

Star Island Corporation (SIC)
Chief Executive Officer's Report
May 29, 2024

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. We aspire to live this vision on and off Star Island.*

Our Strategic Plan: *Our [Strategic Plan](#) has four main goals – Community, Environment, Financial Stewardship, and Governance. This report is organized around these goals.*

COMMUNITY

- We are excited about our 2024 Theme of Growth, which we are inviting everyone to interact with this year. We have been rolling this out in a number of ways, including our annual spring newsletter.
- Speaking of which, the [2024 Star Island Newsletter](#) was emailed to everyone in our database on May 17. Additionally, we also printed some hard copies of the newsletter, for outreach and marketing purposes. This year, we created a publication that is more accessible for new folks (while still being engaging for returning Shoalers).
- While the regular conference season doesn't begin till June 16, we have already hosted a series of successful off-season birding conferences. We enjoyed an auspicious start to the 2024 conference season with wonderful weather, plenty of birds to see, and a real treat – stunning views of the aurora borealis!
- We have a great staff, with many returning folks and some new folks as well. We were fully staffed earlier than normal this year, and so our focus is shifting to hiring for the end-of-season period. Last year, we had great success promoting end-of-season work opportunities early and often, and we invite all of you to join us by helping us to promote this throughout your networks. As an added incentive, we are bringing back the \$100 “Work On A Star Too!” bonus for all Pelicans who work throughout the LOAS 2 conference (dates to qualify = 8/17-8/25).
- The Unitarian Universalist Alliance of Camps and Conference Centers (UUACCC) met on May 13, when we discussed various topics, including COVID-19 policies, transitions in camp leadership, and more. We will meet again in early October to debrief our respective seasons.
- We are in the process of revising our [health policies/medical considerations information on our web site](#) to be consistent with current CDC recommendations, as well as what many other camps and conference centers have in place for this season. One likely modification will be to change our pre-arrival COVID-19 testing policy from required to recommended (but still required for anyone with symptoms). We anticipate finalizing these updates next week.
- Employee Orientation Week, an intensive program covering many aspects of employee work and community living, takes place June 11-16. Our program offers our employees orientation on a range of topics including sexual harassment, mental health, community living, customer service, and crew-specific training. We are grateful to the Rye Fire Department and the Rye Police Department for the training they will provide us with again this year. Over the last couple of months, we have sent out a series of orientation emails on specific topics – these emails have been sent to employees in advance of their arrival on the island with the hope of supplementing and spreading out the core on-island orientation program.

- The Personnel Committee met on May 15 to, among other things, review our benefits for year-round staff. The [2024 Personnel Handbook](#) has been published to our employment paperwork portal.

ENVIRONMENT

- We've had a great open-up so far, and things are going well as we prepare to welcome the remainder of our employees and regular season conferees to the island in a couple of weeks.
- On May 22, the Rye Fire Department (RFD) conducted our pre-season fire safety and buildings inspection. Overall, the inspection was a great success, as well as a relationship deepening event with the Town of Rye, which sent out several representatives. The group broke into three main areas of focus – the fire safety inspection, the buildings inspection, and a general tour. RFD Chief Mark Cotreau, RFD Deputy Chief Kevin Wunderly, and Building Inspector/Code Enforcement Officer Chuck Marsden were amongst the ~15 representatives from Rye in attendance. Representing Star were Jeff Murphy of SFC (our professional fire safety consultant), Jack Farrell (regulatory contractor) and, from staff, me, John Bynum, and Sabine Michaud. The fire safety inspection team visited most of the island buildings, conducting a room-by-room inspection of key fire prevention, suppression, detection, and alarm systems. As is typical, a punch list of a few minor issues was generated; no major deficiencies were discovered or cited, and we were able to occupy the main hotel for Memorial Day Weekend. The relationship between SIC and RFD, and more broadly with the Town of Rye, continues to be very positive, proactive, and collaborative (as has been the case for many years).
- Consistent with our fire detection system master plan outline, we have installed ~150 new detectors on the island (ahead of schedule), tied into our new (as of last fall) fire panel. The detection/alarm system is in good working order now, and we expect it to remain so throughout the upcoming conference season. If possible, we will install more detectors in the fall, to get a jump on the work planned for 2025.
- In addition to the fire detection system, work is proceeding nicely with several capital projects, including rebuilding the Oceanic front porch staircase, refurbishing/weatherproofing Cottage C and the Art Barn, and installing new windows in Marshman – all of which are expected to be completed before the regular conference season begins on June 16. Our new pier crane has been installed and in use for several weeks. We are finishing up design work for the next phase of the Underworld Project (including moving our laundry facilities to OBR and refurbishing and expanding Pel Hall). We have also repaired most of the damage caused by the January storms, and we are expecting a barge load with 50 yards of sand and gravel next week, which will be used predominantly for repairing and upgrading roads and walkways.
- The Climate Change Adaptation Task Force charge was approved by the SIC Board on May 7, and the membership has been finalized (pending a Pelican representative, who will be selected by the Pels next month). The task force, which is beginning its work imminently, is charged with “developing an action plan to identify and mitigate the risk of climate changes to Star Island and island facilities, mainland facilities, and overall SIC operations.”
- The Landscape Management Task Force is preparing its report and recommendations, which are expected to be ready for the SIC Board by its August retreat.
- The Strategic Facilities Planning Committee had a meeting/tour on Star Island on May 15.
- Yesterday, the US Army Corps of Engineers and Lucianos Excavation, LLC (contracted by the US Army Corps of Engineers) performed a site visit to the Isles of Shoals. We anticipate that Lucianos will resume work at the Shoals next week. Though most of their work this season will be on the other breakwaters (not the one connecting Star and Cedar Islands), we anticipate them living on Star

