

Girl Scouts of Western Ohio
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Date: September 10, 2009
To: Board of Directors
From: Barbara J. Bonifas, CEO
Subject: 2010 Budget Presentation

In preparation for the budget presentation at the September board meeting, the following documents are provided for your review:

- Tactical planning process
- Budgeted cash sources and uses summary
- Cost center budget
- Line item budget
- Notes for the line item budget
- Capital budget

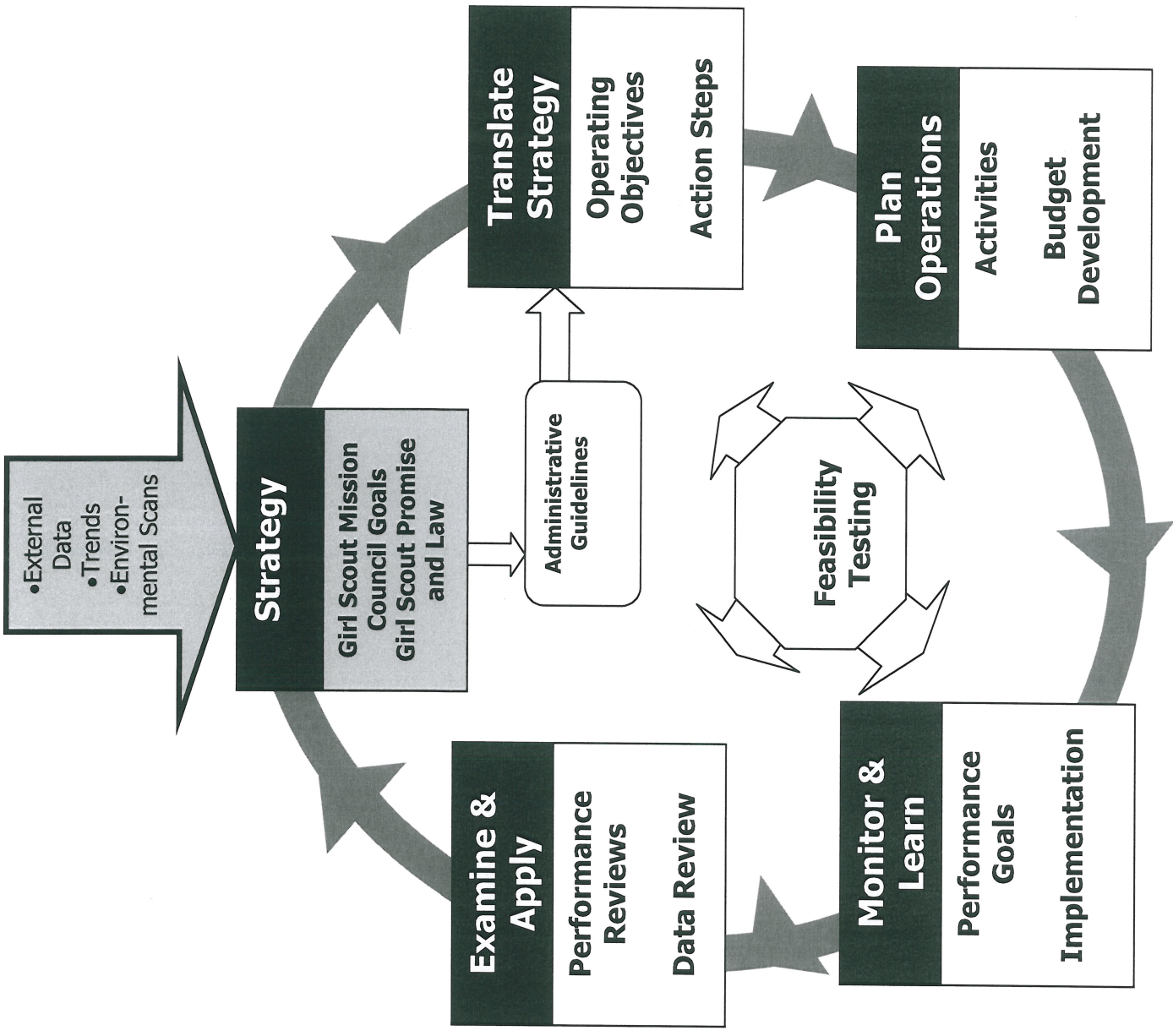
The following board members participated in a meeting to review the budget and provide input prior to its presentation to the board:

1. Margaret Beck
2. Jody Wainscott (was unable to participate on the phone call, but held an individual conversation)
3. Kim Amrine
4. Dave Kylander
5. Christi West

At the board meeting we will review, briefly, the process used in development of the budget. We welcome your questions.

Our Mission

*Girl Scouting builds girls of courage, confidence, and character,
who make the world a better place.*



GIRL SCOUTS OF WESTERN OHIO
 BUDGETED STATEMENT OF SOURCES AND USES
 FOR THE FISCAL YEARS 2009 AND 2010

	<u>2009 BUDGET</u>	<u>2009 PROJECTED OPERATING RESULTS</u>	<u>2010 BUDGET</u>
SOURCES:			
Operating Revenues	10,917,155	9,917,194	10,694,292
Donor Restricted Funds (Grants)			
Grants	398,065	330,531	308,800
Outreach Restricted Funding	<u>302,663</u>	<u>262,663</u>	<u>265,323</u>
	700,728	593,194	574,123
Asset Replacement Fund (Capital budget)	215,250	215,250	201,370
Total Sources	<u>11,833,133</u>	<u>10,725,638</u>	<u>11,469,785</u>
USES:			
Operating Expenses	10,682,465	9,688,432	10,246,466
Donor Restricted Funds (Grants)	700,883	593,194	574,415
	<u>11,383,348</u>	<u>10,281,626</u>	<u>10,820,881</u>
Capital Budget	215,250	215,250	201,370
Total Uses	<u>11,598,598</u>	<u>10,496,876</u>	<u>11,022,251</u>
TOTAL SOURCES MINUS USES:	<u>234,535</u>	<u>228,762</u>	<u>447,534</u>

NOTES:

- 1) Operating Expenses do not include non-cash expenses such as depreciation.
- 2) Operating Revenue Projections do not include Realized or Unrealized Investment Gains or Losses.



2010 COST CENTER BUDGET

CODE	DESCRIPTION	REVENUE	EXPENSE
Administrative		\$256,000	\$2,041,780
142 – Business Services	Lease agreements, production room (copiers, postage, general office supplies), computer hardware supplies, software (not program specific), maintenance contracts	0	696,159
144 – Corporate Management	Tactical planning, accounting, payroll execution, financial statements, hiring, benefit administration, performance management, legal, insurance, risk management	256,000	1,201,798
145 – Governance	Board retreat, audit fees, delegate/decision-influencing process, national council meeting	0	143,823
Fund Development		\$1,656,508	\$241,149
243 – Fund Development	Fundraising activities, grants, annual giving, United Way, planned giving	1,656,508	241,149
Research & Development		\$0	\$108,043
311 – Evaluation & Research	Program and service delivery	0	108,043
Program Service Delivery		\$9,316,207	\$4,601,911
312 – Support to Troops	Program general administration, troop camping, resources and information to support troop activities, resource center, kits, curriculum to support short-term troop activities	384,480	770,877
313 – Beyond the Troop	Program events	105,932	403,481
314 – Summer Outdoor Program Activities	Resident camp, staff troop camp, staff girl and adult events, staffed day camp, volunteer day camp	362,634	581,491
315 – Direct Service to Girls	Educational outreach activities, including Girl Scouting in the School Day and other staff-intensive direct support to girls	378,186	753,589
316 – Product Sales	Cookie sale, fall product sale	7,947,825	408,035
341 – Property Management	Management of sites, maintenance, repairs	137,150	1,684,438
Recruitment & Registration of Girls		\$1,422	\$974,011
321 – Recruitment of Girls	Recruitment, registration and placement of girls in troops/pathways, comprehensive membership plan (membership subsidies)	1,422	974,011
Volunteer Management		\$38,278	\$2,407,171
331 – Volunteer Recruitment	Recruitment of adults	0	784,950
332 – Volunteer Training	Standardized and customized training, volunteer preparation	34,103	342,189
334 – Volunteer Management	Volunteer management process – applications, background checks, screening, placement, coaching, communication	4,175	1,280,032
Communications		\$0	\$446,816
333 – Communications	Internal and external messages, marketing and media, web-based services, newsletters, brochures, catalogs, resource guides, annual report	0	446,816
TOTALS		\$11,268,415	\$10,820,881

