



TOGETHER

2022 ANNUAL REPORT



ISLAND
INSTITUTE



This year, the Island Institute produced a two-minute film that succinctly and artistically portrays who we are, what we stand for, and what your support makes possible.

Watch the video, get inspired, and get involved by scanning the QR code with your smartphone or by going to islandinstitute.org/about



Dear Members and Friends of Island Institute,

As one of Maine's leading community development organizations, we recognize the value of collaboration. We celebrate our partners in community, in business, and in policy. We steward hundreds of local relationships built over our 39-year history. We strive to anticipate what the future will bring, and we mobilize resources and relationships to navigate the changes ahead.

Together with our partners at Luke's Lobster, we have measured the greenhouse gas emissions from their lobster and crab value chains to better understand where we can implement the most meaningful climate-friendly solutions on the working waterfront.

Together with community leaders, we are mentoring the leaders of tomorrow – the people who will lead in their communities, in business, and with climate solutions.

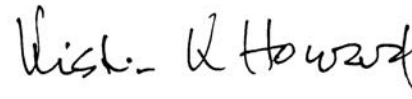
Together with local small businesses like Mere Point Oyster Company (see their story on page 2), we are strengthening local economies through business resilience grants and technical support.

Together with state and federal representatives, we are changing policy to protect Maine's working waterfront and bring additional resources to islands and rural communities.

Because of our networks, relationships, and resources, the Island Institute is essential to the future of the coast of Maine. This past year brought additional challenges to our coastal communities, including controversial "red listing", loss of MSC Certification, and onerous regulatory restrictions to our sustainable lobster fishery. We are helping communities meet the challenges of today and look beyond to the solutions for a lobster fishery of the future.

The stories included in our Annual Report for Fiscal Year 2022 are just a sample of the many positive impacts made possible by your continued support of our mission. Together, we are making a difference on our coast. Thank you for making our work in community possible.

With gratitude,

A handwritten signature in black ink that reads "Kristin K. Howard". The signature is written in a cursive, flowing style.

Kristin K. Howard
Chair, Board of Trustees



RESILIENT ECONOMIES

The growth, diversification, and resilience of Maine's coastal economy remain key priorities for the Island Institute. The coast of Maine finds itself in increasingly precarious economic conditions, and we believe this uncertainty should be addressed with collective preparedness—working together to innovate and adapt. Your generosity supports coastal businesses, working waterfronts, lobstermen, and aquaculturists enabling us to share our technical expertise and award Glenn Fund grants. We support the lobster industry, Maine's economic lifeblood, and we enable viable alternative and supplemental marine industries like oyster and kelp aquaculture. We also recognize the importance of critical coastal businesses, from the island general store to the ferry services that our island communities depend on. We connect these businesses to outside funding and assistance, and we target our own grants towards projects where we foresee positive economic and environmental impact.

MERE POINT OYSTER CO. | This year, the Island Institute helped fund the solar array installed on Mere Point Oyster Company's shoreside facility in Brunswick. Mere Point's Farm Director, Sam Feldman, applied for an Island Institute Spark! Grant in early 2022. The grant was awarded soon thereafter, and by November, the aquaculture company's clean energy project was realized when ReVision Energy installed their 11.4 kW array. Mere Point Oyster Company has goals to continue investing in electrifying its operation with plans for electric pickup trucks, electric refrigerated vans, and electric outboard motors for their skiffs.

\$61,285.94

in grants and loans were
awarded to 29 businesses
and organizations in 2022
for business resilience and
energy efficiency.





“One
of the best things
about oyster aquaculture is that
we can innovate and grow the industry
in a responsible way. Doing a solar project
like this is one significant step in that direction.”