Island again this season, in the RVs that were transported to the island last summer. The attached financials indicate a reduction in the projected rental income from the breakwater contractors, as they are starting later than we originally anticipated (June vs. April).

- The [2024 All Boats Schedule](#) has been online for the last couple of months and will continue to be updated throughout the season, as needed.
- We are pleased that access to SRF loan funding for our Water Reclamation Pilot Program – up to \$500K at a 2.0% fixed interest rate for a 30-year term – has been extended through January 2026. This enables us to do more testing/prep work this season (vs. going ahead with installation of a pilot system). This extension enables us to become more prepared for installing the pilot system, and to make an informed decision about whether or not we want to proceed with doing so next year (this is a choice, not a requirement). We are pleased that our ongoing collaboration with the NH Department of Environmental Services (NHDES), Underwood Engineers, and Carollo Engineers has provided the NHDES with the information it needs to propose standards and, ultimately, regulations for water reuse in the State of NH (this is true regardless of what we decide to do on Star Island itself).

FINANCIAL STEWARDSHIP

NOTE: The Financial Stewardship Goal section of this report now incorporates what used to be covered under two separate sections (Economic and Stewardship).

- As of May 15, we received 2,766 registrations representing 16,427 bed nights (86% of our 2024 budgeted goal of 19,177) – please see attached bed night report for more information. Here are bed night totals as of May 15 since 2011, as well as where we ended up each season:
 - 2011: 12,652 (final 17,801)
 - 2012: 12,272 (final 18,177)
 - 2013: 12,610 (final 18,160)
 - 2014: 14,662 (final 19,361)
 - 2015: 15,094 (final 19,459)
 - 2016: 16,637 (final 19,986)
 - 2017: 16,507 (final 20,250)
 - 2018: 16,602 (final 20,178)
 - 2019: 17,157 (final 21,268)
 - 2020: N/A (not comparable – final 0)
 - 2021: 9,709 (not comparable – final 11,057)
 - 2022: 16,475 (final 17,047)
 - 2023: 15,719 (final 17,938)
 - 2024: 16,427 (goal = 19,177)

At this time, we believe we are on track to reach our budgeted goal for the season of 19,177 bed nights.

- Our 2023 audit concluded in April, and all relevant reports have been filed by the May 15 deadline (along with SIC's and the Star Island Permanent Trust's Form 990s). We are pleased that once again, our audit resulted in an unmodified/clean opinion, with no weaknesses in our internal controls and no significant audit adjustments. Our 2023 audited Net Income was \$81,242 (vs. budget of \$64,112), which is another great result for SIC, especially given the loss of over \$100K in income due to the September storm.
- Our April Financials indicate a projected net income of \$98,266 (vs. 2024 Budget of \$111,766). Please see the attached financials for more information. Not reflected in these financials is our projection of \$108K of financial grants we anticipate awarding this year (vs. 2024 Financial Grants Budget of \$86K). Kyle Belmont, Board Liaison to SIC's Financial Grants Group, will be offering an update on our Financial Grants Program at the June 4 board meeting.
- The Finance Committee met on April 25 to discuss the YTD financials and to review our Capitalization Policy, our Board Reserve Policy, and our current debt situation (which is considered favorable). The committee meets again tomorrow night.
- The Trustees of the Star Island Permanent Trust Fund met on April 23 to discuss several topics, including revisiting changing the annual payout (to SIC) from 4.25% to 4.50%, ultimately deciding to

keep it at 4.25% (this policy is reviewed on a roughly annual basis). The Trust also formally adopted some policies (some of which were previously in place, but not formally so), including a document retention policy. The value of the Trust was \$5,683,010 as of March 31.

