

To: All Star I governing council
From: David Yermack, Treasurer
Date: November 15, 2023

2023 Treasurer's Report

2023 has been All Star I's most difficult year financially, as our attendance fell about 25% below projections and the conference ran a deficit of \$16,430. In addition to low registrations, other factors contributing to the deficit included higher financial aid support for conferees and an unexpectedly high 9% increase in Star Island's room & board charges. Despite the deficit from the conference, we had an exceptionally strong auction that raised more than \$25,000, resulting in a healthy net surplus for the year.

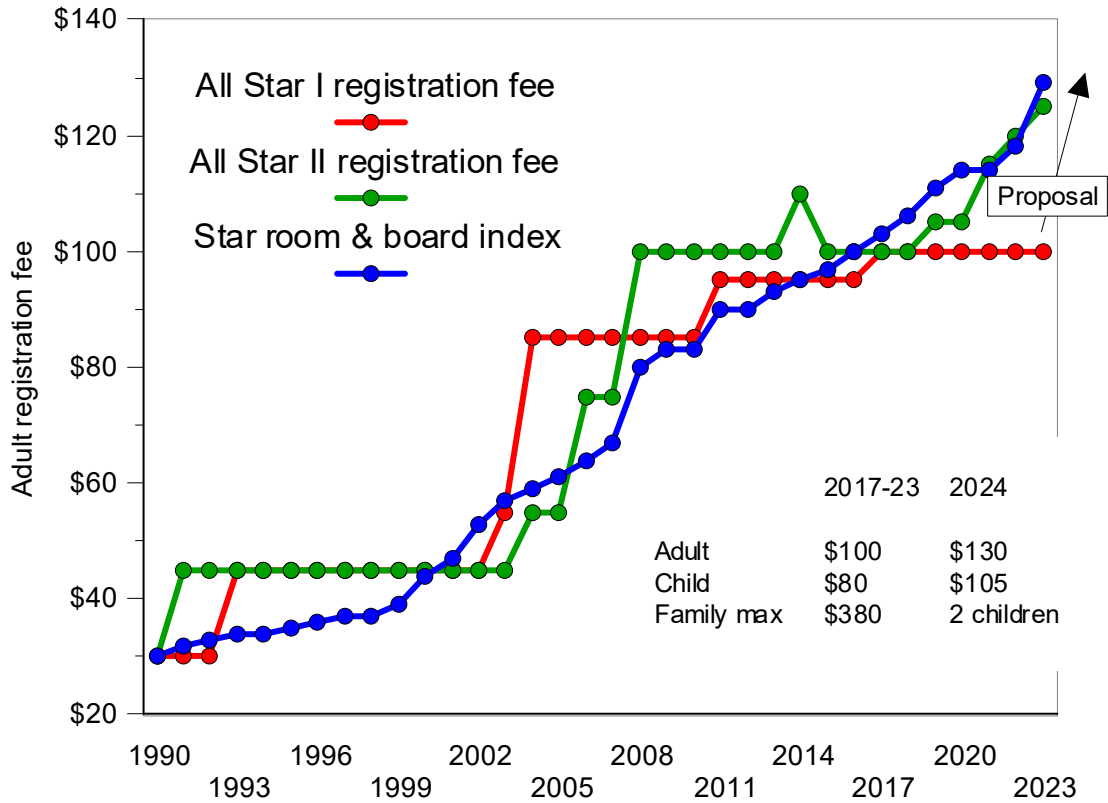
As in past years, we are in a position to make a significant donation to the Star Island Corp., and I recommend \$8,500, approximately equal to our 2023 net surplus.

For the 2024 budget, the figures below assume attendance of 260 as well as an increase in our registration fee. I have developed alternative budget scenarios assuming enrollments of 240 (pessimistic) and 280 (optimistic), and I have worked with Deb Walton in her role as Children's Program Coordinator to formulate a contingency plan for adjusting the size of the children's staff to align with our under-18 conference registrations. After the budget shortfalls in 2023, we will pro-actively manage the budget much more closely this year and in future years until we again fill the conference to capacity.

The conference registration fee (also called the program fee) represents the main source of revenue for All Star I and other Star Island conferences. Our current fees, which have not increased since 2017, are \$100 per adult, \$80 per child, and a family maximum of \$380. By comparison, the 2023 fees for All Star II were \$125 per adult, \$110 per child, and no family maximum, which All Star II dropped in 2018. The 2023 registration fees for an adult at other week-long conferences included \$200 for IA, \$170 for LOAS, \$165 for Star Union, \$160 for Faith Development, \$150 for Star Gathering, \$135 for Natural History, and \$110 for Arts (IRAS was not available). In other words, our registration fee is lower than every other conference's, in some cases by a large margin. We have been able to afford this due to our very large conference attendance, which was significantly higher than 300 in each of the pre-pandemic years of 2017, 2018, and 2019.