GIRL SCOUTS OF WESTERN OHIO
 LINE ITEM BUDGET COMPARISON

Account Title	2009	2010	VARIANCE
Contributions/Grants	773,175	872,780	11.4%
United Way	1,286,872	1,114,720	-15.4%
Special Fundraising Events (Net)	117,750	49,108	-139.8%
Cookie Sales - Net	7,003,058	7,257,968	3.5%
Nut Sales - Net	690,057	689,857	0.0%
Retail Sales - Net	330,935	325,825	-1.6%
Program/Event Fees	991,886	701,507	-41.4%
Investment Income (Net)	402,500	231,000	-74.2%
Miscellaneous Income	21,650	25,650	15.6%
	11,617,883	11,268,415	-3.1%
Salaries	6,203,969	5,589,038	-11.0%
Benefits	953,723	1,406,168	32.2%
Taxes	548,259	567,107	3.3%
Professional Services	267,173	235,915	-13.2%
Supplies	758,075	587,012	-29.1%
Voice & Data Communications	144,958	147,600	1.8%
Postage & Freight/Shipping	129,453	103,965	-24.5%
Occupancy	738,316	718,121	-2.8%
Equipment Repair & Maintenance	179,270	166,455	-7.7%
Printing, Subscriptions & Publications	263,479	203,320	-29.6%
Travel & Vehicle Expense	315,904	249,357	-26.7%
Staff Development	28,260	23,306	-21.3%
Financial Assistance	260,711	254,777	-2.3%
Insurance	377,041	357,023	-5.6%
Miscellaneous Expense	214,757	211,717	-1.4%
	11,383,348	10,820,881	-5.2%
	234,535	447,534	

NOTES TO BUDGET VARIANCE ANALYSIS

The line item budget compares the 2010 budget to the 2009 budget. While the 2009 bottom line projection of excess revenue over expenses (approximately \$234,000) continues to be accurate, the individual line items have all varied from what was projected. This is due to two major factors:

1. The absence of historical information in 2008 when the 2009 budget was developed – in our first six months as a merged council, there was little information to project the budget. Most of the legacy councils did not have consistent budgeting processes and had not tracked expenses by cost center. The merging of backroom operations and the integration of service delivery in the larger council did not translate easily in our first budget.
2. The effect of the economic downturn was significant to every revenue stream. In an effort to be proactive, some budget cuts were made prior to the board presentation in November, 2008. Other line item cuts were made in January, 2009 to address the decrease in revenue.

Therefore, the line by line comparison does not provide a complete picture of our operating revenues and expenses. The notes below are written to address what has actually happened in 2009.

REVENUES

Contributions – This increase of \$99,605 is due to a conservative estimate of grant revenue in the 2009 budget. In 2009, the contribution/grant line item total did not include third and fourth quarter funding for the Choices program in Dayton. In early 2009, this government grant was extended for the total year. While the Choices program is included in revenues and expenses in 2010, extension of this program activity is dependent upon acquisition of funding. Should the funding not occur in 2010, the related expenses will be cut from the budget. The Annual Campaign, including the Family Partnership Campaign and other grant requests have been budgeted for no increase in 2010.

United Way - The budgeted revenue from United Way allocations (\$1.1 million) reflects a reduction of \$172,000 in anticipation of campaign shortfalls, including the loss of \$60,000 from the Greater Toledo United Way for the period of July 2009 to June 2010.

