

## Islesboro Economic Sustainability Corporation

### Board of Directors Meeting

Thursday March 25<sup>th</sup>, 2021 – 3PM via Zoom Meeting  
Public Welcome

- Zoom Meeting Info:
  - <https://zoom.us/j/95715024926?pwd=enRmbnlwZUtmZDBVeHRSSXh5L281QT09>
  - Meeting ID: 957 1502 4926 with Passcode: 217415
  - Dial by your location +1 312 626 6799 US (Chicago), +1 929 205 6099 US (New York), +1 301 715 8592 US (Washington DC), +1 346 248 7799 US (Houston),+1 669 900 6833 US (San Jose), +1 253 215 8782 US (Tacoma)

### Agenda (Board Book Attachment Materials Will be Posted on [www.sustain04848.com](http://www.sustain04848.com))

- All Participants on Call to Mute Their Lines
- Call to Order & Establish Quorum when everyone can hear and be heard.
- Opening Comments - RogerH
- Approve Minutes of February 8<sup>th</sup>, 2021 - *attached*
- Recurring Reports
  - Financial Reports - Balance Sheet, Profit and Loss, Loan Program - *attached*
  - Fundraising Status Report - *attached*
- Business:
  - Investment Policy - Review and Approve Draft – BonnieH - *attached*
  - Fundraising Strategy & Plan for 2021 – Discussion - ArchG
  - 111-113-115 Main Property Discussion
    - Recap status & progress & issues to date - TomT
    - Vision for the Future – with Giardino’s
      - What can we do to leverage the property to enhance - Commercial uses? Community/Town Center benefits? IESC’s financial breakeven goal?
      - Key issues needing board positions ASAP: Does the garage building play any role in this? How to plan & fund remodel of the gas pumps and tank?
- Other Business?
- Wrap Up Comments
- Adjourn

## Islesboro Economic Sustainability Corporation

### Board of Directors Meeting

Monday February 8<sup>th</sup>, 2021 – 3PM via Teleconference

#### Agenda (Board Book Materials Will be Posted on [www.sustain04848.com](http://www.sustain04848.com))

- Call to Order & Establish Quorum when everyone can hear and be heard.
  - *All members of the board were present. Sky & Marianne Purdy, Arch Gillies, John Rex-Waller and others were present.*
- Opening Comments
  - *Roger Heinen reviewed the agenda and identified the key items for discussion.*
- Approve Minutes of December 14<sup>th</sup>, 2020
  - *The motion was moved and seconded. Minutes approved without objection.*
- Recurring Reports
  - Financial Reports - Balance Sheet, Profit and Loss, Loan Program
    - *Bonnie Hughes led the review of the financial statements.*
    - *In connection with completing the Main St transaction, Tom Tutor asked that the board set up a formal wire transfer procedure to make these processes easier in the future. He then made a motion that the board authorize the Chair or Vice Chair to initiate wire transfers that must be then confirmed by the bank via phone call to another member of the Executive Committee. Motion was seconded by Gabe Pendleton and approved by roll call.*
  - Fundraising Status Report
    - *Arch Gillies reviewed our excellent fundraising progress to date. Discussion ensued on the benefits and issues with fundraising these days. A consensus formed re a community fundraising drive in the summer working toward 100% community participation, an event or two during the summer to thank our donors including an effort to attract a younger generation of leadership donors.*
- Business:
  - Recap 111-113-115 Main Property Purchase
    - *Discuss & identify actions re a 2021 plan to include handling minor ownership logistics, disposition of the garage and next steps for a long-term plan for the property that can maximize community value and stabilize IESC ownership financials. See RogerH Thoughts on this topic - attached*
    - *What role do we play in the Town Center discussion and how?*
    - *FYI - Certified Letter from J. Linscott - attached.*
    - *Tom Tutor led the discussion of the Main St property. He began with a recap of the purchase transaction and noted the signing of a lease with The Island Market LLC. Discussion then turned to the repairs needed to the home at 115 Main St. Tom reported on his efforts to have Bill Schoppe and his team do the repairs identified as critical items - both health & safety and cosmetic. The sense of the*

board was to put the home in a state we could be proud of so that it could serve as a full-time home for an island family. The board reiterated the importance of managing the project financially and assuming that it be done in a timely fashion.