— Sam Feldman, Farm Director,
Mere Point Oysters

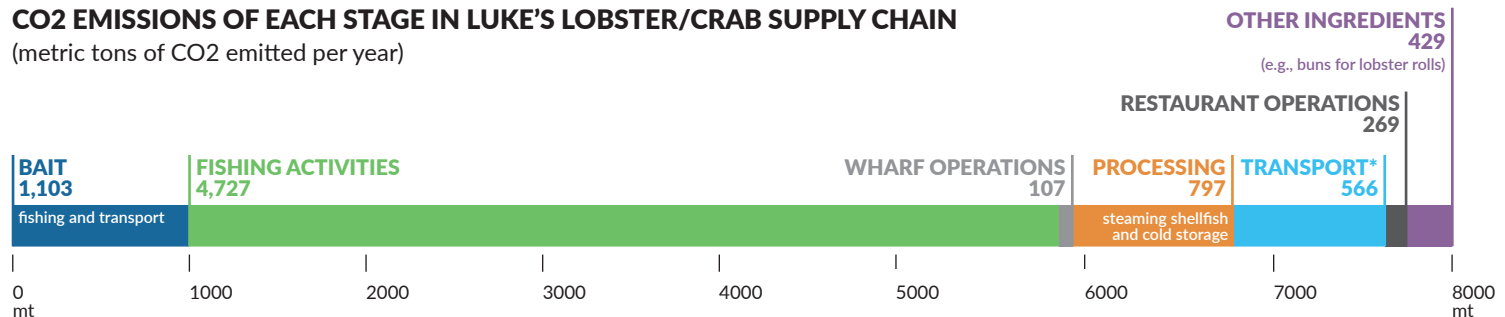
CLIMATE SOLUTIONS

The Island Institute continues to place climate action at the forefront of its priorities. Together with key partners, from state and local governments to private businesses, we are taking meaningful steps towards a climate-resilient Maine coast—all thanks to your steadfast support. The Island Institute's work includes sea level rise preparedness for our island and coastal communities, researching solutions to the adverse effects of warming waters, clean energy investments for working waterfronts, and networking leaders at our Island Institute Climate Symposium.

LUKE'S LOBSTER GREENHOUSE GAS ASSESSMENT | In 2022, the Island Institute commissioned an expansive, first-of-its-kind assessment on the carbon footprint of lobster and crab sold by Luke's Lobster. This study builds on two years of partnering with Luke's Lobster, a vertically integrated lobster buyer and restaurant chain, which shares our commitment to the sustainability of Maine's fisheries. The report focuses on greenhouse gas emissions throughout their supply chain, from the bait used to catch shellfish to the restaurants that serve them. Key findings include carbon hotspots in Luke's lobster and crab supply chains, how Luke's lobster and crab carbon footprints measure up against other animal proteins, an analysis of which stages in the supply chain emit the most greenhouse gasses, and recommendations on actions to take now and in the near-term, such as transitioning to electric vehicles, selecting closer and lower-carbon bait, and using renewable energy for dock-side facilities.

CO2 EMISSIONS OF EACH STAGE IN LUKE'S LOBSTER/CRAB SUPPLY CHAIN

(metric tons of CO2 emitted per year)



*TRANSPORT includes product transport from wharf to Luke's facility, direct-to-consumer mailed product, wholesale, and Luke's-owned transport vehicles

With support from the Island Institute, Luke's Lobster has taken measures to curb its carbon emissions at its processing facility in Saco. By placing rows of ice packs beneath the shelving units in their freezers, they have created a system that can be turned off and still maintain freezing temperatures. The freezers shut down at times of peak electricity usage conserving energy and money.



Learn more and explore the report at
islandinstitute.org/luke-lobster-greenhouse-gas-emissions-report



STRONG LEADERSHIP

The Island Institute understands that if we aim to create impactful and lasting change, we must work together with community leaders along the coast. We provide resources that allow them to grow professionally, we amplify voices that impact state and federal policy, and we help set up the leaders of tomorrow for success with grants, scholarships, and training. The Island Fellows program is a flagship of our leadership work. It started in 1999 and has placed scores of recent college graduates in rural communities to provide direct support to municipal and nonprofit organizations in need of additional capacity and fresh perspectives.