Special Events – This decrease is due to the elimination of the golf outing and Harley Ride in Toledo and the Pampered Camper event in Dayton. When staff time was factored into the profits generated from these special events, they did not realize sufficient revenue. The only two special events projected in 2010 are the WINGS luncheon in Dayton and Cookie Creations in Lima.

Cookie Sale Net - The 2010 Cookie Sale shows a 3.5% increase over 2009 in net revenue for a total of \$7,257,968. The actual net revenue in 2009 was \$6.55 million. The result of the 2010 projections is a budget to actual net revenue increase of 9.7% or \$700,000 in additional revenue. This increase is due to a \$.50 retail price per box increase to \$3.50 for the 2010 sale and a 10% decrease in projected sales volume.

Program Fees – The 2010 budget projects a reduction in council-sponsored resident camp offerings. This reduces program fees, and is offset by decreases in many expense line items.

Investment Income – This reduction reflects a projection based on actual results for 2009 to date.

EXPENSES

Salaries - This line item has decreased by \$615,000. The 2010 budget reflects the cost savings due to our efforts in 2009 to look for efficiencies in business services, service delivery, and resident camp. This budget does not project salary increases in 2010.

Benefits - Based on usage in the past year, health insurance is projected to increase by no more than 5% when we renew in December 2009. Increases are projected for workers' compensation and unemployment benefits. The largest portion of the increase shown on the line item budget is the increase in our pension benefit which is projected to increase from 3.0% to 13% in 2010. The result of this is as follows:

- expense in 2010 of \$626,000 for Western Ohio's participation in the GSUSA pension plan
- expense in 2010 of \$50,000, resulting from Maumee Valley's participation in the United Way of Toledo pension plan.

Professional Services – This decrease of \$31,000 is the result of the reduction in the resident camp offerings. Many of these fees were associated with high adventure camp activities and are offset by the same amount in program fees.

Supplies – The decrease in supplies (\$171,000) is due to the reduction in the resident camp offerings, as well as budget cuts in all areas of work. Specific cuts were made in office supplies, maintenance supplies, and food in an effort to manage the decrease in revenue.

Postage and Freight – Publications that were previously printed and mailed are now being provided electronically, including the camp brochure, volunteer newsletter, and annual report. This has reduced the postage line item by \$25,000.

Printing and Publications - Our efforts to reduce printing costs and provide more publications electronically has resulted in cost savings of over \$60,000.

Travel – The 2010 budget has been reduced by \$66,000 to reflect only essential travel. Staff mileage has been projected to decrease and the mileage rate paid to staff was lowered in 2009. The rental of vehicles has been reduced to reflect the reduction in resident camp offerings.

