



Minutes of the Meeting of the Board of Directors
Hudson River Sloop Clearwater, Inc.
Virtual Meeting via Zoom
Thursday, July 11, 2024 at 7:00pm

Board Members

~~Sarah Armour~~
~~Adenike Bamgboye~~
Peter Capek
~~Joshua Clyburn~~
Mitzi Elkes, Executive Committee At Large
Joan Gaylord
Neil Gordon, Treasurer
~~Scott Greathead~~
Samantha Hicks, President
Gareth Hougham
Arthur Jones, Vice-President
Aaron Mair

~~Jennifer McMillan~~
~~Tom Murphy~~, Executive Comm. At Large
Jeremy Rainer
Dan Riesel
~~Larry Rothbart~~
Gabrielle Spielberg
Steve Stanne, Executive Comm. At Large
Donna Stein
Rosemary Thomas, Secretary
~~Sarah Underhill~~
~~Julia Wilson~~
(~~strike through~~ indicates absence)

Staff Members

Jen Benson
Meg Mayo

David Toman, Executive Director

Members

Jeremy Baron

Joyce Hanson

The meeting was called to order at 7:00 pm.
Mission Song sung by Steve, Pete Seeger's "Turn Turn Turn."

Approval of Minutes

The 06/12/24 Board meeting minutes were approved by a show of hands.

Executive Director's Report

David opened with a photo of a NYC harbor sail, commending Joan Gaylord for connecting Clearwater with an environmental alumni group.

David shared that Jen Benson, our Environmental Action Director, was selected by popular vote as the first-place Chronogrammie Award Winner for Environmental Advocate / Activist, and that Jen remains temporarily redirected to other responsibilities.

Regarding Hudson River PCB cleanup, Friends of a Clean Hudson is very opposed to the Environmental Protection Agency's (EPA) release stating that "protectiveness determination" cannot be determined at this time – please follow updates on the topic.

Pay What You Can Sails have been very well received by the community. While they bring in some revenue, their long-term success requires sponsorships.

Youth Empowerment Programs start next week, with three between now and mid-August.

David showed a 2024 spring sailing season overview including the numbers for bookings and revenue from public, education, speaker, musician, charter sails and 'Pay What You Can' sails, plus a comparison to 2023. Spring sails were affected by furloughs as program coordinators were out for a week each when they would have been making phone calls. Education sails were down, public sails were up. Overall revenue for 2024 was \$110k, down from \$123k last year. Charter bookings are behind.

Administratively, Caitlin Zinsley returned from leave, a search for a Donor Relations Coordinator is underway, Capital CFO is now providing bookkeeping /accounting support, FY2023 audit activity is underway, the IRS is now working on one of our outstanding ERC quarters, and a crew van is still being sought.

David presented a bank loan forgiveness opportunity of approximately \$50k on principal (plus additional savings on interest that would be paid over the next 4 years), and asked for this to be a top board priority. While there is no plan yet, ERC funding and pledges are two potential solutions. Realizing this opportunity would reduce monthly operating expenses and improve the balance sheet. There was discussion on reaching out for pledges.

In response to a question, David said the rate of increased giving this spring cannot be counted on consistently and the goal is to solve the fiscal challenges by using the business planning process to develop a more sustainable plan.

David drew attention to three upcoming events – 1) the Hudson Valley Homegrown Music & Arts Festival at City Winery, Montgomery, on Sunday, 7/21, where Clearwater is the highlighted non-profit, 2) our own Clearwater Folk Picnic on Saturday, 8/3, at the Settlement Camp Theater (volunteers needed, reach out to Erin), and 3) the Beacon Sloop Club's Corn Festival on Sunday 8/11. Steve highlighted the impressive music lineup for the Folk Picnic.

Development

Meg said year-to-date development revenue is 42% above last year. Donor Perfect data entry remains very far behind. The Spring Appeal has come in well over target, alleviating concerns it would be impacted by the earlier emergency appeal. The Gala actuals were a bit lower than target. Meg said the challenge now is to really maintain and build relationships with those who gave during these appeals.