- Our retirement plan investment committee is meeting today with our plan advisors to review fiduciary duties, fund balances, and the various funds included in our plan.
- As of April 30, we had realized \$99,779 in gifts, with a pledge balance of \$0, for a total of \$99,779 (14% of our 2024 goal of \$740,000), with 183 Sustaining Star (recurring) donors. Please see the attached April Annual Fund Comparison Report for more information. The following chart compares our progress this year to previous years:

<i>Year</i>	<i>Realized Gifts</i>	<i>Pledge Balance</i>	<i>Total</i>	<i>% to Goal</i>	<i>Total Donors</i>
2024	\$99,779	\$0	\$99,779	14%	281
2023	\$159,905	\$10,250	\$170,155	24%	309
2022	\$103,052	\$21,725	\$124,778	18%	349
2021	\$115,194	\$24,669	\$139,861	24%	301
2020	\$98,641	\$39,333	\$137,975	17%	324
2019	\$87,794	\$10,000	\$97,794	19%	265

Six years of data are included here to demonstrate how we are faring now vs. our last pre-pandemic season (2019).

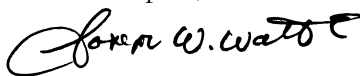
- Our Spring Annual Fund appeal letter, the first major fundraising solicitation of the year, hit mailboxes on May 22. This year and last year, our spring appeal was intentionally sent out a few weeks later than in prior years, in order for it to dovetail with the release of the spring newsletter.
- Please find attached our Donor Bill of Rights and Development Confidentiality Agreement.
- Our [2023 Donor and Volunteer Recognition Newsletter](#) was sent out on April 8.
- We have received \$24,423 in grants so far this year, including:
 - \$10,000 from the 1772 Foundation of the NH Preservation Alliance and \$2,500 from the Bank of New Hampshire Charitable Foundation, both in support of the Oceanic Hotel Grand Staircase Project.
 - \$10,000 from the UUA’s Disaster Relief Fund for storm damage repairs from the January 13 storm that significantly impacted our pier, roads, beach, and seawalls.
 - \$1,223 from the ISAUU for a Meeting Owl device, which greatly enhances our remote meetings.
 - \$700 from the Portsmouth Garden Club in support of our gardening efforts on the island.
- We have an exciting array of events lined up for this summer! On June 29, we will be hosting over 200 Rotarians and their families for their annual district conference. On July 14, we will host C-10, in collaboration with the Portsmouth Chamber of Commerce, for a [ribbon cutting event](#) for the recently installed radiation monitoring device on Star Island. The next day, we will be hosting the annual [Founders Day event](#) of the Granite State Ambassadors, who in turn will be promoting Star Island throughout the State of NH.
- We are also in midst of planning our big “Star Island Open House” event for Sunday, September 15. This event, modeled in part on past Gosport Regatta events, will continue with the traditions of music, kites, and Fink’s amazing BBQ...and will layer in fun activities and tours for those who are brand new to Star Island as well as those who would like for a fund end-of-season gala.

GOVERNANCE

- We enjoyed a productive and inspiring Annual Meeting of the Star Island Corporation, which took place on May 4, 2024. On May 21, Kate Brady sent out a follow-up email to membership with a [link to the 2024 Annual Meeting recording](#), as well as the Time & Talent Survey (for committee membership), a link to the [members' webpage](#), a request to promote our 2024 conference offerings ([Programs](#)) and end-of-season work opportunities ([Work and Volunteer](#)) – including our \$100 Work On A Star Too! bonus.
- SIC's [Strategic Plan](#) was included in the Annual Meeting packet sent out to membership, and is prominently featured in our spring newsletter. Staff has drafted many tactics to support the various objectives of our plan, and we are in the stage of refining these tactics with the goal of having them finalized this season (though work on many of the draft tactics is already underway).
- Our collaborative conference marketing efforts have been successful overall, and they have the additional benefit of further reinvigorating and institutionalizing connections between SIC and the conferences. Efforts with All Star 1, Building Bridges, and Star Gathering have led to great enrollment results. Our main focus right now is on LOAS 2, where enrollment is lower than we would like to see at this point. Nonetheless, our group (comprised of SIC staff and various LOAS 2 folks) continues to move the ball forward – and this is not just about 2024... we are also building a program and partnership that can provide continuity as we approach our 2025 conference season.
- The Governance Task Force (GTF) continues to work on our Governance Review. A comprehensive GTF report was sent to SIC membership in advance of the 2024 Annual Meeting, and several revisions to our bylaws were adopted with overwhelming support. Additionally, we solicited input from members during a governance breakout session, which will be used to inform future GTF recommendations. Our intention is to hold one or more Zoom sessions on governance in the fall/winter and, ultimately, for the task force to complete its work by the 2025 Annual Meeting.

We are off to a great start to our season! Open-up is going well, we've hosted several successful birding conferences and volunteer work periods, and things are shaping up nicely as we get ready to welcome most of our Pelicans to the island on June 11 and our first regular season conferences on June 16.

With Star Spirit,



Joe Watts
Chief Executive Officer