



Board of Directors Meeting

Tuesday, September 24, 2019

4:30-6:30 pm

Conference Call: 1-877-621-0220; code: 475994

Approve Agenda - Roll Call



Girl Scout Promise

On my honor, I will try:
To serve God and my country,
To help people at all times,
And to live by the Girl Scout Law.



Girl Scout Law

I will do my best to be
honest and fair,
friendly and helpful,
considerate and caring,
courageous and strong, and
responsible for what I say and do,
and to
respect myself and others,
respect authority,
use resources wisely,
make the world a better place, and
be a sister to every Girl Scout.

Board Chair Report

Victoria Nilles, Board Chair



Consent Agenda

- Consent Agenda Memo (Attachment A)
- June 2019 Board Meeting Minutes (Attachment B)
- Resignation of 2nd Vice Chair, Shannon Glass Fisher, with regret
- Resignation of Member-at-Large, Paaras Parker, with regret
- Appointment of Corinne Hemesath as Board Development Committee Chair for the 2019-2020 year.

2020 Plan of Work & Budget

Roni Luckenbill, CEO

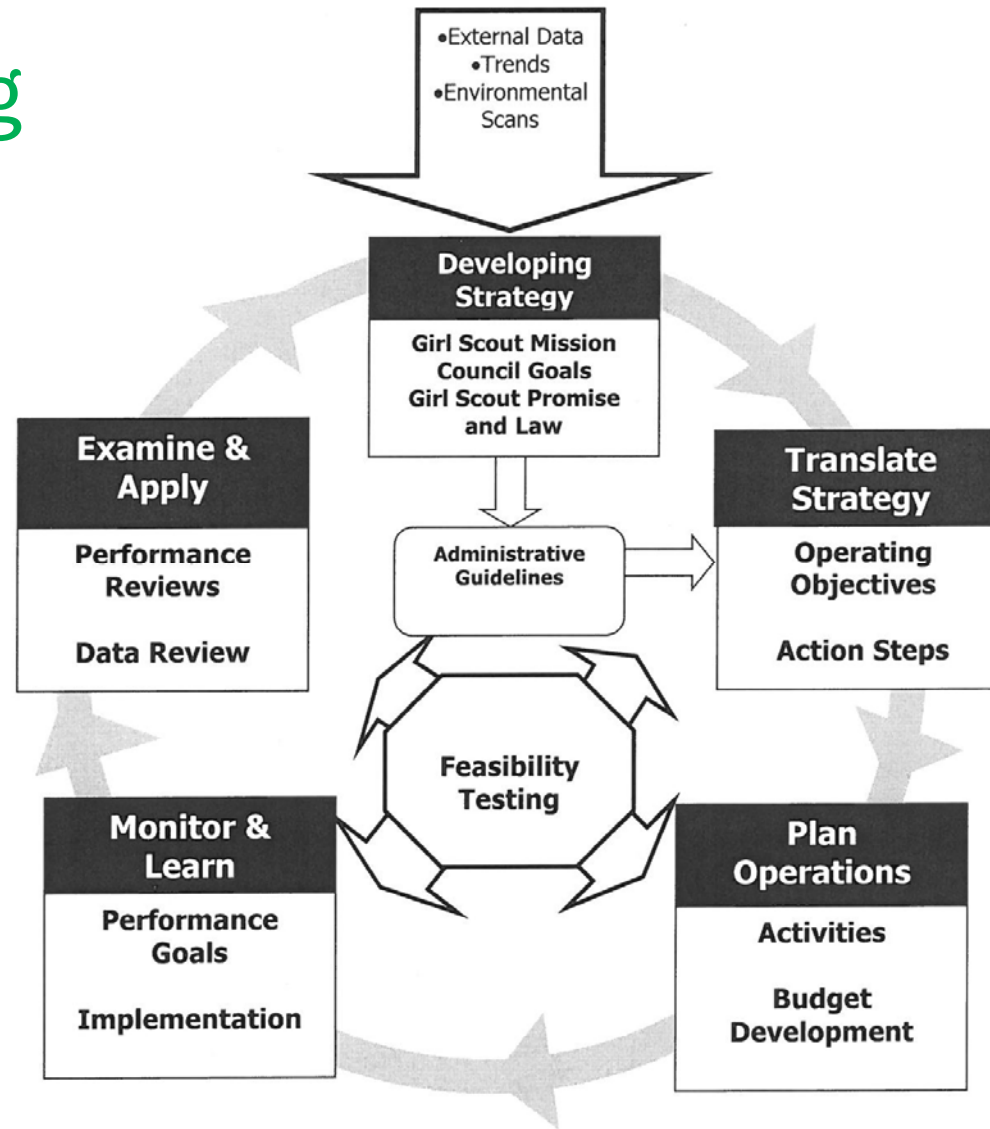
- Attachment C – 2020 Plan of Work & Budget Memo
 - Document 1 – Tactical Planning Process
 - Document 2 – Budgeted Sources & Uses Summary
 - Document 3 – Cost Center Budget
 - Document 4 – Line Item Budget
 - Document 5 – Notes for the Line Item Budget
 - Document 6 – Capital Budget
- Attachment D – Policy 2.4 Monitoring Report