- Gabe Pendleton made a motion to authorize Roger and Tom to spend up to \$20,000 toward the necessary repairs. Glad Jones seconded and the motion was passed without objection.
- Roger reviewed the liability and property owner's insurance coverage provided by our insurance agents, Cross Insurance in Bangor. Roger agreed to seek and distribute a Cross summary of coverage to the board.
- Tom then led a discussion on the future of the gas pumps, and tank. It was noted that this equipment is owned by The Island Market LLC and is in sufficient condition to continue operating. However, Tom noted that its location and condition will impact any discussion of the future use of the rest of the property. Tom noted that he had anecdotal information that any change to the facilities would necessitate them being completely replaced to current standards at a cost in the neighborhood of \$250,000. He noted that this amount is not justified by the financial potential for selling gas on the island however as the only retail gas pump facility it is a critical, essential service. Discussion ensued and the sense of the board was to seek help in the form of grants or loans to help finance a remodel of the gas pump facility. No opinion was voiced re the ownership of the facility long term, but the board was open to working with The Island Market LLC people to find a workable answer.
- Tom then reviewed the progress to date on the replacement of the septic system that serves the market building, home and any potential expansion of use. He noted that part of the purchase terms included the sellers to provide up to \$39,000 in value to replace the system. Tom has spoken to Will Aldrich re his design of a system noting that Will would like to measure the water usage during the high summer season to assure the design can handle the current use as well as the potential for expansion.
- Roger reviewed his thoughts on the future of the garage building. He noted that the options included renting it as is as a storage building or selling it to a party who would agree to move it to another location. He noted that we'd received a letter from Josh Linscott asking if we'd like to sell the building to him for moving across the street. Discussion ensued. The sense of the board was that long term the building was an impediment to any changes to improve the market building or expand the use of the property for commercial or community use. Its location hinders reconfiguration of parking and improving pedestrian safety. Janet Anderson asked that the town be allowed to explore moving the building to the town office area.
- Discussion turned to formulating a plan for the future of the property as a keystone town center location. The board noted the importance of having a plan that would provide for additional commercial rent income and additional community uses. It was noted that a discussion needs to be held with the other

*neighbors including the ICC as to the future of this area. Consensus formed to invite the Giardino's (island residents who are architects and land planning experts) to the next board meeting so that they could share their thoughts and help the board formulate a plan.*

- Update on Renewable Energy
  - *Tom Tutor led the discussion on our various interactions re improving the renewable energy profile of the island. This included discussions with Revision Energy, the town's Energy Committee and others. The Energy Committee is shepherding a vision for a community solar array. The board discussed various roles that the IESC could play in these efforts and remained open to any and all possibilities as they take form. Glad Jones recommended we talk with Bob Giles, a seasonal resident, who has specialized in solar energy funding.*
- Other Business?
  - Discuss a safe deposit box at Camden National for document retention.
    - *Tom Tutor made a motion to authorize Roger Heinen to open a safe deposit box at the Camden National Bank with the Chair or Vice Chair having access. This box would hold the original deeds, insurance policies, etc. Scanned copies would be held online for more immediate access. Glad Jones seconded the motion, and it was passed without objection.*
    - *Bonnie Hughes asked that the board consider an Investment Policy given that we now have substantial financial assets that are bigger than covered by federal deposit insurance and that we had no short-term use for the funds that could be earning more investment income. Bonnie was asked to prepare a brief document for the next board meeting.*
- Tom Tutor made a motion to adjourn at 4:35PM. This was seconded by Lois Chiles and the meeting was adjourned without objection.

# Islesboro Economic Sustainability Corporation

## Income by Category July 1, 2020 - March 18, 2021

	GARAGE	HOUSE	ISLAND MARKET	LOANS	NOT SPECIFIED	TOTAL
Income						
Donations		20,000.00			250,836.91	\$270,836.91
Interest Received				156.15	744.75	\$900.90
Rental Income	100.00		3,250.00			\$3,350.00
<b>Total Income</b>	<b>\$100.00</b>	<b>\$20,000.00</b>	<b>\$3,250.00</b>	<b>\$156.15</b>	<b>\$251,581.66</b>	<b>\$275,087.81</b>
GROSS PROFIT	<b>\$100.00</b>	<b>\$20,000.00</b>	<b>\$3,250.00</b>	<b>\$156.15</b>	<b>\$251,581.66</b>	<b>\$275,087.81</b>
Expenses						
Fuel		667.80				\$667.80
Insurance			6,242.83		1,368.00	\$7,610.83
Legal & Professional Services			513.00		14,564.61	\$15,077.61
Office Supplies & Software					688.60	\$688.60
Other Business Expenses					504.92	\$504.92
Property Tax	375.00	1,107.00	1,473.75		0.00	\$2,955.75
Utilities	38.33	101.88				\$140.21
<b>Total Expenses</b>	<b>\$413.33</b>	<b>\$1,876.68</b>	<b>\$8,229.58</b>	<b>\$0.00</b>	<b>\$17,126.13</b>	<b>\$27,645.72</b>
NET OPERATING INCOME	<b>\$ (313.33)</b>	<b>\$18,123.32</b>	<b>\$ (4,979.58)</b>	<b>\$156.15</b>	<b>\$234,455.53</b>	<b>\$247,442.09</b>
NET INCOME	<b>\$ (313.33)</b>	<b>\$18,123.32</b>	<b>\$ (4,979.58)</b>	<b>\$156.15</b>	<b>\$234,455.53</b>	<b>\$247,442.09</b>

