

**Star Island Corporation (SIC)
Chief Executive Officer's Report
February 20, 2020**

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

- On January 19, I attended the Institute on Religion in an Age of Science (IRAS) Council Winter Meeting, during which we discussed the 2020 discount program and some exciting opportunities to connect with the Religious Naturalist Association (RNA) (www.religious-naturalist-association.org) to increase enrollments at this year's IRAS Conference. Several former conferees are involved with the RNA, and we are hoping to reconnect with these folks this year. The staff/IRAS marketing team will be meeting on Monday to refine and implement a comprehensive personal outreach plan which we expect to finalize and enact next month, though IRAS registrations are already off to a great start this year, with 46 more people registered by February 15 compared to the same date last year.
- We are working with several other conferences on marketing and outreach, including Star Arts, Natural History Week, Faith Development Conference (formerly LRE), Youth Empowerment and Spirituality (YES), Star Gathering 2 (SG 2), Life On A Star 1, Life On A Star 2, SG Family Weekend (formerly Laity), and Watercolor with Doris Rice (a new conference designed to replace the Road Scholar September Conference).
- We met with the leadership of Star Island United Church of Christ (SIUCC) and the Star Gathering 2 (SG 2) Family Conference Chair on January 31, and we are meeting with them again on March 3 to discuss how we can keep up the momentum we gained last year during SG 2 and Family Festival Week, when we increased enrollment by over 100 conferees in one year. We are also hoping to increase attendance at both SG 1 Family and SG 1 Youth this year. SIC has made significant investments to increase enrollment at these two family weeks over the last few years (and especially last year), and this is an important moment for SG 1 and SG 2 (and for Star). We look forward to robust collaboration and effort from all involved in the weeks ahead, to an increase in SG 1 Family and SG 1 Youth enrollment compared to last year, and to a similar SG 2 (and Family Festival) enrollment compared to last year.
- On January 30, members of the Unitarian Universalist Association of Camps and Conference Centers (UUACCC) met to continue discussions about how we might broaden the scope of our mission. We also continued to plan our group's presence at the next General Assembly of the Unitarian Universalist Association, which takes place June 24-28 in Providence, RI. If you and/or somebody you know is interested in volunteering for a shift or two at our shared booth, please let me know.
- We enjoyed a productive and inspiring introductory meeting of an initial group of Beloved Community Project Task Force members on January 28. Island Minister Sophia Lyons and I participated in this initial meeting, and we were very excited about the conversation and prospects. We have conceived that the purpose of the task force is to act as an advising, inquiring body that will discern how Star Island might live into deeper Beloved Community, as well as to actively implement chosen, on the ground initiatives. We also want to give some space to the task force to help co-create its purpose and membership, which is why the task force met again on Tuesday, without staff present. We look forward to hearing back from the group about next steps in the near future.

- The Pelican hiring team, ably managed by Kate Brady, has made excellent progress with putting together a great team of 2020 Pelicans. This year, despite some excellent and expanded outreach, we saw a decrease in the number of applications compared to last year. While some of the decrease is of little concern (there are less internship opportunities, which are run through the Pelican application process), we also recognize that some of the decrease is reflective of broader trends, and we are working carefully to address this challenge this year and over time. We do have a strong applicant pool, which bodes well for our 2020 regular season team, though we continue to see leaving dates creeping earlier and earlier each summer (which makes hiring for the end of our regular season/September more challenging). We expect to send out all regular season employment offers by mid-March.
- We are pleased to have the majority of our seasonal professional staff team returning this year, including Sarah Whalen (Community Health Advocate), Mark Nash (Facilities Director), Roger Trudeau (Island Engineer), Dwayne Aljets (PT Assistant Island Engineer), and Eric Jenkins (PT Capital Projects Carpenter). We do have some transition this year in the food service and logistics areas (see below), and we are confident that we will have a good team in place for the 2020 season.
- We signed our annual agreement with CrossCurrent Communications, our professional marketing consultant, on January 22. Earlier this week, we received the results of CrossCurrent's digital audit, and we look forward to working with our professional marketing consultant on the audit's recommendations, which includes improvements to our web site among other things.
- Upon recommendation of the Personnel Committee and staff, the SIC Board approved the Safe Community Policy on January 21. This policy is reviewed and voted upon by the board on an annual basis. I have appointed John Bynum and Justina Maji the 2020 Grievance Officers.
- The 2020 Annual meeting will take place on Saturday, May 2, at the First Church and Parish (UU) of Dedham, MA (www.dedhamuu.org).
- On February 12, we sent out 2020 letters of understanding between SIC and individual conferences.

