**Star Island Corporation (SIC)**

**Chief Executive Officer’s Report**

**May 16, 2017**

***Our Mission:*** *To own and maintain Star Island and such other property as the Corporation may hold or acquire, as a center for religious, educational, and kindred purposes consistent with the principles of the Unitarian Universalist Association and the United Church of Christ.*

***Our Vision:*** *To create on Star Island an environment that frees all who come to renew spiritually, explore matters of consequence, and gain knowledge about the world as it might ideally be.*

**COMMUNITY**

* The joint SIC staff/SIUCC marketing team met on May 1 to discuss several topics. Part of our work together will result in a new SIUCC web site, to be launched in the coming weeks.
* Our 2017 Pelican roster has been finalized, and we are actively planning for a productive, informative, and interactive Pelican orientation. The orientation takes place over two weeks – the first for crew supervisors and the second for everyone on staff.
* The Pelican Compensation Task Force (PCTF) has met twice, on April 18 and again on May 8. The task force is working towards a long-term Pelican compensation recommendation to present to the staff and Board this summer.
* We have been working with Grantham (NH) Village School’s and North Hampton (NH) School’s fourth grade classes in preparation for their upcoming field trips to Star Island (June 2 and June 9 respectively). In each case, we have already sent a senior staff member into the classroom to offer a presentation about Star Island. We are piloting our SEA Star program with these and other schools – please see the attached SEA Star Pilot Program for more information.
* We are looking forward to our Unitarian Universalist Alliance of Camps and Conference Centers (UUACCC) shared booth at the General Assembly of the Unitarian Universalist Association, which will take place June 21-25 in New Orleans, LA. We are grateful to Dan Gottfried of Unirondack, Hilary Goller Hansell of U-Bar-U, and Rev. Deanna Vandiver of the Center for Ethical Living and Social Justice Renewal for serving as our booth anchors this year. They will be joined by volunteers from various UU camps and conference centers, including Star Island – if you or someone you know is attending GA and would like to help out, please email Lisa Santilli at lsantill@starisland.org.
* On May 2, I offered an overview class called “Star Island – NH Treasure and Model” at the Osher Lifelong Learning Institute at Granite State College. The class focused on Star’s rich and interesting history, as well as the many cutting edge sustainability initiatives included in the Green Gosport Initiative.
* We hosted our first small conference of the season this weekend, a pre-season birding conference, with a dozen birders in attendance.
* Please find attached our Whistleblower Policy, which was briefly discussed at the April 25 Board meeting.
* Please find attached our May Communications Report from Lisa Santilli, which highlights a number of accomplishments, and where we are focusing our marketing efforts as we approach the 2017 regular conference season.

**ECONOMIC**

* As of May 15, we received 2,764 registrations representing 16,507 bed nights (81% of our 20,350 bed night goal). Please see the attached bed night report for more details. Last year at this time, we had registrations for 16,637 bed nights (85% of our 19,650 goal), and in 2015 at this time, we had 15,094 bed nights (77% of our 19,550 goal). We are pleased to see a number of conferences at or above their conference filling goal. Some conferences are behind where we’d like to see them at this point, and we are working hard to close the gap. Overall, we are slightly off pace compared to last year, though we expect the numbers to normalize with the expected enrollment of additional LOAS 1 and 2 conferee. Combined, these conferences are over 500 bed nights behind where they were last year at this time, though we expect them to close at least a large portion of this gap in the coming months.
* We are currently projecting a net operating gain of $­294K (vs. budget of $284K) – please see the attached April Financials for more information.
* Our 2016 Form 990 has been filed with the IRS and the State of NH, as has the 2016 Form 990 of the Star Island Permanent Trust Fund. Our A-9 Form (real estate exemption) and A-12 Form (charitable organization financial statement) have been filed with the Town of Rye.
* We are in receipt of draft Clean Water State Revolving Fund (CWSRF) loan documents from the NH Department of Environmental Services (NHDES). We are setting up a small working group to review these documents and make recommendations for how to proceed, and we hope to have an initial meeting prior to the May 23 Board meeting. The draft loan documents, attached, indicate a loan amount of $947,500, fixed at 2.00% for a 20 year term, and include several stipulations, all of which we intend to review carefully. We expect to share our feedback with the NHDES at some point in the coming weeks, and then come to agreement such that we can finalize the loan documents to our mutual satisfaction, after which they would be presented to the Governor and Executive Council for final approval. Upon completion of this step, we can proceed to closing. It is clear that a detailed review and back-and-forth with NHDES are required, and it is great to have a real offer in front of us.
* The Finance Committee met on April 19 to discuss the March Financials, to review SIC’s and the Trust’s Form 990, to go over the schedule for the five year financial plan (May-June) and the Long Range Integrated Financial Planning Tool (August-September), and to receive an update about CWSRF financing of our proposed wastewater treatment facility. The committee meets again tomorrow night.
* We will soon start borrowing from our credit line with Optima bank to help with cash flow between now and when we start receiving room and board revenue next month. By the time we borrow, we will have gone about nine months without needing to borrow from the line.
* We are grateful to the Isles of Shoals Association, UU, for its generous spring gift of $20K, which was presented to the Star Island Corporation during the Annual Meeting.

