

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Tuesday, September 23, 2014
By “Go To Meeting” App and Telephone Conference Call

Members in attendance:

Erik Cordes
Nick Dembsey
Debbie Duval (President, SIUCC)
Sharon Kennedy, President
Gary Kunz, Vice President
Karen Mathiasen, Clerk
Suellen Peluso (part of meeting)
Sally Russell
Tom Smurzynski (President, ISAUU)

Absent:

John Bush, Treasurer
Josh Davis
Russell Peterson
Jordan Young

Others attending the meeting:

Joe Watts, CEO
Dash Davis, Pel Representative

For Opening Words, Tom Smurzynski read a poem by Parker J. Palmer:

HARROWING

The plow has savaged this sweet field
Misshapen clods of earth kicked up
Rocks and twisted roots exposed to view
Last year’s growth demolished by the blade.
I have plowed my life this way
Turned over a whole history
Looking for the roots of what went wrong
Until my face is ravaged, furrowed, scarred.

Enough. The job is done.
Whatever’s been uprooted, let it be
Seedbed for the growing that’s to come.
I plowed to unearth last year’s reasons—

The farmer plows to plant a greening season.

Parker J. Palmer

Sharon Kennedy, President, called the meeting to order at 7:05 p.m. The Clerk took the minutes.

Minutes of August 25 Meeting of Directors. The Clerk asked that before voting to approve the August 25 minutes, the minutes be amended by adding “particularly school vacations” to the Annual Meeting date paragraph as follows: “Annual Meeting Date. It was suggested that we move the date of the Annual Meeting to Saturday, May 2, 2015. This suggested change is so that we may avoid schedule clashes with the many organizations that hold events in April, particularly school vacations. We will take this up at our next meeting.”

VOTED: To approve the minutes of the August 25, 2014, Meeting of Directors as set forth above.

Reports

- **CEO Report.** Joe Watts, CEO of the Star Island Corporation, gave the report. He began by expressing gratitude for the hundreds of conference leaders and volunteers who helped to make our 2014 conference season a smashing success. This is a time to celebrate our achievements.
 - **Communications Report.** There has been a lot of properly targeted marketing activity, including the Seacoast Region, New Hampshire and UU & UCC venues. Other successes were good coverage of Star by various media and our Interactive History Days, commemorating the 400th anniversary of Captain John Smith’s visit to the Isles of Shoals. Sharon noted in particular the good work of Kyle Belmont, SIC’s Program and Outreach Coordinator in connection with several of our marketing efforts.
 - **Development Report, including Registration.** Joe gave the report on behalf of Angela Matthews. The report focused on bed nights and donations, and a look at how we expect our financial year to turn out. We believe we are on track for our year end Annual Fund goal of \$455K. With the on-island season concluded, we are delighted to see that we have achieved 19,378 bed nights, which is about 1,200 more than last year. We surpassed our budgeted bed night goal of 19,250 – we had 19,361 bed nights as of September 15. This is 6.6% higher than our last year’s final bed night count of 18,160. A large portion of this gain is IRAS, though we did pick up about 400 other bed nights as well. Our income is slightly below budget. The Gosport Regatta was held this past weekend, with good sponsorship and participation. The food was improved over last year, especially the Sunday brunch. We are doing some solar fundraising behind the scenes, with the expectation of having a solar project campaign in 2015. We are on track with hiring a new Development Director by December.
 - **SUURCE & UUACCC.** Following a successful retreat held on Star with several representatives of the Society of Unitarian Universalist Retreat Camp Executives (SUURCE), plans were made to form an alliance for mutual benefit, called Unitarian Universalist Alliance of Camps and Conference Centers (UUACCC). We are in the process of reaching out to camps not present at the retreat. The UUACCC’s mission is to foster and promote the success, growth and well-being of Unitarian Universalist

camps, retreat and conference centers, and goals include a closer relationship with the UUA, joint marketing and grant funding. We plan to explore similar relationships with UCC camps and conference centers.