2020 Plan of Work & Budget

- Formal process for planning
- Credible projections of revenue and expenses
- Separate capital and operational
- Project cash flows
- Sources must be higher than Uses
- Reserves above 6 months
- Asset replacement
- Risk to financial condition
- Board expenses

Tactical Planning Process



Sources & Uses



2020 Budgeted Statement of Sources and Uses

Document 2

	12-Months ended 09/30/2019 (budget)	12-Months ended 09/30/2020 (budget)
SOURCES:		
Operating Revenues (unrestricted)	\$12,221,202	\$13,462,514
Donor Restricted Funds (Grants & Toledo United Way)	\$474,808	\$422,808
	<u>\$12,696,010</u>	<u>\$13,885,322</u>
Funds released from restriction:		
Grant funds released from previous year	\$148,335	\$197,000
Asset Replacement Fund - Capital purchases	\$497,400	\$511,900
Pension Reserves	\$708,636	\$711,080
Total Sources	<u>\$14,050,381</u>	<u>\$15,305,302</u>
USES:		
Operating Expenses	\$12,674,654	\$13,285,400
Obligation to Frozen Pension Plans	\$708,636	\$711,080
	<u>\$13,383,290</u>	<u>\$13,996,480</u>
Increases to restricted funds:		
Operating Reserve (1)	\$169,691	\$60,000
Asset Replacement (2)	\$0	\$736,922
Capital fund	\$497,400	\$511,900
Total Uses	<u>\$14,050,381</u>	<u>\$15,305,302</u>
TOTAL SOURCES MINUS USES:	<u>\$0</u>	<u>\$0</u>

Note: Operating Expenses do not include depreciation expense.

- (1) Operating Reserve is projected to be \$9,964,000 at 9/30/2019, a 9 month reserve at the 2019/2020 budget level. An Operating Reserve is a GSUSA Charter requirement.
- (2) 2019 Depreciation is estimated to be \$1,011,000. The balance of the Asset Replacement Fund to be \$3,366,900. Proceeds from the sale of the Toledo building will go back in the asset replacement fund.
- (3) At 9/30/2019 the balance in the Pension Reserve will be \$2,202,000 and would represent plan funding at the current level for an additional 3.2 years. The NGSCR is not expected to be fully funded until the year 2026.

Cost Center Budget

CODE	DESCRIPTION	REVENUE	EXPENSE
350 – Membership and Renewal Strategies for Girls and Adults (including Data & Conversion)	Extend Girl Scout membership to girls and adults, resulting in 14,292 new girls, 25,221 renewing girls for a total of 39,513 girls; and 13,743 adult volunteers to support the sustainability of Girl Scouts to girls in a variety of membership pathways, leveraging the full Girl Scout portfolio.	\$0	\$2,364,693

Cost Center Budget

CODE	DESCRIPTION	REVENUE	EXPENSE
310 – Property Management	Manage council administrative properties and related assets to meet the administrative needs of the council and to ensure compliance with health and safety standards.	\$0	\$560,611