Meg gave an overview of 2023 and 2024 grant activity. The next several weeks will be consumed on grant applications, in particular a big OPRPH sloop restoration for the 25/26 transom project

and a NYSCA (New York State Council on the Arts) grant which would increase our capacity to incorporate music into our mission based work.

Meg acknowledged the instrumental work by Jen Benson in securing support and funding from elected officials.

Nominating / Board

Arthur presented a RESOLUTION to add board indemnification language to the by-laws. The text of the resolution is attached as Appendix A. Neil moved to approve the resolution. Joan seconded. After a short discussion the resolution PASSED unanimously and will go to a membership vote. (For clarity, amendments to the by-laws require 2/3 of the voting membership to approve changes.)

Arthur presented a slate of 10 candidates for the upcoming election of directors at the Annual Meeting, noting the list could shrink slightly before the final ballot is locked in on 7/14, but that no new names will be added. Arthur made a MOTION, seconded by Neil, to approve the slate. It PASSED by unanimous vote. Arthur thanked the Nominating Committee and those who made referrals.

Business Model Task Force Update

David shared recent progress. Four, possibly five, external experts / community business people are participating. David and department heads will represent staff. Sam, Steve, Peter, and Julia will represent the board. Poll for first meeting has been distributed to the team.

David feels strongly that a professional facilitator would be very beneficial but the proposal came in quite high. We are now looking for a second version with decreased scope and more do-able price for potential funding.

Harvard Business School Alumni NYC will help brainstorm / work on a particular task, which is to be determined.

Dan asked if anybody on the committee can advise on environmental advocacy, as this was the original purpose of the organization, a substantial portion of our mission, and the reason many people support Clearwater. He said people give because they know their money is going to specific environmental projects and a successful environmental program is essential for the organization to thrive. Multiple people commented and David summarized that the business model plan group is not reinventing our mission, but rather looking at how to manage the business more successfully. The group is expecting to learn from other successful organizations and apply that knowledge here.

The meeting was adjourned at 8:47 pm.

Respectfully Submitted,
Rosemary Thomas, Secretary

APPENDIX A

BE IT RESOLVED, that the Board of Directors of Hudson River Sloop Clearwater hereby authorizes the Nominating and Governance committees to add the below bylaw to this year's election ballots, for consideration by the membership:

Article XV Indemnification

Section 1. Mandatory Indemnification.

Hudson River Sloop Clearwater Inc. (the "Corporation") shall, to the fullest extent now or hereafter permitted by applicable New York State law, indemnify any person described in Section 2 against judgments, fines, amounts paid or to be paid in settlement, and costs, charges, and expenses, including attorneys' fees, incurred in connection with any Proceeding (as defined below).

Section 2. Persons Entitled to Indemnification.

The following persons are entitled to indemnification: any person made or threatened to be made a party to or who is otherwise involved in any Proceeding (as defined below) by reason of the fact that the person, or his or her testator or intestate, was a director or officer of the Corporation, or served or agreed to serve another domestic or foreign corporation or other enterprise (partnership, joint venture, trust, employee benefit plan, etc.) in any capacity at the request of the Corporation.

"Proceeding" means any threatened, pending, or completed action, suit, or proceeding and any appeal thereof, whether civil, criminal, administrative, or investigative, including without limitation: (a) an action by or in the right of the Corporation to procure a judgment in its favor; and (b) an action by or in the right of any other domestic or foreign corporation, or any other enterprise (partnership, joint venture, trust, employee benefit plan, etc.) which any director or officer of the Corporation serves, served or agreed to serve in any capacity at the request of the Corporation.

Section 3. Limits on Indemnification.

Notwithstanding the foregoing, the Corporation shall not provide indemnification to any person if a judgment or other final adjudication adverse to the applicable director, officer, or other person establishes that (i) his or her acts were committed in bad faith or were the result of active or deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person is not entitled to indemnification. A person shall not be entitled, as a matter of right, to indemnification pursuant to this Article in connection with any Proceeding commenced by such person, unless such Proceeding was authorized by the board.

Section 4. Advancement of Expenses.

The board may authorize the Corporation to pay expenses incurred by a person described in Section 2 in connection with defending a Proceeding in advance of the final disposition of the Proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized by this Article.