ECONOMIC

- As of February 15, we received 1,540 registrations representing 9,608 bed nights (46% of our 2020 budgeted goal of 21,000). Last year at this time we had received 1,514 registrations representing 9,097 bed nights (44% of our 2019 budgeted goal of 20,650 bed nights), and in 2018 at this time we had received 1,223 registrations representing 7,534 bed nights (37% of our 2018 budgeted goal of 20,350 bed nights). While it is still premature to draw firm conclusions, we are noting with interest that registrations are strong in a number of areas, including those we expected including All Star 1, All Star 2, International Affairs, LOAS 1, and LOAS 2. As with recent years, we are experiencing continued strong registrations at some of our August and September conferences, including Star Women, Yoga, Quilting and Rug Hooking. IRAS and Star Union are off to a strong start this year; this will be the first year they will share the week without other small conferences during the week.
- Our December 2019 Preliminary Financials indicate a net income of \$422,671 (vs. 2019 Budget of \$311,010). We invested \$1,565,287 in capital projects (vs. 2019 Capital Budget of \$1,601,600). Please see the attached financials, as well as the December Dashboard, for more information.
- Our consolidated January/February Financials will be available next month and, as usual, included in the April Board meeting materials.
- The Audit Subcommittee of the Finance Committee and staff met with Berry Dunn (our auditors) on January 31, and the audit fieldwork is scheduled for next week. Our goal is to have a completed audit and Form 990s (for SIC and the Star Island Permanent Trust Fund) to present at the April 7 Board meeting. The next meeting of the Audit Subcommittee takes place on March 17.
- The Finance Committee met on January 15 to discuss the November Financials and Dashboard, the 2020 Budget, the 2020 Finance Committee calendar, the 2019 Audit, and the Finance Committee Charge. The committee recommended approval of the staff's 2020 Budget Proposal as presented, and the SIC Board

approved the 2020 Budget at its January 21 meeting. The Finance Committee meets again on Wednesday.

- The Trustees of the Star Island Permanent Trust meet on March 5.
- On February 5, the Governor and Executive Council of the State of New Hampshire approved \$120,000 of funding to provide expert technical assistance consulting services for our water reuse demonstration project at our new Wastewater Treatment/Water Reclamation Facility. The firm the State is hiring, Carollo Engineers Inc. (www.carollo.com), is among the top water consulting firms in the world, and we are therefore thrilled that they will be working with us and the New Hampshire Department of Environmental Services on our pilot program. While this is not a grant to SIC, per se, it has the same effect as a grant in that all funds will directly benefit Star Island. These funds will also benefit the State of New Hampshire, as our pilot project is focusing on water reuse in a way that could benefit the State as a whole (which is why the State is investing in our program). Needless to say, we are both grateful and excited about this funding, and we are proud that our project can make a significant difference beyond the shores of Star Island. For more information, please click on Agenda Item #42 at http://sos.nh.gov/nhsos_content.aspx?id=8589996344.

ENVIRONMENT

- Work continues on our Wastewater Treatment/Water Reclamation facility. On January 29, we submitted our National Pollutant Discharge Elimination System (NPDES) permit re-application to the US Environmental Protection Agency. We are working with our engineers on planning for our winter wastewater solution, and on finalizing plans for some work on the main facility to take place prior to the start of the regular season.
- There is a significant construction project happening in the building in with our Portsmouth offices are located, and the City of Portsmouth is managing this project, as they own the building. At the end of last month, we encountered some challenges which forced us to close our offices for the better part of a week. I am grateful to the staff and volunteers who worked around this situation, and I have been in regular contact with Brian LeMay, the Executive Director of the Portsmouth Historical Society (our landlord).
- We have successfully completed Phase I of a three phase process to migrate our Windows Server to the cloud. IT Manager Tim Dullea shepherded the staff through this process, which resulted in our emails being moved to the cloud. Phase II, which involves moving our networked drive to the cloud, will take approximately three months, and we are in the process of determining if we should do this prior to the regular season, or if we should wait for the fall.
- Part of our new facilities department structure includes a new approach to our logistics department. Rather than having a full-time, shore-based Logistics Manager, we will have a few part-time positions to cover various logistics-related functions, ranging from in-town changeover management to online boat scheduling. We are pleased that Connor Rasmussen, last year's Logistics Manager, will be returning as a part-time member of our 2020 logistics team.
- As previously reported, we have intentionally reduced the scope of this year's capital project plan for a number of reasons, and this enables us to have more time to plan and budget for renovation and rebuild projects for the Underworld, Units, and staff housing. This approach dovetails nicely with an evolving regulatory environment that will require more steps than in prior years.
- Jack Farrell and Mark Nash will be offering a presentation at the upcoming Winter Board Retreat which will focus on a few topics, including the evolving regulatory environment, some projects scheduled for the season, and our new facilities department structure.
- On February 3, our formal request for a permit to install signage for our outdoor exercise route was addressed by the Rye Historic District Commission (RHDC) at a public hearing. The RHDC denied our

request as presented and expressed concerns about the location of some of the equipment. The RHDC gave us thirty days to submit a revised proposal, which we intend to do.

