

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Tuesday, January 27, 2009
At the offices of Wilkins Investment Counsel, Inc.
160 Federal Street, Boston

MINUTES

Members in attendance:

Dave Brown
Ron Cordes
Stan Corfman, Treasurer*
Josh Davis
Brad Greeley, President
John Hickey
Sharon Kennedy
Kristin LoFrumento
Karen Mathiasen, Clerk
Suzanne May
Russell Peterson, Vice President
Jan Prochaska
Jordan Young

Absent:

None

Others attending the meeting

Vicky Hardy, CEO
Angela Matthews, Director of Development*
Joe Watts*

* part of meeting

For opening words, John Hickey read excerpts from *Pilgrim Heart, The Inner Journey Home*, by Sarah York.

Brad Greeley, President, called the meeting to order at 3:05 p.m. The Clerk took the minutes. We began by thanking Wilkins for the use of their offices and for their hospitality. We proceeded to items pursuant to our Consent Agenda, namely, Minutes. Upon motion duly made and seconded, no further discussion being necessary, it was unanimously

VOTED: To approve the minutes of the December 16, 2008, Board meeting.

Chief Executive Officer's Report. The following are excerpts from and comments on the Report, presented by CEO Vicky Hardy.

- The Chapel. The wooden candle holders need to be replaced by metal ones. We will run the latest consultant report past Rye Fire.
- Server Repair. It was rebuilt after the recent severe ice storm at a cost of \$7700.
- Director of Operations and Maintenance Matters. We are in good shape. Tietjen Hynes is the new Island Engineer, with a mechanical engineering background.
- Miscellaneous
 - Vicky will be attending a Massachusetts UCC Conference.
 - Vicky will draft a new organization chart.
 - We need "church affiliation" on the Conference application form.

Treasurer's Report. Stan Corfman gave the report. We had budgeted a \$72,152 surplus for 2008 operations, but wound up with negative \$141,243, largely due to the shortfall in the Annual Fund and other income. We have a goal of tying the Statement of Activities to Budget information, which will make for a smoother audit. Most of the \$85K pledge shortfall for 2008 has come in. Vicky noted that it is important to make personal phone calls in December. Russ expressed concern over the drop in value of the Permanent Trust. One of our challenges is that we are very physical-plant intensive and less operating intensive. We are still working on the year end closing. Each year the Development numbers must be reconciled with the Operating numbers. Upon motion duly made and seconded, no further discussion being necessary, it was unanimously

VOTED: To accept the Treasurer's Report.

Development Report

Vicky introduced Angela Matthews, our new Director of Development.

Angela and others will work on that reconciliation of Development and Operating numbers.

- **Capital Campaign.** We should create a capital campaign that includes not only capital items, but also annual fund and endowment components, with a goal of having all gifts be unrestricted, so that they can be allocated where the need is greatest. Angela will talk with Board members to see how we each view our own gifts.
- **Feasibility Study.** One-on-one conversations with current donors will give us an idea of where the Capital Campaign will go. Angela will be doing the interviews rather than hiring someone from the outside. A few years ago we did not have a strong Annual Fund. Now we do, and this gives us a base to begin the Capital Campaign with. Angela will send Board members a link to the on-line Capital Campaign survey.
- **UCC.** Angela is planning a targeted marketing outreach to our UCC friends, seeking additional conference registrations.
- **End of Season Ball.** This event is planned for August 29 on Star. With the Seacoast Day in June, the two events nicely bracket the summer.
- **Day Visitors.** ISSCO (the Isles of Shoals Steamship Company) is returning to Star; the *Thomas Loughton* will probably be making day runs to Star. This has many benefits, but it is important that we do not overwhelm the Conferences with day visitors.

Committee on Appointments. On behalf of the Committee on Appointments, Jan Prochaska presented the recommendations regarding the size of Corporation Committees and their term limits. Brad suggested, however, that the Strategic Facilities Planning Committee, its predecessor committee having become inactive, be treated as a new committee with all appointments beginning in 2008 (but with staggered expirations). Discussion followed on whether or not to have Committee term limits. Upon motion duly made and seconded, it was, with nine ayes, one nay, and one abstention

VOTED: To accept the recommendations of the Committee on Appointments as follows:

- All corporation committees should have between six and twelve members.