Line Item Budget



2020 Line Item Budget

Document 4

	12-Month Budget 10/1/18 - 09/30/19	12-Month Budget 10/1/19 - 9/30/20	Comparison	Comparison
Revenues				
Contributions	\$487,000	\$511,000	\$24,000	4.7%
Grants - Non-Government	\$406,000	\$354,000	-\$52,000	-14.7%
United Way	\$591,104	\$416,798	-\$174,306	-41.8%
Fundraising Events	\$88,942	\$61,985	-\$26,957	-43.5%
Cookie Sales - Net	\$8,810,649	\$10,203,688	\$1,393,039	13.7%
Nut Sales - Net	\$697,685	\$731,756	\$34,071	4.7%
Retail Sales - Net	\$317,240	\$299,250	-\$17,990	-6.0%
Program Services	\$872,051	\$921,245	\$49,194	5.3%
Investment Income - Net	\$415,939	\$376,250	-\$39,689	-10.5%
Miscellaneous Income	\$9,400	\$9,350	-\$50	-0.5%
Total Revenues	\$12,696,010	\$13,885,322	\$1,189,312	8.6%
Expenses				
Salaries	\$6,720,096	\$6,905,492	\$185,396	2.7%
Benefits	\$1,292,616	\$1,292,623	\$7	0.0%
Payroll Taxes	\$617,892	\$601,813	-\$16,079	-2.7%
Professional Services	\$650,176	\$729,047	\$78,871	10.8%
Supplies	\$1,054,712	\$1,096,467	\$41,755	3.8%
Communications	\$129,266	\$145,902	\$16,636	11.4%
Postage & Shipping	\$54,640	\$47,754	-\$6,886	-14.4%
Occupancy	\$646,365	\$813,277	\$166,912	20.5%
Equipment, Repairs, & Maintenance	\$134,406	\$154,965	\$20,559	13.3%
Printing & Publications	\$104,237	\$103,508	-\$729	-0.7%
Travel & Vehicle Expenses	\$268,821	\$322,839	\$54,018	16.7%
Staff Development	\$37,782	\$45,173	\$7,391	16.4%
Financial Assistance	\$478,838	\$536,820	\$57,982	10.8%
Insurance	\$245,925	\$270,830	\$24,905	9.2%
Miscellaneous Expense	\$238,882	\$218,890	-\$19,992	-9.1%
Total Expenses	\$12,674,654	\$13,285,400	\$610,746	4.6%
Net	\$213,566	\$599,922	\$386,356	

Line Item vs. Cost Center



2020 Line Item Budget

Document 4

	12-Month Budget 10/1/18 - 09/30/19	12-Month Budget 10/1/19 - 9/30/20	Comparison	Comparison
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Miscellaneous Expense	\$238,882	\$218,890	-\$19,992	-9.1%
Total Expenses	\$12,674,654	\$13,285,400	\$610,746	4.6%
Net	\$21356	\$599,922	\$578,566	



2020 Cost Center Budget

Document 3

CODE	DESCRIPTION	REVENUE	EXPENSE
Administrative		\$378,650	\$2,394,845
100 – Corporate Management & Governance	Provide corporate management systems and fulfill corporate responsibilities and to provide support to the Board of Directors.	\$0	\$291,465
110 – Business Operations – Risk Related	Protect the health, safety and security of girls as well as the overall health of the council, including meeting legal and GSUSA document retention requirements.	\$0	\$298,347
120 – Finance	Ensure responsible stewardship of council resources.	\$378,650	\$340,280
130 – Human Resources	Partner with all departments to recruit, develop, reward and retain qualified staff.	\$0	\$329,259
140 – IT & Communications	Manage information technology and internal communications systems for the organization.	\$0	\$574,883
310 – Property Management	Manage council administrative properties and related assets to meet the administrative needs of the council and to ensure compliance with health and safety standards.	\$0	\$560,611
Marketing, PR & Communications		\$0	\$508,559
150 – Marketing, PR & Communications	Relentlessly share the Girl Scout story across western Ohio and southeastern Indiana so that every girl sees herself and her future through Girl Scouts.	\$0	\$508,559
Fund Development		\$1,339,783	\$568,030
200 – Fund Development	Raise \$1,339,783 through diversified funding sources: \$511,000 in contributions; \$350,000 in grants; \$416,798 from United Ways; and \$61,985 from special events.	\$1,339,783	\$568,030
Program Service Delivery		\$12,166,289	\$4,380,104
300 – Program Pathways Support	Provide program resources to support progressive Girl Scout leadership experiences through all Girl Scout pathways.	\$10,540	\$249,258
301 – STEM	Provide progressive beyond the troop events that support girls' exposure to STEM related fields and topics in order to strengthen program effectiveness results, role model the program processes, and remove barriers for girls pursuing STEM careers and topics.	\$45,424	\$171,805
302 – Life Skills	Provide progressive beyond the troop events that support girls' exposure to building life skills in order to strengthen program effectiveness results, model the program processes, and continue Girl Scout traditions.	\$74,549	\$216,345
303 – Entrepreneurship	Provide progressive beyond the troop events that support girls' development of entrepreneurial skills in order to strengthen program effectiveness results, role model the program processes, and build future entrepreneurial leaders.	\$11,256	\$94,354