**ENVIRONMENT**

* Open-up is going well as we rapidly approach the start of the conference season. A tremendous amount of work is getting done by volunteers, staff and contractors.
* Many projects are underway, including extensive renovations to the Kiddie Barn. Upon opening up the east wall of the building, we discovered it was even more deteriorated than we had expected, further reinforcing the importance of this work.
* All of the parts and pieces for our new Summer House have been prepared (cut and painted) and are ready for a “barn raising” event to occur over Memorial Day Weekend. We are grateful to Drew Clark, our contractor for this project; the Isles of Shoals Association, UU for providing volunteer labor; and Tom and Tricia Coleman, whose significant donation will cover this rebuild of one of the island’s most iconic structures.
* On the electrical front, we have electricians working on a variety of projects, including some routine fixes and upgrades. We are upgrading to arc fault circuit breakers over time, starting with the hotel complex this year.
* On May 11, we had a second productive meeting with Underwood Engineering and Altus Engineering on various design aspects related to our new wastewater treatment/water reclamation facility. As previously reported, we expect to receive all anticipated deliverables from Underwood by the end of June.
* We are busy finalizing preparations of the island for our annual inspection, which is expected to be conducted by the Rye Fire Department on Friday.
* The Strategic Facilities Planning Committee meet on May 6 to discuss many of this year’s projects, as well as a big effort we hope to undertake next year – Phase IV of our hotel complex restoration/rehabilitation project. Our intention is to develop elevator shaft designs that would accommodate the potential addition of one or more elevators at a subsequent date, located in the “alcove” space directly adjacent to the east face of the Oceanic Tower. The committee discussed this at length, as issues associated with having an elevator are not as simple as they might sound. This is a forward thinking conversation that needs to happen for many reasons, and we are grateful that the committee is working on this.

**STEWARDSHIP**

 *(NOTE: Director of Development Pam Smith and I have co-written this part of my report.)*

* Please see the attached April AF Comparison Report for an update on how we are doing with the 2017 Annual Fund. The following chart compares our progress this year to the previous two years:

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| --- | --- | --- | --- | --- | --- |
| **Year** | **Realized Gifts** | **Pledge Balance** | **Total** | **% to Goal** | **Total Donors** |
| **2017** | $64,397 | $4,500 | $68,897 | 14.0% | 226 |
| **2016** | $68,494 | $9,725 | $78,219 | 16.3% | 250 |
| **2015** | $46,256 | $5,000 | $51,256 | 11.0% | 117 |

While it is too early in the year to draw firm conclusions, we are looking carefully at the numbers to ensure there aren’t any concerning trends. Two conferences have contributed $17K less (combined) than what they had offered last year at this time, though we have confidence that both conferences will close the gap in the coming months.

* The Fund Development Committee (FDC) met on May 10 to receive various updates, including how we are doing YTD with fundraising, and what the three FDC working groups are up to (donor recognition, Legacy Society, and events).
* We are looking forward to our donor and volunteer appreciation/celebration at the Kittery Community Center on May 23 – “Celebrating our Stars!” Please see attached postcard invitation. To find out more, and to register, visit [www.starisland.org/programs/events](http://www.starisland.org/programs/events). We are grateful to our event sponsors, Insource Services, Southport Printing, and Wentworth Greenhouses.
* The Annual Meeting of the Star Island Corporation took place on May 6 at the First Church and Parish in Dedham (UU). 144 Shoalers were in attendance, slightly lower than our ten year average attendance of 153. Special thanks go to Kate Brady, Office Manager, for her excellent work behind the scenes helping to make our Annual Meeting enjoyable and successful.
* The spring Council of Conferences (CoC) meeting also took place on May 6. Delegates focused on strategies for how conferences can promote kindness and inclusivity on the island, and how conferees can be encouraged to foster kindness and inclusivity beyond the shores of Star Island.
* Our newsletter, including our annual recognition listings, is expected to be in people’s mailboxes around the end of this month.
* Our first volunteer work weekend took place this weekend. We hosted 14 volunteers, who helped out with a range of projects.
* On May 7, the Unitarian Universalist Congregation at Shelter Rock voted on five Large Grant ($100,000) proposals addressing the issue of climate change. Star Island came in third place in the voting, meaning we will not receive a grant in this cycle. Though we obviously wish we would have received a $100,000 grant to fund our proposed wastewater treatment/water reclamation facility, there were some silver linings, the most significant of which were a deepened appreciation of our Star Island advocates at Shelter Rock (especially Jessica Vega) and an increased ability to articulate how our proposed project can serve as a model for other communities.
* On May 8, we completed the first step in our application for an AmeriCorps’ ([www.nationalservice.gov/programs/americorps](http://www.nationalservice.gov/programs/americorps)) National Civilian Community Corps team to work on Star Island from late August through early October. The team, which would consist of 6-10 members aged 18 to 24, would work on projects that support Star Island’s sustainability, possibly including winterization, historic preservation of buildings, and the Green Gosport Initiative. The presence of this team would allow existing staff to be redirected, when necessary, to offer more direct support to conference services during our end of season period. On May 10, we received word from AmeriCorps that we have been selected to submit a full application, which is due June 19. Special thanks to volunteer Arlyn Weeks, who researched the possibility, met with various staff members to solicit ideas, and is submitting all application materials.

As was discussed at the Annual Meeting, things are going well, and we are grateful to the thousands of Shoalers who contribute in one way or another to our Spirit’s Home.

With Star Spirit,

Joe Watts

Chief Executive Officer