- Term limits should be consistent for all committees: three year terms with a limit of two consecutive terms.
- Committee members can be reappointed for additional terms after at least one year off.
- “Committee Advisor” positions will be established. Advisors may be proposed annually by committee chairs as part of the annual appointment process, observing the practices outlined above.
- The chair of the Property Standards Committee (or his/her designee) shall be an ex-officio member (without vote) of the Strategic Facilities Planning Committee,

and, with ten ayes and two nays

VOTED: To deem the Strategic Facilities Planning Committee to be a new committee as of January 1, 2008,

and unanimously

VOTED: To appoint Rodney Lowe as chair of the Fund Development Committee for 2009.

2009 Budget

The Treasurer led the discussion, noting that the Finance Committee strongly supports the proposed budget. There are many unknowns this year, including the Annual Fund and registrations. There is also concern about the Loan Fund, given the current economy. It was asked if people will be financially able to convert loans to gifts. Vicky and Angela are now seeking capital grants rather than loans. The Annual Fund goal is \$550K. Upon motion duly made (no second being necessary), it was unanimously

VOTED: To approve the 2009 budget (labeled Draft 5) as presented to the Board.

It was noted that as a source of revenue, and also to meet conferee requests, a discreet business center was planned for Cottage D with Internet access and a printer. Also a masseuse will be available for an additional fee. There is also potential income from ISSCO visits and personal retreats. We want to improve our retail operations. Mooring permits have come in so that we can rent out our moorings.

Conference Calendar for 2010 and Beyond

The special January 17 Council of Conferences meeting focused on this topic, and provided feedback on various calendar alternatives. There was strong support for Alternative B, with some variations. We might consider the last full week of the season as a laboratory to find a new conference. That said, it was noted that new information had been brought forth from Natural History, YRUU, and YAC on the impact of the proposed changes on them, and various Board members therefore wanted to pursue the information further before making decisions beyond 2010. A motion to adopt Alternative B for 2010 was defeated. Upon motion duly made and seconded, it was, with seven ayes and five nays

VOTED: To keep the 2010 calendar as it is and to announce that the calendar for 2011 and

beyond will be published by the beginning of the 2009 Conference season.

It was noted that the staff has some suggestions for new conferences. The staff was asked to draft a process for creating new conferences that includes the Board.

Joe Watts and Angela Matthews left the meeting at 5:49 p.m..

SIC Staff Retirement Plan. On behalf of Sonya Merritt, HR Director, Brad presented a Board resolution to update SIC's 403(b) plan to comport with changes in federal law. The following resolutions were offered, seconded and unanimously adopted.

BE IT RESOLVED that the Institution (that is, the Star Island Corporation) adopted the ERISA Specimen 403 (b) Plan and the Non-ERISA Specimen 403 (b) Plan (the "Plans") to cover the Institution's employees to be effective 1st of January 2009.

BE IT FURTHER RESOLVED, that the officers of the Institution be authorized and directed to execute any and all documents and do any and all acts which may be necessary in connection with the adoption, maintenance and ongoing funding of the Plans.

BE IT FURTHER RESOLVED that the officers of the Institution be authorized and directed to retain any service providers they believe necessary or desirable in connection with the Plans.

Executive Session. At 5:50 p.m., the Board voted to go into Executive Session, the minutes of which are kept separately. The purpose of the Executive Session was to discuss personnel matters and Appledore.

The Executive Session ended at 6:17 p.m.

The Board meeting reconvened at 6:17 p.m. for the purpose of discussing plans and logistics for the upcoming Board Retreat, and then adjourning.

Next Board Meeting. The next meeting is our Winter Retreat, Saturday and Sunday, February 21-22, at the new SIC offices in Portsmouth.

There being no further business, it was

VOTED: To adjourn the Meeting.

The Meeting was adjourned at 6:25 p.m.

Respectfully submitted,

Karen Mathiasen, Clerk