

**Star Island Corporation (SIC)  
Chief Executive Officer's Report  
March 30, 2022**

***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.*

***Our Strategic Resolution:*** *Our [Strategic Resolution](#) has three main goals – Community, Public Health, and Environment. These goals are incorporated into this report, which follows the format of our most recent [Strategic Plan](#).*

## COMMUNITY

- We anticipate meeting with 2022 conference leaders in early May, with a focus on policies, logistics, and other topics related to planning for a successful conference season.
- On the Beloved Community Project front, one of our main areas of focus this year is on being inclusive and welcoming. A group of dedicated Shoalers is working on a new Star Island song, and we intend to roll it out to our community in an effective and comprehensive way prior to the start of the conference season. Additionally, our new Island Minister/Beloved Community Project Manager begins work on April 25.
- On March 10, the Conference Services Committee convened to discuss different ways in which we can be welcoming. Upcoming meeting topics include accessibility and island evaluations.
- The Health Committee met on March 16 to discuss various pandemic related policy issues. Additionally, we are in receipt of some committee recommendations focusing on mental health (of employees and guests), and we are working through these recommendations with relevant staff with the goal of implementing many of them in advance of our upcoming season (some others will take time to implement).
- The Outreach & Engagement Committee also met on March 16 to discuss the Gosport Regatta, registration numbers, and a minister overnight program.
- We sent out over 100 Pelican employment offers (including open-up and partial season only offers) on March 14, with a response deadline of March 25. As is normally the case, some offers were declined, and we are working to fill the remaining open positions via the waitlist. We are pleased by the 2022 Pelican roster to date, and we are also mindful that some applicants did not get offered a position, many of whom have strong ties to Star Island. Also, despite having less applicants this year compared to our five-year average, we had more people accept offers than usual, which positions us well to for a successful season.
- The Unitarian Universalist Alliance of Camps and Conference Centers (UUACCC) met on March 9 to discuss vaccination policies, staffing issues, and planned giving. The next meeting is scheduled for May 11.
- Our 2022 Personnel Handbook has been finalized and submitted to employees.
- Our conference marketing & outreach efforts are more targeted this year than in the past, with a focus on fewer conferences and getting folks who haven't attended a conference since 2019 to return this summer.

## ECONOMIC

- As of March 15, we received 2,302 registrations representing 14,189 bed nights (74% of our 2022 budgeted goal of 19,140 (which includes 200 personal retreat bed nights)) – please see attached bed night report for more information. Last year at this time, we had just launched online registrations for regular season conferences only, so comparisons are not helpful. Compared to our last “normal” season, however, we are doing well – as of March 15, 2019, we had received 2,165 registrations representing 13,250 bed nights (64% of our 2019 budgeted goal of 20,650 bed nights). We remain cautiously optimistic about how enrollments seem to be shaping up for this season.
- Given how registrations appear to be headed, we continue to hold off on launching a discount program for this season. The registration raffle we launched recently was effective at securing a large number of registrations, and we are entertaining offering a second raffle in the near future. We intend to continue to assess our registration status and discount program plans over the next couple of months.
- Berry Dunn presented the draft 2021 audit to the Audit Subcommittee of the Finance Committee on March 24 – please find the draft audit, two letters (required and advisory), and Berry Dunn’s executive summary attached. We are pleased that Berry Dunn is presenting an unmodified/clean opinion, that they did not detect any weaknesses in our internal controls, and that they did not make any significant audit adjustments. The Audit Subcommittee recommends that the Board accept the 2021 audit as presented, and Audit Subcommittee Chair Russ Peterson will be joining Berry Dunn to present the 2021 Audit to the Board at its April 5 meeting.
- Additionally, Star Island Corporation’s 2021 Form 990 draft, and the Permanent Trust’s 2021 Form 990 draft, have also been prepared by Berry Dunn, and the drafts are being disseminated to their respective governing bodies for review. We anticipate finalizing the 990 drafts well in advance of the May 15 filing deadline.
- Our (draft) 2021 audited change in net assets (net income) was \$639,042 (vs. budget of \$44,643), another great result for SIC, especially given the uncertainty that we faced last year.
- Our January/February Financials indicate a projected net income of \$340,021 (vs. 2022 Budget of \$340,021). Please see the attached financials for more information.
- The Finance Committee met on March 2 to discuss the YE Financials, the committee calendar, the 2021 audit, and possible committee goals for the year. The Finance Committee meets again tonight.
- The Business Relationships Subgroup of the Finance Committee met on March 28 to continue development of a “vendor scorecard” that can be used to assess the various businesses with which we conduct business through a values-based lens.
- On the loan front, our credit line with Cambridge Trust has been renewed for a three-year term, though we do not expect to borrow against this line for several weeks. Also, we have confirmed that our Economic Impact Disaster Loan (EIDL) application (\$281K loan with a fixed interest rate of 2.75% and a 30-year term), originally submitted in October 2021, was finally accepted by the SBA on March 10, and we hope to hear back on this in the weeks ahead. Finally, we anticipate closing on our second Clean Water State Revolving Fund (SRF) loan (\$500K loan with a fixed interest rate of 2.00% and an anticipated 30-year term) in April or May.
- The Trustees of the Star Island Permanent Trust Fund will be meeting on April 19.

