

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

December 18, 2007
By telephone conference call

MINUTES

Members in attendance:

David Boynton, Vice President
Joanne Bulley
Ron Cordes
Brad Greeley, President
John Hickey
Edmund Jones, Treasurer
Sharon Kennedy
Karen Mathiasen, Clerk
Suzanne May
Russell Peterson
Jan Prochaska
Jon Skillman
Mark Woolley

Absent:

None

Others attending the meeting

Irene Bush, Acting Dir. of Development *
Joe Watts, Acting Executive Director

* part of meeting

David Boynton offered opening words from a marvelous Star Island tourist brochure from the 1890's. In many good ways, not much has changed.

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

Minutes. The minutes of the November 27, 2007, were adopted as presented to the meeting.

Acting Executive Director Report

Joe Watts, Acting Executive Director, gave a report that included the following:

- In January a legal review of certain regulatory matters will be undertaken by our counsel.
- We have re-hired SFC, our fire consultants, for 2008; Volt Engineering, another of our fire consultants, will serve as subcontractors to SFC.
- We inadvertently incurred three air quality emissions reporting violations pertaining to our generators, dating from 2002-2007. We are meeting with the New Hampshire Department of Environmental Services Air Resources Division to create a better working relationship such as we have done with the fire authorities.
- Two recent news articles have not generated the level of publicity we had last summer, which is positive.
- Boat transport is on track. We expect things at Rye to go smoothly this summer.
- We are developing a marketing plan to help fill conferences. Lyn Rosoff, a marketing consultant, will help.
- The contract with Amy Lockwood has been concluded ahead of schedule, the majority of

the contracted work having been completed and the rest intentionally delayed.

- Staffing Update: We have begun hiring for the summer, including in the food service area.
- Chapel Occupancy: We continue to discuss occupancy limits, and will further discuss this issue with SFC and with Rye Fire.

Financial Matters

Edmund Jones, Treasurer, gave the report. We have received an additional \$75K from the Permanent Trust to tide us over. We are closing out 2007 on target. It was suggested that we seek grant monies from Shelter Rock. Upon motion duly made and seconded, and after discussion, it was unanimously

VOTED: To make a grant proposal to the UU Congregation of Shelter Rock according to such provisions as the Acting Director of Development deems appropriate.

There was informal agreement that the time line for the capital campaign is all right, but we must communicate to our constituencies the urgency of the capital campaign. It is important that the members of the Development Committee stay in close touch with the Board, and that we get the word out that we are in the initial research stage of the campaign.

President's Report

Brad Greeley gave the report.

- Board Representative to the Permanent Trust: Upon motion duly made and seconded, no further discussion being necessary, it was unanimously

VOTED: To recommend John Hickey to the Nominations Committee as the Board Representative to the Permanent Trust.

- Board Retreat. The retreat will be held in Portsmouth on Saturday, February 16 and Sunday, February 17. We hope by then to have hired our new CEO, who could join us for the retreat. We will also be reviewing the strategic plan.
- An action plan to address possible low conference registrations for 2008 was discussed. Three immediate action items were proposed:
 - Undertake a major marketing effort.
 - Ensure that Blue Book deadlines are worded in such a way as to not foreclose later registrations.
 - Seek expert advice among the SIC and beyond.

We should know by March how conference enrollments are going. If numbers are down, there are several steps we could take. Suggestions included:

- Undertake a calling campaign for those who had not yet signed up for 2008. We would need to work carefully with conference committees on this, finding a balance between not interfering in conference workings vs. waiting too long for conferences to develop their own marketing plans.

- Consider a speakers' bureau to address Seacoast organizations.
- Personal retreats and small groups are possible, but we do not want to undercut the conferences, plus personal retreatants do not pay a conference registration fee.
- Offer personal retreats in September (but not in May because May would interfere with open-up).
- Seek more funds from the endowment.
- Defer capital spending, but only as a last resort because it would cause us to lose credibility and would suggest poor stewardship.
- Joe Watts noted that there are already several efforts going on, which he will present to the Board in January.
- If occupancy is only at 80% on May 30, we might have to adjust staffing. Analysis shows that cutting out our medical services, however, does not really help the bottom line. The staff is working on an analysis of prior years' sign up patterns. Brad will send a report to the Trust after sharing the draft with the Board.
- ⇒ Action items: Brad will send a report to the Trust on our actions re: low registrations after sharing the draft with the Board. He will set up a compliance audit committee and send an update letter to the Corporation.