Budget Notes



The notes below are written to address the variances in our 2019-2020 budget compared to the 2018-2019 budgeted revenue and expenses.

REVENUES	
Contributions	Contribution revenue for 2019-2020 is budgeted at \$511,000 – comparable to the 2018-2019 budget and \$160,000 greater than the year-end projected revenue. Through the work with the capital campaign consultants, we have incorporated a major gifts program into the overall fund development plan in preparation for the capital campaign. A major gifts campaign will increase individual contributions and address the current gap in our annual fund.
Grants – Non-Government	Budgeted grant revenue for 2019-2020 is \$354,000 a reduction from the previous year’s budget and from projected year-end results. In recent years, we have received several grants from GSUSA that we do not expect to be renewed. We are facing greater competition for grant funds due to United Way losses and a portion of our grant efforts in 2019-2020 will be directed toward the Comprehensive Campaign – not included as part of operating revenue.
United Way	The projected United Way funding for the next year has been reduced by \$174,300 over the current budget. United Ways across our region have seen significant declines in the contributions they receive. The United Way of Greater Cincinnati has changed the focus of their allocations, resulting in a funding decrease of \$70,000 from 2018 to 2019 and an additional funding decrease of 10% is expected in 2020.
Fund Raising Events	Special event revenue is budgeted below last year’s budget by \$27,000 since we are projecting to carry out the Dayton event every other year. This decrease is partially offset by plans for increasing our revenue with the Cincinnati and Toledo Women of Distinction events.
Cookie Sale	The 16% increase in revenue from the cookie sale is attributed to the sale price increase for the 2020 sale. The increase is offset by a cost increase for product and rewards and an increase in the proceeds to the troops selling.
Nut Sale	The fall sale of nuts and candy continues to be extremely successful. The budget for 2019-2020 reflects an expected continuation of that success.
Retail Sales	We are budgeting Retail Sales fairly flat. “In-store” sales continue to decline, but that decline is offset by the upward trend of eCommerce sales. The eCommerce sale revenue comes to us from merchandise sales processed by GSUSA for consumers in our regions.
Program Services	There will be a small increase in the fee for council-sponsored summer day and resident camps, plus some additional one-day summer events. There are also slight increases in some of the year-round program events.
Investment Income	Investment income is based on the income from the most recent 12 months. The long-term investment base was reduced in recent years by \$1,000,000 to contribute funds for the renovation of three of our offices.
Miscellaneous Income	Budgeted Miscellaneous Income consists primarily of discounts on merchandise purchases.
EXPENSES	
Salaries	An average 3% increase has been budgeted for eligible staff. There are several minor changes to the organizational chart and as we have historically, the budget reflects a “full house”.