HEALTHY ISLAND PROJECT | Currently in the second year of her fellowship, Hallie Lartius works with Deer Isle-Stonington's Healthy Island Project (HIP), a nonprofit organization that provides information, makes connections, and coordinates projects to promote healthy living in the island community. In her role, Hallie has focused on support for elders, including a weekly gathering called "HIP Coffee House with Friends" that invites the island's senior community members to congregate, socialize, and ask questions related to technology they may be struggling with. These gatherings are held in an informal setting that encourages the growth of new digital skills and provides a space for friends in the community to catch up. Hallie also works on HIP's food delivery services, including providing support for the "Magic Food Bus". Hallie picks up fresh produce and delivers it to community members across the island.

15 fellows in
13 communities in 2022



"Hallie has brought a lot of great ideas to the island, and she got me to start coming to these community events. She's great with the older people around town. She's helped me on my computer. She's caring."

— Dave & Edith, regulars at HIP's Coffee House with Friends

Hallie's Tuesday morning coffee hour has helped senior community members become adept at using their iPhones and iPads, allowing them to share photos of their family and stay in touch with friends and loved ones.



2022 FINANCIALS

\$5,147,994

TOTAL GRANTS AND
CONTRIBUTIONS REVENUE

\$1,049,876

NET INVESTMENT INCOME & GAINS
Investment Depreciation (\$5,083,897)

\$716,435

GRANTS AND
SCHOLARSHIPS PROVIDED

\$4,423,148

OTHER PROGRAM-RELATED EXPENSES

\$34,942,404

TOTAL ASSETS

-12.7%

INVESTMENT PERFORMANCE

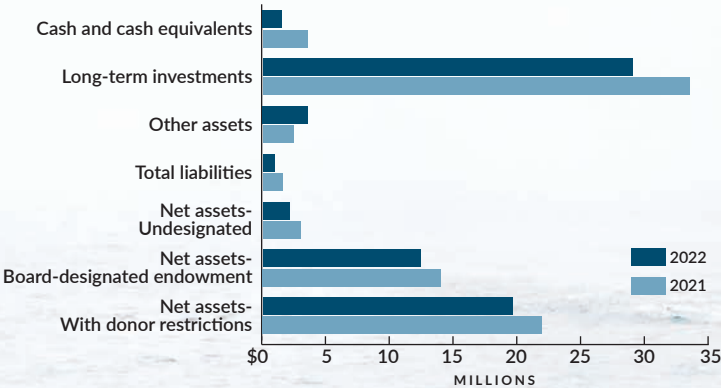
INVESTMENT PERFORMANCE

Fiscal 2022 continued the roller coaster ride that has been the world's financial markets since the onset of the COVID pandemic. Following the strong rebound in markets which were reflected in the performance of the Institute's investment portfolio in Fiscal Year 2021, Fiscal Year 2022 saw a sharp decline in the performance of those assets.

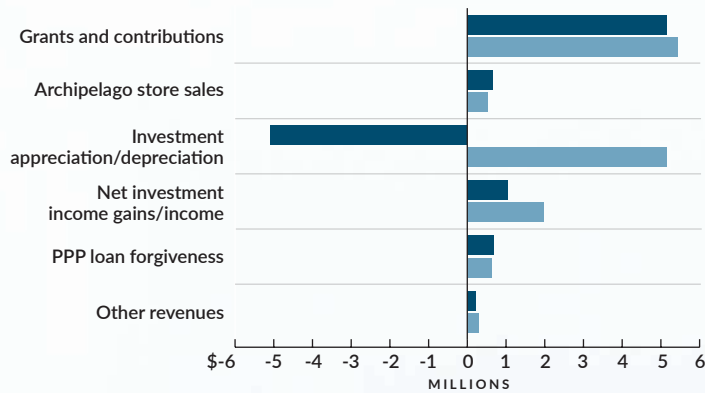
Endowed, invested assets continue to represent over 80% of the organization's total assets. Despite the market performance of those assets, the organization's 4% spending rule draw was not affected and continued to provide critical support to Island Institute programming including scholarships, the Fellows program, and the Tom Glenn Community Impact Fund, among other initiatives. Additionally, the organization continues to enjoy a strong balance sheet which includes a cash reserve, board designated assets, a contingency reserve, and no organizational debt. Through prudent oversight of invested and non-invested assets, the organization is structured for the long haul, and well positioned to continue providing vital programming for Maine's coastal communities for many years to come.