In the budget for 2024 I am proposing to increase our registration fees to \$130 per adult and \$105 per child, and to reformulate the family maximum so that no family, including those with single parents, will pay the registration fee for more than two children.

The chart on the next page shows the history of All Star I's adult registration fee compared to All Star II's, along with an index of the room & board cost at Star Island for a standard double room (the index assumes a 16% Pelican gratuity prior to 2003). The room & board index is the right benchmark for comparison, because our most important expenses are the room & board that we cover for the children's staff, the speaker, and certain volunteers. I thank Joe Watts for compiling this data and sharing it with us.



We ended the year with \$34,655 in the bank and no debt, pending a possible gift to the Star Island Corp.'s annual fund. I am proposing a gift of \$8,500.00.

Financial position	Year-end 9/30/2017	Year-end 9/30/2018	Year-end 9/30/2019	Year-end 9/30/2020	Year end 9/30/2021	Year end 9/30/2022	Year end 9/30/2023
Checking account	\$30,346	\$29,870	\$27,879	\$7,452	\$14,501	\$30,230	\$23,563
Savings account	18,828	18,834	18,839	18,872	11,426	8,248	10,248
PayPal				1,188	511	538	844
Receivables			1,750				
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Assets	\$49,174	\$48,704	\$48,468	\$27,512	\$26,438	\$39,016	\$34,655
Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Financial aid fund	14,938	10,067	12,784	12,908	11,426	8,248	5,641
Unrestricted funds	34,236	38,637	35,684	14,604	15,012	30,768	29,014
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Liabilities and reserves	\$49,174	\$48,704	\$48,468	\$27,512	\$26,438	\$39,016	\$34,655

<u>Gift to Star Island</u>	<u>Year-end</u> <u>9/30/2017</u>	<u>Year-end</u> <u>9/30/2018</u>	<u>Year-end</u> <u>9/30/2019</u>	<u>Year-end</u> <u>9/30/2020</u>	<u>Year-end</u> <u>9/30/2021</u>	<u>Year end</u> <u>9/30/2022</u>	<u>Year end</u> <u>9/30/2023</u>
Unrestricted pre- gift	\$34,236	\$38,637	\$35,684	\$32,802*	\$25,012**	\$30,768	\$29,014
Gift: SIC annual fund	(\$20,000)	(\$22,000)	(\$21,000)	(\$18,198)	(\$10,000)	(\$13,000)	(\$8,500)
Added to financial aid						(\$2,000)	(\$4,607)
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Unrestricted after gift	\$14,236	\$16,637	\$14,684	\$14,604	\$15,012	\$15,768	\$15,907
Total assets after gift	\$29,174	\$26,704	\$27,468	\$27,512	\$26,438	\$26,016	\$26,155

* During 2020, the online auction raised \$18,198 and was run directly by the SIC, so funds did not pass through the accounts of the All Star I conference. The “unrestricted before gift” balance is therefore hypothetical, as if the \$18,198 could have been retained by the conference.

** During 2021, the \$10,000 gift occurred during the month of September, before the end of the fiscal year, unlike past years in which gifts typically occurred in October. The “unrestricted before gift” balance therefore represents what we held in early September prior to the approval and payment of the gift.

<u>Operating results</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<i>Fiscal years ending September 30</i>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>
Registration fees, net of refunds	\$28,110		\$12,860	\$21,890	\$20,190	\$32,652
Donations	2,395	\$1,100	2,605	3,264	5,286	5,552
Artichokes	2,285		760	2,070	1,060	2,056
Fall meeting, net	205	917				
T-shirts, net	885		656	260	464	470
Social hour, net	65		(364)	647	1,406	1,330
Clambake, net	460		245	290	5	400
Poker	1,160	120	530	880	540	930
Grants (ISA)			500	600	0	600
Interest income	6	4	2	1	1	4
Volunteer accommodations	(23,509)		(11,251)	(21,085)	(25,786)	(25,356)
Financial aid	(7,066)		(5,344)	(8,089)	(10,841)	(12,311)
Speaker accommodations & travel	(2,110)		(2,935)	(2,256)	(2,519)	(3,110)
Supplies, net	(1,508)	42	(479)	(1,152)	(2,222)	(2,187)
Insurance	(1,224)		(651)	(937)	(1,207)	(1,250)
Fees and dues	(210)	(75)	(175)	(75)	(75)	(75)
Credit card fees (SIC registration)	(720)		(331)	(541)	(588)	(736)
PayPal & Venmo fees			(238)	(211)	(450)	(650)
Events	(199)		(677)	(2,253)	(1,475)	(2,440)
Operations (Zoom, web, postage)	(149)	(313)	(230)	(211)	(219)	(220)
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Surplus (deficit) before auction	(\$1,123)	\$1,795	(\$4,517)	(\$6,907)	(\$16,430)	(\$4,549)
Auction revenue	22,887	(1,750)	13,442	19,485	25,067	25,000
Donation to Star Island Corp.	(22,000)	(21,000)	(10,000)		(13,000)	(8,500)
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Surplus (deficit)	\$(236)	\$(20,955)	(\$1,075)	\$12,578	(\$4,362)	\$11,951