- We have finalized and signed 2020 agreements with Granite State Whale Watch (Uncle Oscar) and County Line (Utopia and Hurricane). We anticipate finalizing our next multi-year agreement with the Isles of Shoals Steamship Company (Thomas Loughton and Challenger) in the near future.
- We have finalized the 2020 boat schedules with the Isles of Shoals Steamship Company (Thomas Loughton and Challenger) and Granite State Whale Watch (Uncle Oscar), and we have posted them online at www.starisland.org/boat-schedule. We are in the process of finalizing the rest of our 2020 marine transportation schedule, including Hurricane and Utopia runs, which we will post online next month.
- Keith Fletcher of the Maine Coast Heritage Trust will be meeting with our Real Property Advisory Group on March 26 to discuss conservation easements and other, related possibilities.

STEWARDSHIP

(NOTE: Director of Development Peter Squires and I have co-written this part of my report.)

- Our December 2019 Year End Preliminary Financials indicate that our 2019 Annual Fund total came in at \$573,595 (109% of our \$525,000 goal). We are grateful for everyone who contributed last year, making the 2019 Annual Fund the most successful campaign in our history, save for 2007’s emergency campaign. We are pleased to have achieved this success despite some competing factors (see January CEO Report).
- We are off to a good start to our 2020 Annual Fund campaign – as of January 31, we had realized \$22,255 in gifts, with a pledge balance of \$8,708, for a total of \$30,963 (5.6% of our 2020 goal of \$555,000), with 187 Sustaining Star (recurring) donors. These totals are (slightly) lower due to some gifts that came in during February instead of January as a result of us not receiving mail during the office closure (see above). Please see the attached January Annual Fund Comparison Report for more information. The following chart compares January 31, 2020 to the previous two years on the same date:

<i>Year</i>	<i>Realized Gifts</i>	<i>Pledge Balance</i>	<i>Total</i>	<i>% to Goal</i>	<i>Total Donors</i>
2020	\$22,255	\$8,703	\$30,963	6%	218
2019	\$30,310	\$8,250	\$38,560	7%	203
2018	\$18,162	\$7,333	\$25,495	5%	145

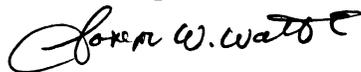
- We are in the early stages of 2020 Annual Fund volunteer recruitment, with a number of experienced volunteers from key conferences slated to return.
- We have submitted a grant request for \$10,000 to the 1772 Foundation in support of fire safety improvements scheduled for 2020.
- SIC contributed a net of \$103,766 to the Star Island Permanent Trust during 2019, the majority of which was comprised of estate gifts (\$63K) and gifts from living donors (\$22K). Additionally, we are pleased to have transferred a total of \$19,419 in other types of funding to the Trust in 2019, funds that would not have been directed in this way in prior years (proceeds from memorial stones, a memorial bench, and the reclassification of a temporarily restricted gift). Our proactive policy change to direct memorial stone and bench proceeds to the Trust instead of the Annual Fund reduced our 2019 Annual Fund total (it would have been \$588,795 had we not changed our policy) in order to augment the value of the Trust, consistent with our longer term strategic goals and objectives.
- Speaking of which, we are excited to begin in earnest planning for our next strategic plan. Our current plan (see attached) runs through the end of this year, and organizationally, we can look back with pride

on all we have accomplished over the term of this plan, and we can also look forward with excitement about what we more we can accomplish together. The staff looks forward to joining the board at the Winter Board Retreat to work collaboratively as a leadership team on an early version of the plan. We are also looking forward to working with Corporation members and others as we refine plan drafts in the months ahead, as we move to a recommendation for board approval prior to year's end.

- The Fund Development Committee met on February 6 to continue discussions and development of a new Gift Acceptance Policy, as well as to review the results of our strategic fundraising efforts in 2019 and begin a conversation about donor upgrading efforts in 2020 (which will continue at a future FDC meeting).
- Our work with Philanthropy Resource Group continues – we are in receipt of Maryann Lindberg's recommendations about a comprehensive Gift Acceptance Policy.
- Updating our development policies is one of a number of recommendations included in the Campaign Readiness Assessment. Since receiving this assessment over a year ago, we have been engaged in several efforts to further enhance our strategic fundraising plans. Peter will be presenting on some of this work at the upcoming Winter Board Retreat.
- We are currently receiving applications for our spring volunteer weekends. More information about spring volunteering, and our volunteer application can be found at www.starisland.org/spring-volunteering. We anticipate sending out spring volunteer offers in late March.
- The Board/Governance Task Force had its initial meeting on January 29, with professional consultant Mary Ellen Jackson in attendance. We look forward to discussing next steps at the Winter Board Retreat.

Despite the winter weather, it is starting to feel like the upcoming open-up and conference season is within reach. On an organizational level, we are excited to be working on our next strategic plan, which focuses our gaze on the future. We are planning for near-term and long-term success simultaneously, and having each inform the other is essential to our charge.

With Star Spirit,



Joe Watts
Chief Executive Officer