
- Late July, final contract goes before the contract review committee.
- Early August, contract review committee makes a recommendation to the Board.
- August Board retreat (8/24-26), Board votes on recommendation.

Russ noted that due to the lowering costs of solar power, the scope of the project has decreased from around \$2.0M to around \$1.4M, and the size of the physical field has shrunk. Revolution Engineering (RE) will install and maintain the system, and Star Island will purchase electricity from them. RE will secure investors to provide the upfront capital for the project, and will be able to take advantage of the investor tax credit. RE is looking into an insurance program that would cover any gaps in system performance. The duration of the contract is likely to be fifteen to twenty years, ten years for recovery of the investment followed by another ten years of support. It is intended that fuel tanks will be replaced by the battery house. The DC current generated by the batteries will be converted to AC current and distributed around campus. The goal is that energy generation will cost no more than it now does. We will hold off on the waste water treatment plant until the RE project is further along.

Some closing thoughts:

- This week is peak usage week because of the size of the All Star 1 conference, which should provide us with some good data.
- We do not know (nor presumably does anyone else know) the impact on the project from widespread climate change, especially with its attendant storms.
- We need to see good financial figures and a contract before we can make an informed decision on this project.

New Business

- **Strategic Plan Vote.** Picking up on our discussion of earlier in the meeting, Sharon now called for a vote on our Strategic Plan. Upon motion duly made and seconded, following brief final discussion, it was

VOTED: To approve the 2014-2016 Strategic Plan as slightly amended.

- **Donor/Volunteer “Recognition Wall.”** Our currently thinking is to recognize significant donors to the combined capital campaign and also significant volunteers since 2000. The names would go on a recognition wall, perhaps near Elliott.

- August On-Island Board Retreat. The retreat is scheduled for August 24-26. The actions are expected to include a Board vote on the recommendations made by the ad hoc PPA review committee in connection with the contract being provided by RE, as well as a review of the staff's tactics for the Strategic Plan.
- July Board Meeting. We are tentatively holding Tuesday, July 23, for a Board meeting by conference call using the GoToMeeting application. Sharon will keep the Board apprised as to whether or not the July Board meeting will take place. She encouraged the participants to use the GoToMeeting app. Jordan would be pleased to offer a GoToMeeting tutorial for Board members who wished one.

Executive Session. At 3:13 p.m., the Board voted to go into Executive Session, the minutes of which are kept separately. The purpose of the meeting was to approve the minutes of the May, 28, 2013, Executive Session, and to briefly review personnel matters.

The Board meeting was reconvened at 3:17 p.m. for the purpose of adjournment.

There being no further business, it was

VOTED: To adjourn the meeting.

The meeting was adjourned at 3:20 p.m. so that Board members could catch the 3:45 p.m. *Thomas Loughton* back to Portsmouth.

Respectfully submitted,

Karen Mathiasen, Clerk