Social hour 2019: donations = \$6,593, expenses = \$6,528, net = \$65
Social hour 2021: donations = \$3,056, expenses = \$3,420, net = (\$364)
Social hour 2022: donations = \$6,997, expenses = \$6,250, net = \$647
Social hour 2023: donations = \$6,726, expenses = \$5,318, net = \$1,406

Financial aid fund:

We had higher demand than usual for financial assistance for conferees, especially when considering that the conference enrollment was 25% below our goal.

<u>Year</u>	<u>Start balance</u>	<u>Contributed</u>	<u>Awards</u>	<u>End balance</u>
2009	\$3,300	\$2,130	(\$4,889)	\$541
2010	\$541	\$15,295	(\$11,740)	\$4,096
2011	\$4,096	\$16,792	(\$8,183)	\$12,706
2012	\$12,706	\$8,460	(\$8,457)	\$12,709
2013	\$12,709	\$7,187	(\$8,960)	\$10,937
2014	\$10,937	\$8,259	(\$8,374)	\$10,822
2015	\$10,822	\$10,547	(\$13,351)	\$8,018
2016	\$8,018	\$12,835	(\$6,155)	\$14,698
2017	\$14,698	\$8,885	(\$8,644)	\$14,938
2018	\$14,938	\$7,892	(\$12,763)	\$10,067
2019	\$10,067	\$9,783	(\$7,066)	\$12,784
2020	\$12,784	\$124	n.a.	\$12,908
2021	\$12,908	\$3,864	(\$5,344)	\$11,426
2022	\$11,426	\$6,910	(\$8,089)	\$10,248
2023	\$10,248	\$4,641	(\$9,248)	\$5,641

We now need to replenish the Financial Aid Fund for the year ahead. On an ongoing basis, we make annual contributions include \$15 per conferee registration, T-shirt sales, poker, and interest income. Occasionally we receive direct gifts or make transfers into the fund from auction proceeds and/or unrestricted reserves. These sources of funds amount to \$4,641 year-to-date, while we disbursed \$9,248 in grants to conferees. Therefore I recommend that we designate \$4,607 of our unrestricted funds as a contribution to our financial aid fund, which would restore its balance to last year's value of \$10,248.

Electronic banking:

In 2023 we accepted Venmo for the first time and continued to take payments in PayPal and via credit cards. The availability of Venmo led to a vast growth in electronic payments on the island, a total of \$20,209 received in 2023 vs. \$8,913 in 2022. We also received \$11,490 in checks and a mere \$3,274 in cash. All incoming checks were deposited immediately via mobile banking. The remainder of our revenue came via bookkeeping offsets, such as the Star Island Corp. applying our registration fees against the conference invoices for volunteer accommodations, and many conferees donating the cost of supplies and refreshments, which are recorded on our books as donations minus offsetting expenses.

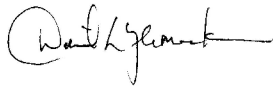
I paid \$1,005 in invoices electronically, saving the cost and inconvenience of having to write and mail checks.

We were charged \$450 in transaction fees, or 2.2% of the payments received. I am certain that the incremental auction and social hour revenue due to the convenience of electronic payments greatly exceeds the transaction fees.

Collaboration with Star Island Corp.:

We worked very successfully with Bill Knox, who took over from Mike Bray as the Island Registrar in 2023. Bill further simplified the flow of transactions between the conference and the Corporation, building on work we had begun in collaboration with Mike, and with Bill's approval we continued the practice of making daily payments at the front desk of all cash received on-island (e.g. clambake, artichokes, social hour), with these amounts used to reduce the running balance on our conference services bill. Visits by the Treasurer to deposit cash in our bank branch in Portsmouth are no longer necessary, and no cash needs to be stored in the front desk safe on behalf of the conference since all cash is immediately credited to our conference services bill.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul G. Gorman". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke at the end.