Further Financial Matters, including 2008 Budget

Edmund Jones noted that the Finance Committee met last night. The Facilities Committee is in the early stages of scoping out needs. Among its items, (i) the Facilities Committee asks how it can be most useful from a governance point of view, (ii) the Committee generally supports the 2008 capital budget, and (iii) members of the Committee will be making a January visit to the Island.

It is important to emphasize that Loan Program money is not being used to subsidize room and board rates.

By the end of February, we must pay off the \$500K line of credit with Eastern Bank for thirty days. Some loan funds may already have come in, but we will probably need assistance with most of the \$500K from the Permanent Trust.

IOL (Island Opening Late) Report. The final report has been issued. The Board extended its thanks to Jordan Young, Chair of the IOL Committee, and to Russ Peterson for his service as Board Liaison to the IOL Committee.

The Strategic Plan

Jan Prochaska asked the Board to consider sending out the second draft of the Strategic Plan now to stakeholders for their input. We could take the Strategic Plan to the Corporation meeting in late April, but there was concern over whether this would allow for sufficient community input. On the other hand, the process used by the IOL Committee sought extensive community input, and we now have plenty of input. We need to start fulfilling the plan. A draft will go out to Corporation members for commentary, but we need to articulate what we would like for the

recipients to do. We will work on the Strategic Plan during the February retreat.

Board Minutes On-line. As requested by the Board, Joanne Bulley and Karen Mathiasen presented a recommendation for Board minutes (but not Executive Committee minutes) to be put in a Members Only file on the SIC Website. After discussion and upon motion duly made and seconded, it was, with nine ayes and three nays

VOTED: To put Board minutes on the SIC Website in a Members Only, password protected file.

Joe noted that the staff will need a directive from the Board. It was proposed that the file be a pdf read-only. Questions on the minutes would go to the President.

Development Report

Irene Bush, Acting Director of Development, joined the meeting and gave an update. She noted that we will need a budget for the capital campaign. It was

VOTED: To receive the reports of the Acting Executive Director, the President, and the Acting Director of Development.

Irene left the meeting.

Committee on Appointments

Jon Skillman made the recommendations on behalf of the Committee.

VOTED: To approve the committee chairs and committee members recommended by the Committee on Appointments.

Search Committee Updates

Sharon Kennedy reported on behalf of the CEO Search Committee that they have met with the executive recruiter, who helped to evaluate candidates. Things look promising. The Committee is preparing for mid-January interviews, and hopes for final interviews with the Board on January 22.

Ron Cordes, DOM Search Committee Chair, reported that the Search Committee will be receiving resumes until mid-January, and has a third meeting on January 20. The Committee is hoping to make a recommendation in early to mid-February, and will do background checks when they are down to the final three candidates.

Board Evaluation. Suzanne May reported on the Board (self) evaluation results. She noted that our comments were skewed by the island opening late, but we generally felt we managed the situation well. We will revisit this topic at the February retreat.

Executive Session. At 9:30 p.m., the Board voted to go into Executive Session, the minutes of which are kept separately. Votes were taken at Executive Session to approve the minutes of the November 27, 2007, Executive Session, and to extend Joe Watts's contract as Acting Executive Director beyond January 15, 2008, including the adjustment of certain benefits. The Executive Session ended at 9:37 p.m.

The Board meeting was reconvened at 9:38 p.m. for the purpose of adjournment. The next Board meeting is Tuesday, January 22, at 3:00 p.m., probably in Worcester.

There being no further business, it was

VOTED: To adjourn the Meeting.

The Meeting was adjourned at 8:48 p.m.

Respectfully submitted,

Karen Mathiasen, Clerk