Capital Budget

LOCATION	ITEM	2020	Previous Years
Cincinnati Girl Scout Center			
	Air Conditioners/Furnaces (1 per year)	\$9,000	\$9,000
	Renovations to Alarm System - New Vendor		\$20,000
	Replace Exterior Trim/Gutter Repair	\$7,500	
	Repairs to Fire Suppression System		\$6,000
	Total	\$16,500	\$35,000
Dayton Girl Scout Center			
	Heat Pump Replacement (1 per year)	\$10,000	\$20,000
	Roof Repairs		\$10,000
	Paint Exterior Window Trim		\$8,000
	Renovations to Alarm System - New Vendor		\$20,000
	Total	\$10,000	\$58,000
Administrative Offices			
Council-wide	Laptops (27 x \$1200)	\$32,400	
	Desktops (5 x \$800)	\$4,000	
	Switches (2 x \$850)	\$1,700	
	Total	\$38,100	\$0
Camp Butterworth			
Ranger Residence	HVAC		\$8,500
	Kitchen Renovation	\$8,000	
	Fencing	\$3,200	
Freedom Lodge	Ejecter Pump		\$6,500
Groesbeck	Roof	\$5,000	
Seasons	Roof	\$9,000	
	Water Heater	\$2,500	
Pool/PoolHouse	Paint Pool	\$2,500	
	Pool House Exterior Paint	\$2,000	
Shelter Houses	Refrigerators		\$1,800
Maintenance Barn	Overhead Heater	\$3,500	
	Replace One Garage Door	\$4,200	
Tent Units	Tents & Flies	\$12,500	
In-the-Open	Tree Removal	\$5,000	
	Cameras at Entrance to Freedom	\$1,500	
	Picnic Tables	\$2,100	
General	Mattress Replacement	\$2,800	\$2,800
	Total	\$63,800	\$19,600
Camp Libbey			
Ranger Residence	Bathroom Upgrade	\$6,500	
	Refrigerator	\$800	
	Hot Water Heater	\$2,400	
Administrative Center	HVAC	\$7,500	
Clusters	Water Heater	\$3,500	
Woodlands	Replace Windows in Kitchen & Bathrooms	\$4,000	
Selected Shower Houses	Paint Shower House		\$2,000
	Water Heater	\$2,500	
	Replace Windows in One Shower House	\$2,500	
Shelter Houses	Paint One Unit	\$2,000	
	Filtration Control Valves	\$6,100	
Pool	Replacement Pump	\$5,500	
	Floor Vacuum	\$3,500	
In-the-Open	Lagoon Sludge Removal	\$2,500	
	Picnic Tables	\$1,000	
	Tree Removal	\$3,500	
General	Appliances	\$3,000	
	Rekey Buildings	\$6,000	
	Skid Track Loader (reconditioned)	\$45,000	
	Total	\$107,800	\$2,000

Monitoring Report

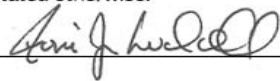


Board Monitoring Report: 2.4
September 2019

Attachment D

2.4 Financial Planning/Budgeting

I hereby present my monitoring report on Executive Limitations Policy 2.4, "Financial Planning/Budgeting" according to the schedule set out. I certify that the information contained in this report is true, and represents compliance with a reasonable interpretation of all aspects of the policy unless specifically stated otherwise.

Signed: , CEO

Date: 9/13/19

Policy	CEO Interpretation	Compliance will be demonstrated when...	Evidence of Compliance
Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board's Ends priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan.	<p>"Fiscal year" = October 1-September 30. The CEO's interpretation of this monitoring report is that we are monitoring the policy for the budget being presented for the upcoming year, in this case the 2020 plan and budget.</p> <p>"A material deviation of financial planning from board priorities" = the resources are applied in such a way that movement is not being made toward the Ends according to the priority specified by the board.</p> <p>"Fiscal jeopardy" = any activity that would damage the financial health of the organization and would result in any fiscal year ending with insufficient liquid or near liquid assets to sustain normal operations, before depreciation.</p> <p>"Multi-year plan" = a plan that encompasses more than one calendar year.</p>	Annual operating plan and budget demonstrates allocation of resources toward means that support Council Ends.	<p>The allocation of resources to achieve the Ends is provided in the 2020 budget presentation to the board, specifically in the cost center budget.</p> <p>Budget documents show sufficient revenue projections to cover operating expenses during the fiscal year.</p> <p>Tactical plan integrates service unit plans.</p>



Questions?



Motion

That the Board accepts the monitoring report for Policy 2.4 as reasonable interpretation and in compliance, with the exception of 2.4.5.