Region	Location	Item	Proposed 2010	2008 - 2009 (Replace as Needed)	Postpone
Dayton Urban Campus / Office					
2009	UC	Rip rap for erosion at creek head		\$ 6,500	
2010	UC	Stair-steps to the basement at the outside entrance	\$ 10,000		
		TOTAL	\$ 10,000	\$6,500	\$ -
Lima Office					
2010	Lima				
		TOTAL	\$ -		
Toledo Office					
2009	SC	Office & lobby chairs (20 chairs x \$170/chair)	\$ 3,400		
2008	SC	Security System upgrades		\$ 2,510	
2008	SC	Garage Repairs		\$ 1,500	
2008	SC	Light Fixture Replacement		\$ 5,000	
2008	SC	Carpeting Replacement		\$ 2,500	
2008	SC	Office furniture updates			\$ 5,000
2008	SC	Reseal parking lot			\$ 3,000
2008	SC	Appliance Replacement			\$ 2,000
2010	SC	Camera for photo taking at events	\$ 800		
2010	SC	Phone System overhaul	\$ 16,000		
2010	SC	New Signage			\$ 3,000
Toledo Little House					
2008	LH	Air Conditioner Replacement		\$ 5,000	
2008	LH	appliance replacement			\$ 1,000
2008	LH	carpeting replacement			\$ 5,000
2008	LH	vinyl flooring replcement			\$ 2,500
2008	LH	security lights			\$ 3,000
		TOTAL	\$ 20,200	\$ 16,510	\$ 24,500
Adminstrative					
2009	ADM	Replace 10 computers (Laptop or CPU) avg. cost \$1275 ea,		\$ 15,500	\$ -
2009	ADM	Server w/ Tape Drive		\$ 11,000	
2009	ADM	Computer Switches (for Dayton Office)		\$ 4,500	
2010	ADM	Replace 20 computers (Laptop or Desktop) avg. cost	\$ 26,000		
2010	ADM	Wireless Access Points - Cincinnati Office	\$ 1,800		
2010	ADM	Hard Drive - Lima Office	\$ 1,000		
2010	ADM	Fund Development Software - est.	\$ 5,000		
2010	ADM	Projector - Cincinnati Office	\$ 1,500		
		TOTAL	\$ 35,300	\$ 31,000	\$ -
Administrative Offices TOTAL			\$ 67,500	\$ 57,010	\$ 31,000
CAMPS					
Butterworth					
2009	BW	Dining Hall--replace / repair damaged areas of roof	\$ 5,000		
2009	BW	Old utility poles--remove & replace		\$ 10,000	
2009	BW	DH kitchen dishwasher--refurbish & rebuild (\$3000)	\$ 500	\$ 2,500	
2009	BW	Fireplace Beehive Lodge--rebuild chimney with insu			\$ 4,500
2009	BW	Fireplace Freedom Lodge--rebuild chimney with ins			\$ 4,500
2009	BW	Beds for tent camping--replace 30 old with 30 new			\$ 6,000
2009	BW	Grosebeck Lodge--replace exterior doors			\$ 2,400
2009	BW	Beehive Lodge--replace exterior doors & regrade / s	\$ 4,000		
2009	BW	Culvert pipe--replace along main camp road			\$ 8,000

Region	Location	Item	Proposed 2010	2008 - 2009 (Replace as Needed)	Postpone
2008	BW	Freedom Lodge Carpet	\$	\$ 4,500	
		TOTAL	\$ 9,500	\$17,000	\$ 25,400
		Libbey			
2009	CL	Intercom\phone upgrade	\$		\$ 11,000
2009	CL	Canoes (8 x 570)	\$		\$ 4,560
2009	CL	Tables for buildings 6 x \$585	\$		\$ 3,510
2009	CL	Roof replaced at Low lodge	\$	\$ 12,250	
2008	CL	Hand Held Radios	\$		\$ 2,000
2010	CL	replace windows in clusters (\$740.00 each x 8=\$5920.00)	\$ 5,920		
2010	CL	Replace Steel cots (30 x 121.00 = \$3630.00 Shippi	\$ 3,950		
2010	CL	Replace pool shower house hot water heater	\$	\$ 22,000	
2010	CL	Install privacy stalls in pool shower house	\$		\$ 8,000
2010	CL	Replacement grinder for sewage system pump (in e	\$ 1,400		
		TOTAL	\$ 9,870	\$ 34,250	\$ 29,070
		Myeerah			
2009	MY	Myeerah Lodge Kitchen Renovation (replace sinks,	\$ 8,000		
2009	MY	Gutters & downspouts (add/replace on all buildings)	\$ 8,000		
2009	MY	All terrain Vehicles (to replace golf cart)	\$		\$ 7,000
2010	MY	Lake house renovation with new doors and floor in k	\$		\$ 3,000
		TOTAL	\$ 16,000	\$ -	\$ 10,000
		Rolling Hills			
2009	RH	Camp truck repairs-tires & engine maintenance	\$	\$ 3,000	
2009	RH	Tent platforms-replace two w/ tents & awnings	\$ 1,500	\$ 2,500	
2008	RH	Commercial Mower	\$	\$ 13,000	
		TOTAL	\$ 1,500	\$ 18,500	\$ -
		Stonybrook			
2010	SB	Replace damaged floor & trim--ranger house	\$ 3,500		
2010	SB	Replace copper plumbing in pool house	\$ 3,000		
2010	SB	Upgrade Pool shower house (privacy stalls,paint,cu	\$		\$ 5,000
2009	SB	Commercial mower--72" zero turn - Gravely	\$ 10,000		
2009	SB	Pool bottom--sandblast, patch & paint	\$	\$ 2,500	
2009	SB	Day camp entrance--gravel & repair road	\$	\$ 2,500	
2008	SB	Phone system	\$	\$ 6,000	
2008	SB	Roof (Ittman)	\$	\$ 6,500	
2008	SB	Concrete bridge supports	\$	\$ 6,500	
2008	SB	DH Kitchen Paint	\$	\$ 1,600	
2008	SB	Day Camp Shelter	\$	\$ 6,800	
		TOTAL	\$ 16,500	\$ 32,400	\$ 5,000
		Whip Poor Will			
2009	WPW	New camp truck-1/2 ton w/snow plow & dump bed	\$ 5,000	\$ 30,000	
2009	WPW	Pool deck & bottom repairs-sandblast inside & repaint	\$	\$ 5,000	
2010	WPW	Re-wire electrical connection to pool	\$ 10,000		
2009	WPW	Rangers Residence -- new carpet & tile-3 bedrooms	\$	\$ 8,000	
2009	WPW	Tent platforms-one unit per year-replace & rebuild 6	\$		\$ 7,000
2009	WPW	Tents & tent fly's-one unit per year-replace seven of	\$	\$ 9,000	
2009	WPW	Fernwood Lodge-fireplace insert to increase usage	\$		\$ 3,000
2008	WPW	Bridges Repair/Replace	\$	\$ 3,000	
2010	WPW	Wagon covers for Wagon units = 5 x \$ 500 each	\$ 2,500		
2010	WPW	Water regulator pressure valve control - main camp	\$ 3,500		
2010	WPW	Rangers Residence - replace furnace & ac unit	\$ 9,000		
2010	WPW	Replace metal kitchen doors & frame - commercial	\$		\$ 3,500