# Islesboro Economic Sustainability Corporation

## Balance Sheet As of March 17, 2021

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Checking (5715)	89,364.21
MoneyMarket (5798)	717,906.61
<b>Total Bank Accounts</b>	<b>\$807,270.82</b>
Other Current Assets	
Receivable from Town	55,500.00
Receivables	0.00
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$55,500.00</b>
<b>Total Current Assets</b>	<b>\$862,770.82</b>
Fixed Assets	
Garage - 115 Main Road	56,539.00
House - 111 Main Road	167,007.00
Island Market Building	222,387.00
Land - 111/113/115 Main Road	108,293.70
<b>Total Fixed Assets</b>	<b>\$554,226.70</b>
Other Assets	
Notes Receivable	64,737.79
<b>Total Other Assets</b>	<b>\$64,737.79</b>
<b>TOTAL ASSETS</b>	<b>\$1,481,735.31</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
<b>Total Liabilities</b>	
Equity	
Retained Earnings	1,234,293.22
Net Income	247,442.09
<b>Total Equity</b>	<b>\$1,481,735.31</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$1,481,735.31</b>

# Islesboro Economic Sustainability Corporation

## Profit and Loss

July 1, 2020 - March 17, 2021

	TOTAL
Income	
Donations	270,836.91
Interest Received	900.90
Rental Income	3,350.00
<b>Total Income</b>	<b>\$275,087.81</b>
GROSS PROFIT	<b>\$275,087.81</b>
Expenses	
Fuel	667.80
Insurance	7,610.83
Legal & Professional Services	15,077.61
Office Supplies & Software	688.60
Other Business Expenses	504.92
Property Tax	2,955.75
Utilities	140.21
<b>Total Expenses</b>	<b>\$27,645.72</b>
NET OPERATING INCOME	<b>\$247,442.09</b>
NET INCOME	<b>\$247,442.09</b>

## **IESC Board Fundraising Report – 3/25/21**

- Town Reports \$1,519,737.58 Raised to Date
  - 75 Contributions from 59 Donors
    - 10 from \$1 to \$499
    - 7 from \$500 to \$999
    - 14 from \$1,000 to 1,999
    - 4 from \$2,000 to \$4,999
    - 17 at \$5,000
    - 1 at \$7,500
    - 2 at \$10,000
    - 1 at \$15,000
    - 4 from \$20,000 to \$24,999
    - 7 at \$25,000
    - 2 at \$50,000
    - 5 at \$100,000
    - 1 at \$500,000



ISLESBORO ECONOMIC SUSTAINABILITY CORP.

INVESTMENT POLICY

FEBRUARY 2021

The goal of the IESC Board is to safeguard and preserve cash in excess of immediate needs while retaining sufficient funds for operations. The Board should be able to respond quickly to urgent matters and program opportunities.

Investment objective

- Maximize return on idle capital while minimizing risk and cost
- Preserve flexibility to respond to opportunities

General provisions

- The board will review this policy annually and update it as appropriate.
- The treasurer will provide a report on investments at each board meeting.
- The board will approve in advance any investment not expressly permitted by this policy.
- The board may consult non-board members with investment expertise and may hire outside experts to manage investments.
- If an investment manager is hired, the board will appoint an investment committee to evaluate performance and assure that objectives are met.

Investment guidelines for 2021

- Individual bank accounts or CDs will not exceed the FDIC insured amount of \$250,000.
- A minimum balance of \$50,000 will be maintained in cash.
- Cash in excess of current needs will be held in bank CDs or in a brokerage account invested in short-term (up to two years) CDs, treasuries or investment grade fixed income securities rated A or better by Standard & Poor's or Moody's.
- No more than 25% of the portfolio may be invested in any one instrument.