- **Island Evaluation Summary.** We received over 600 island evaluations to date. The attached summary provides a good overview of the 2014 season, which is very positive. The island evaluations provide a lot of detailed information in the form of comments, which is forwarded to relevant staff throughout the summer. We are just looking at the big picture today, and we can say that we have done a good job with Star Island.
- **Facilities Report.** The two big items are the solar energy project and the pier project. Both are expected to be substantially completed this fall. Also, the sound issue in the dining room/snack bar area has been improved, and we are planning to add even more soundproofing in advance of the 2015 conference season.
- **Treasurer’s Report, including Auditor Update.** Joe gave the report on behalf of John Bush, who was unable to be present. It is an exciting time for Star Island. We have conducted interviews of four auditing firms and the audit subcommittee expects to make a recommendation to the Board at its October meeting. The Finance Committee spent some time revisiting some of the Board approved guidelines, but ultimately agreed to not make any new recommendations. As expected, our Debt Service Coverage Ratio (DSCR) went up from 1.33 in the July Financials to 1.56 in the August Financials – on track with the approved budget’s ratio of 1.51 – we always keep a close eye on this ratio. Our projected Net Operating Gain of \$543K is also ahead of budget, and may be the highest we have ever had. Joe provided a five year overview (2010-2014) that did not include any grant income. Compared to 2010, our expenses are about a quarter million less and our income is about a quarter million more. We sometimes worry about so-called “escalating expenses,” but in fact our expenses have decreased, and we should all feel proud of our accomplishments. Joe updated us on our bank loans. We would like to wrap our boat loan and our term loan into one loan by March. We are pleased with our relationship with Eastern Bank, and they are aware that we are meeting with other banks as well. We hope to make a decision before the end of the year.
- **Financial Aid Program Report.** Sally Russell gave the report. This year’s grants budget was \$25K. This is the fifth year of the financial aid program. Allocating the awards is still a very manual process. Sally would like to work closely with large conferences that have their own funding programs. It would be good for conferences to see how many people we could get out to the island on scholarship. The Board was reminded that confidentiality is extremely important in scholarship programs. We hope to further publicize the availability of financial aid, and to clarify and simplify the process for applying, as part of the upcoming website revision. Sharon thanked the Financial Aid group for their good work.
- **Pel Report.** Dash Davis, our Pel Representative, reported that our terrific staff managed to do some island close up while the Gosport Regatta was underway without any

conflicts. Dash indicated his willingness to assist the Board in many ways.

VOTED: To accept the CEO Report (including the Development, the Registration, and the Facilities Reports), the Treasurer's Report, and the Pel Report.

Old Business

- **2015 Budget Update.** Joe gave the update. He expects the first draft of the budget to be ready for our October Board meeting, and hopes to be able to have the Finance Committee review it first. Though it will be in draft, it is the intention that the draft budget will include all items we intend to address in the final version. Joe provided updates on each of the Board approved budget guidelines.
- **2014-2015 Master Board Meeting Calendar.** The draft calendar shows the June 2015 meeting as a one-day meeting on island. This will work nicely, as the June 2015 meeting dates allow Board members and a spouse/guest to spend the night before and/or after the Board meeting. (Such overnight would be at the Board member's expense.)
- **Annual Meeting Date.** As happens about every seven years, the calendar has shifted by a week, as Labor Day moves from September 1 in 2014 to September 7 in 2015. This can affect planning all the way back to the date of our Annual Meeting. Further, some of our members/conferees have suggested that we move the date of the Annual Meeting to Saturday, May 2, 2015, in order to avoid schedule clashes with school vacations occurring in late April. As set forth in the bylaws, setting or changing the date of the Annual Meeting requires a vote of the Board. Upon motion duly made and seconded, following discussion, it was unanimously

VOTED: To move the date of the SIC Annual Meeting to Saturday, May 2, 2015.

- **Annual Committee Charge Review.** Two years ago the various committee charges were revised to be in line with a template. Board liaisons to the committees should look at the charge for their committee(s), followed by a review by committee members. The goal for the review is to see how well the committee charge and the committee processes are aligned. In addition, liaisons should help with finding people to fill slots vacated by retiring committee members, if needed. Over time, it would be good to have a more standardized way to choose committee chairs. Debbie will work with Joe and the Committee on Appointments regarding choosing chairs and related topics. The Board was reminded that in quiet day-to-day operations, the charges might not have a particularly big role. If, however, there should be a controversy, the documents could be very helpful in sorting things out.
- **McIninch Foundation Grant.** We are looking to the McIninch Foundation for support of our solar power system and wish to apply to McIninch for a \$25K grant. McIninch requires a board vote by the applicant in order to file the application. Upon motion duly made and seconded, following discussion, it was unanimously

VOTED: To make application to the McIninch Foundation for \$25,000 in support of our solar power system project.

New Business

- **Whistleblower Policy.** Star Island has references to whistleblower policies in various documents. For clarity and completeness, the staff, in collaboration with our HR consultant and the Personnel Committee, has drafted a document to consolidate whistleblower issues into one document. Upon motion duly made and seconded, following discussion, it was unanimously

VOTED: To approve the Whistleblower Policy as presented to the Board, to go into effect immediately.

Executive Session. Dash Davis left the meeting. At 8:45 p.m., the Board unanimously voted to go into Executive Session, the minutes of which are kept separately. The purpose of the session was to report on the status of certain corporate compliance and other legal issues and to approve the minutes of the September 23, 2014, Executive Session.

The Board meeting was reconvened at 9:01 p.m.

Meeting Reflections

At conference call meetings, Board members are requested to log in through the Go To Meeting app rather than using telephones because of static with phones.

The next regular Board meeting is scheduled for Tuesday, October 28, 2014, from 1:00-5:00 p.m. at the Federal Reserve Building, 600 Atlantic Avenue, Boston.

There being no further business, it was

VOTED: To adjourn the meeting.

The meeting was adjourned at 9:03 p.m.

Respectfully submitted,

Karen Mathiasen, Clerk