For more information, please contact Pete Rand, Chief Financial Officer, at prand@islandinstitute.org, or by phone at (207) 209-4857.

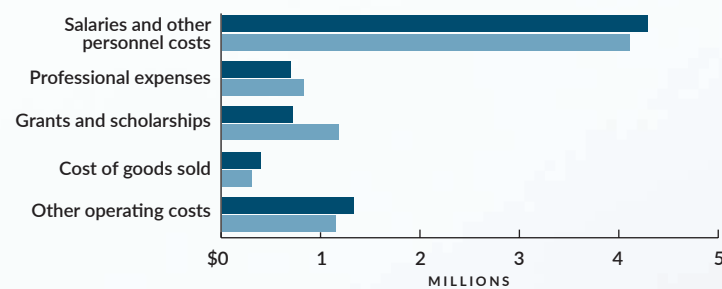
STATEMENT OF FINANCIAL POSITION JUNE 30, 2022 AND 2021



SUPPORT AND REVENUES FISCAL YEAR 2022 AND 2021



FUNCTIONAL EXPENSES FISCAL YEAR 2022 AND 2021



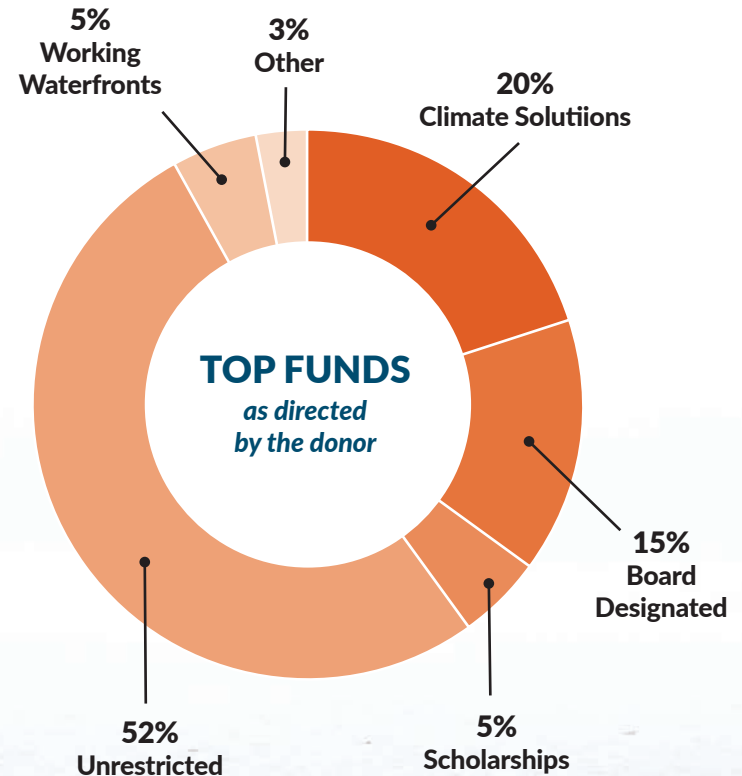
In 2022, the Island Institute administered a study designed to explore the future operations of the Maine State Ferry Service. This included an in-depth survey that assessed the needs of islanders, commuters, and visitors.

DONOR IMPACT

Every charitable gift made to the Island Institute has a direct impact on the people who live and work on islands and in Maine's coastal communities. Charitable donations to scholarship funds, Spark! grants for clean energy projects, and our flagship Island Fellows program put resources and people to work in your community. In Fiscal Year 2022, we asked you to help Save Maine's Working Waterfront, and a record-breaking fall appeal season garnered more than \$1 million in response to the call for action. Our work at the waterfront continues with a renewed commitment to protecting access while building resiliency in blue economy businesses and island communities. Together, with support from our members and donors, our talented, mission-driven people are making a difference. With your support, we continue to put people first and work together toward solutions that build community from the sea up.

QUESTIONS?

membership@islandinstitute.org
(207) 747-1180





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Building Community from the Sea Up