Region	Location	Item	Proposed 2010	2008 - 2009 (Replace as Needed)	Postpone
2010	WPW	Electric generator - 8500 watts	\$ 2,500		
2010	WPW	Challenge course & climbing wall repairs	\$ 15,000		
2010	WPW	Power lines upgrades - poles, transformers, insulaia	\$ 12,000		
		TOTAL	\$ 59,500	\$ 55,000	\$ 13,500
Woodhaven Program Center					
2009	WPC	Renovate Sweetbriar Kitchen (cabinets, flooring, co	\$ 8,000		
2009	WPC	Sweetbriar Lodge - Exterior door replacements - 3	\$ 5,000		
2010	WPC	Driveway seal - many cracks	\$ 5,000		
2010	WPC	Replace Duffy chairs - weakened over the years	\$ 3,000		
		TOTAL	\$ 21,000	\$ -	\$ -
CAMPS TOTAL			\$ 133,870	\$157,150	\$82,970
RESTED CAMPS					
Greene					
2009	Green	Upgrade Latrines-all three in camp- \$500 each			\$ 1,500
2009	Green	Commercial mower-48" zero turn			\$ 6,000
2009	Green	Camp truck repairs-tires & engine maintenance			\$ 3,000
2009	Green	Tent platform-replace & rebuild - one			\$ 1,250
2008	Green	Commercial Mower			\$ 13,000
		TOTAL	\$ -	\$ -	\$ 24,750
Ladigrau					
2009	LAD	Tent platforms--replace & rebuild - two			\$ 2,500
2009	LAD	Rangers residence--Update Kitchen--			\$ 8,000
2008	LAD	cabinets,counters,paint,appliances			\$ 10,500
		Workshop Repairs			\$ -
		TOTAL	\$ -	\$ -	\$ 21,000
RESTED CAMPS TOTAL					\$ 45,750
GRAND TOTAL -- 2008 CAPITAL BUDGET			\$ 201,370	\$ 214,160	\$ 159,720
Light green indicates that item was a part of the 2008 or 2009 capital budget and does NOT affect the 2010 total.					