## ENVIRONMENT

- Our search for a Logistics & Project Manager is ongoing – information can be found at [www.starisland.org/working](http://www.starisland.org/working). We are still accepting applications for this important facilities department role – please help us spread the word! We anticipate posting a Shoreside Laborer position in the very near future.
- We are gearing up for open-up, with a small crew of workers heading out for a few days next week, and then moving out to the island for the season on April 11, when our winter caretakers are scheduled to move off island.
- We continue to meet regularly with the Isles of Shoals Steamship Company, Granite State Whale Watch, and Jack Farrell, and we have created a draft 2022 “all boats” schedule, which is in the process of being uploaded to [www.starisland.org/boatschedule](http://www.starisland.org/boatschedule) and should be ready by the end of this week.
- Additionally, we continue to discuss pandemic related policies for day visitors, including vaccination requirements – our tentative plan is that day visitors who furnish proof of full vaccination would be permitted to “stopover” (coming out on one boat and leaving on another boat), and they would have access to limited indoor spaces (e.g. the lobby, snack bar, shops, designated bathroom facilities). Day visitors who do not furnish proof of full vaccination would be permitted to “walkabout” (coming out and leaving on the same boat), and they would not have access to interior spaces, but perhaps would have access to designated porches. As noted previously, we are intentionally delaying making a decision on what our day visitor vaccination policy will be at the start of our conference season, so we can make the most informed decision as we get closer to the summer.
- At the March SIC Board Retreat, Dick Case and Jack Farrell, representing the Strategic Facilities Planning Committee (SFPC), presented on our solar power system, the updated Property Standards package, and some projects planned for this year. The board voted in support of the creation of a solar power task force, which will be convened in the coming weeks to investigate expansion of our current system (among other things). After discussion, it was decided that the Property Standards should be further reviewed, through the lens of our Beloved Community Project, to ensure that the standards are as accommodating and welcoming as possible to everyone who comes to Star Island.
- Also at the retreat, Tom Rogers of Fred C. Church offered the SIC Board a presentation on our corporate insurance program. At Tom’s recommendation, effective March 24, we increased our crime coverage from \$150K to \$500K.
- On March 7, we signed a new five-year lease (2022-2026) with the Portsmouth Historical Society (PHS) for continued use of our offices at 30 Middle Street. I am grateful to PHS’ Interim Executive Director, Laura Calhoun, for her spirit of collaboration and her efficiency – in addition to coming to terms on a mutually beneficial long-term lease, she helped to fix the heat in the building which has been an issue for several years.
- On March 22, we were granted a real estate tax exemption for our recently acquired lot on Appledore Island. Also, work on conversation easements and other longer-term possibilities related to Appledore continues.
- Later today, we are meeting with representatives from the NH Department of Environmental Services, Underwood Engineers, and Carollo Engineers to review Carollo’s draft technical reports, prepared in support of our (SRF loan funded) Water Reclamation Pilot Program, and to come up with our testing program for the 2022 operating season. Our goals this season include refinement of our wastewater treatment operations and gathering enough data to inform both

SIC’s future water reuse plans and the creation of water reuse regulations for the State of New Hampshire.

- We are looking forward to our annual planning meeting with the Rye Fire Department, which will take place on Monday.

