

2014/2015 BUDGET NOTES

The notes below are written to address the variances in our 2014/2015 budget compared to the previous 12-month period August 2013 to July 2014.

REVENUES	
Contributions	We are projecting an 8% increase in contributions in 2014/2015. Fund development staffing has been restructured for a focus on major gifts and increased volunteer giving.
Grants – Non-Government	A detailed strategic plan has been developed to reach the target of \$400,000 for the budget year 2014/2015. This includes targeted new funding sources, as well as a plan for reviving grants received in past years. We will be adding the position of Grant Program Manager to aid in identifying “fundable activities” and to coordinate grant implementation. This increases our capacity and allows us to go after larger grants than in the past.
United Way	We are seeing decreases in funding from some of our United Way funders that reflect the decline in dollars raised by their campaigns. A few, as they face their own fund-raising challenges, are narrowing their focus to areas that no longer include the Girl Scout Leadership Experience.
Fund Raising Events	For 2014/2015 we have planned a fund raising event in each region and corporate sponsors will be targeted for each event. The plan also includes growing attendance at each event. The goal is \$38,830 of revenue from Special Events.
Cookie Sale	Our sale price per box was increased to \$4.00 for the 2014 Cookie Sale which resulted in an expected reduced number of boxes sold. The statistics shown to us by our baker, also suggest that the sale volume remains low into the second sale after a price increase. This, combined with an increase in the cost per case of \$.42, has resulted in no significant increase in this line item.
Fall Product Sale	The 2014 Fall Product Sale has been budgeted with no increase over the previous sale and a cost/benefit analysis will be done upon completion to address the continued decline in this revenue source.
Program Services	Troop Adventure Camp was re-introduced for the 2014 summer season with lower than expected attendance, therefore the budget for the summer of 2015 projects fewer weeks of TAC Camp and additional weeks of Council sponsored day camps which are proving extremely popular. The 2015 fees for our summer camp offerings have also had a small increase – still significantly lower than other camp options for girls.
Retail Sales	The retail revenue has been increased to reflect expected sales resulting from new targeted GSUSA advertising initiatives, increased focus on online sales, and improved partnerships with functional departments to promote shop merchandise.
Investment Income – Net	Budgeting for this revenue line represents only anticipated earned income, less fees. The 2014 income from interest and dividends was used in developing this conservative budget.
Miscellaneous Income	Actual revenue includes sources that are not budgeted such as funds received from disbanded troops and abandoned bank accounts (\$35,204 in the comparative period).

EXPENSES	
Salaries	The budget for staff costs is developed with the assumption that all positions are “full” while the comparative figures are actual staff costs. The salary figures for the 2014/2015 budget project salary increases for eligible staff in October 2014.
Benefits	Medical benefit costs have been budgeted at a 33% increase, due to large claims in the past year and the across-the-board costs of the Affordable Care Act. The increase in Dental coverage has been budgeted at 5%. This line also includes the budgeted payments to the two frozen pension plans. While the payments to the national Girl Scout plan are expected to remain “flat” in 2015 as compared to 2014, GSUSA is not expected to absorb any of this expense – in 2014 GSUSA reimbursed this council \$22,515 per quarter which helped to defray the cost. The total expense of both frozen plans - \$749,450 will be funded from the Board Restricted reserve account.
Payroll Taxes	This line item reflects projected increases in Unemployment and Workers’ Compensation rates.
Professional Services	Professional Services includes \$93,650 of costs related to the Volunteer Services system that will be “drawn” from reserves created from the sale of Camp Myeerah. Total costs of the volunteer system were offset by savings in web hosting fees. In addition, there were higher startup costs for the grant writer in 2013-2014.
Supplies	The majority of the increase in the supplies line relates to the costs of STEM activities and the supplies for the 2015 Spring Break Camps which will focus on science and the environment. Funding for these programs will be a primary focus of our 2014/2015 grant funding requests to offset the increased costs.
Postage	The increase in this expense line is due to the costs for mailing of a new council fundraising newsletter and a plan to increase the mailing of Annual Reports to support council stewardship. Additionally, there is a plan to do a new mailing to parents to increase parental engagement.
Occupancy	The winter of 2013/2014 pushed our fuel costs and our contracted services well beyond the amounts budgeted. For the winter of 2014/2015, buildings at each camp with infrequent use have been identified and will be closed from December to March, while usage is centralized into fewer buildings. We are also negotiating a council-wide rate for propane. During 2013-2014, there were some high costs for snow removal and several large property expenses that were not completely covered by insurance.
Travel & Vehicle Expenses	This line item reflects a plan to increase disbursement of recruitment and community engagement staff in their communities, as well as the costs of transportation of girls from outreach locations to camp activities and conferences. This line item also reflects the cost of hotels and travel for the 2014 National Convention, estimated at \$27,000.
Staff Development	Staff development expenditures were “frozen” in 2013 and early 2014 to reduce expenses. The 2014/2015 budget reflects management’s efforts to bring this line item back to past levels. The registration fees for the conventions of \$13,000 are included in this line item.
Insurance	While our Commercial, Vehicle and Umbrella coverage costs will remain constant for the 2014/2015 period, we are budgeting increases in our Internet Liability coverage, Director and Officer coverage, and Fiduciary Liability premiums.
Miscellaneous Expense	Included in Miscellaneous expenses are the costs of background checks for volunteers which will increase significantly to conform to the level and frequency required by the new volunteer system. Other expenses in this line item are bank fees, bad debt, and credit card processing.