**STEWARDSHIP**

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

- We are off to a decent start to our 2022 Annual Fund campaign – as of February 28, we had realized \$37,781 in gifts, with a pledge balance of \$24,150, for a total of \$61,931 (9.0% of our 2022 goal of \$690,000), with 191 Sustaining Star (recurring) donors. Please see the attached February Annual Fund Comparison Report for more information. The following chart compares our progress this year to the previous three years:

<i>Year</i>	<i>Realized Gifts</i>	<i>Pledge Balance</i>	<i>Total</i>	<i>% to Goal</i>	<i>Total Donors</i>
<b>2022</b>	\$37,781	\$24,150	\$61,931	9%	260
<b>2021</b>	\$71,671	\$10,583	\$82,254	14%	300
<b>2020</b>	\$35,707	\$12,917	\$48,624	6%	246
<b>2019</b>	\$43,467	\$12,500	\$55,967	11%	222

As noted last month, our AF comparison reports now include four years of data, so we can observe how we are faring now vs. our last “normal” (pre-pandemic) season (2019).

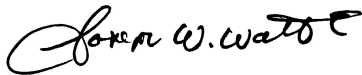
- Our Spring Annual Fund appeal letter, the first major fundraising solicitation of the year, is currently in process with our longtime vendor Five Maples Development Communications. We expect the letter to land in mailboxes by late April/early May.
- We have submitted a request to the AARP Community Challenge Grant program for \$15,000 in support of the planned work on our cottages boardwalk this spring. This is a new funder that we have never approached before. In the coming weeks, grant requests will be made to the Bank of New Hampshire Charitable Foundation (\$5,000 for the cottages boardwalk renovation); the McIninch Foundation (\$25,000 for Newton renovations); the Madelaine Von Weber Trust (\$5,000 for the Chamber Music Festival in September); and the Cogswell Benevolent Trust (\$10,000 for Chapel preservation work).
- Our 2021 Donor Recognition Newsletter was sent out electronically on March 11. This newsletter, containing our 2021 donor lists, also featured an increased focus on promoting the Legacy Society by highlighting several of the generous bequests we received in 2021. This is part of our increased focus this year on promoting the Legacy Society.
- Speaking of which, our outreach to a curated list of Legacy Society prospects is still underway and will continue throughout the year. We hope there will be a notable increase in Legacy Society membership this year. If you are already a member: thank you! If you are not yet a member, please consider making Star Island part of your estate plans. To discuss this further please contact Peter Squires at [psquires@starisland.org](mailto:psquires@starisland.org).
- The Fund Development Committee met on March 16 to discuss the Campaign Readiness Assessment report from 2019. The committee discussed elements of the report that remain relevant in 2022, and asked questions about which of the report’s recommendations have been acted upon in the past three years. The committee largely agreed that Star is ready to begin

preparations for our next major fundraising campaign, and it will continue to discuss this topic in subsequent meetings this spring. Next month, we will begin to identify possible funding priorities for a potential campaign.

- Our staff marketing team has been in continued discussions with the Piscataqua Sailing Association (PSA) about the possibility of resuming the Gosport Regatta in 2022. Though not confirmed yet, it appears likely that the event will take place on Sunday, September 18 (the last day of our 2022 conference season). In our discussions, PSA has been largely amenable to a number of suggestions from SIC to make the event a more efficient fundraiser, and also more logistically manageable, while maintaining the core elements that make the event special and important from each of our perspectives. We anticipate confirming this event next month.
- We are gearing up for our upcoming spring volunteer weekends, which begin in early May.
- We expect to send out the 2022 Annual Meeting materials on April 8. The Annual Meeting will take place via Zoom again this year.
- Our Governance Advancement Task Force has been busy, meeting twice this month with a third meeting planned for April 6. The task force has crafted a draft charge (attached), which will be presented to the SIC Board at its upcoming meeting, as well as to SIC membership in connection with the breakout sessions on governance being planned for the 2022 Annual meeting (which will take place via Zoom on April 30).

The snow has melted, spring has arrived, and pretty soon we will be opening up the island for another magical season!

With Star Spirit,

A handwritten signature in black ink that reads "Joe W. Watts". The signature is written in a cursive, flowing style.

Joe Watts  
Chief Executive Officer