Revisions to the 403(b) Plan for Employees

Roni Luckenbill, CEO

- Attachment E – Memo



Motion

That the board accept the changes to the employee retirement fund as follows:

- 1. A move from a 3% guaranteed employer contribution and a 2% match, to implementation of a 5% dollar for dollar match, after a one-year waiting period, on the new 401(k) Plan.**
- 2. The matching contribution will be 100% vested immediately upon eligibility for the employer contributions.**

Capital Campaign Update

Susan Redman-Rengstorf,
VP of Special Campaigns





CAMPAIGN UPDATE
9/24/19

***\$ 1,999,271 so far
from current & former Board
members, individuals***

***\$ 1,000,000 in process with
Ohio State Capital bill***

\$475,000 in pending asks

***New Stonybrook Lodge
Groundbreaking – 8/27/19***

***Cincinnati Donor Reception –
9/10/19***

***Cabinet Meeting Monthly –
building out committees to
support leadership phase***



EMPOWER HER

The campaign to transform our camps and our girls



Camp Stonybrook Groundbreaking



EMPOWER HER

The campaign to transform our camps and our girls





girl scouts
of northwestern virginia

CAMP STONYBROOK LODGE
OPENING SPRING 2020

Made possible by **EMPOWER HER**
The Campaign to Transform Our Camps and...









Board Development Committee Report

Roni Luckenbill, CEO



Fund Development Task Group Report

Theresa Hirschauer,
Task Group Chair

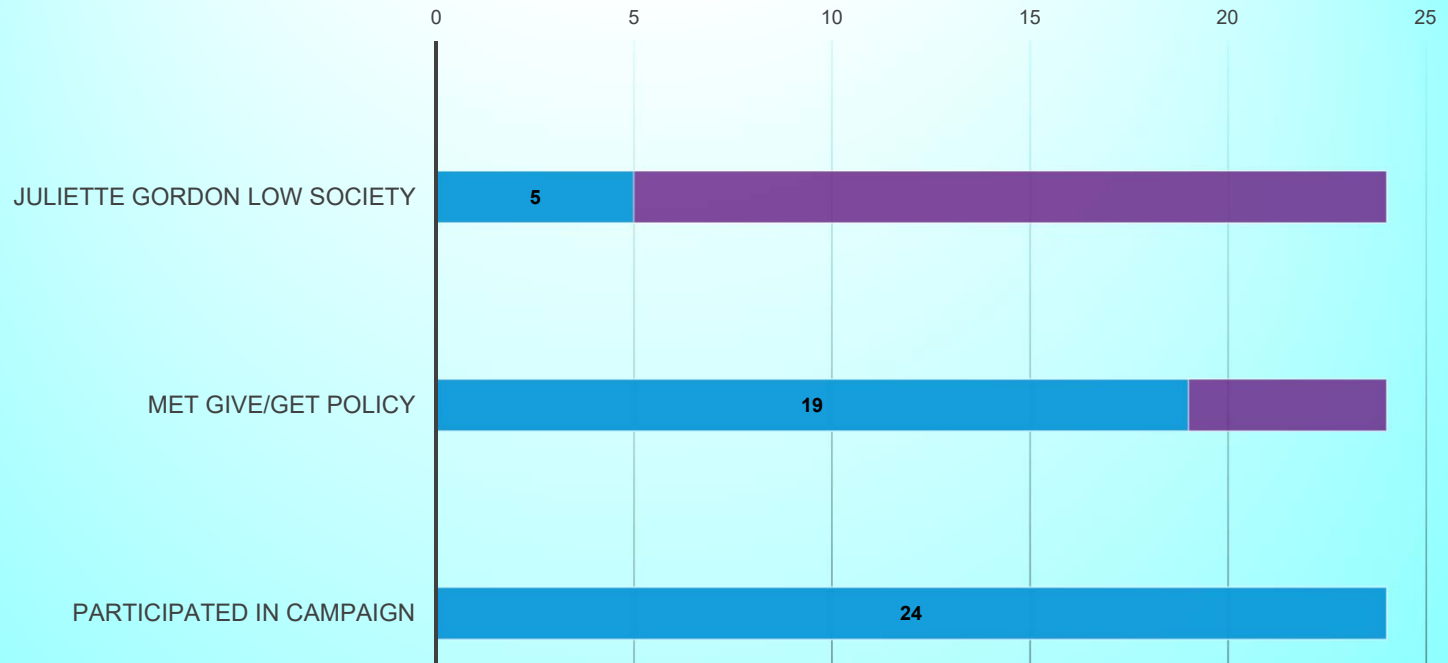


Marcia Dowds,
Chief Development Officer



Participation

as of 9/19/19

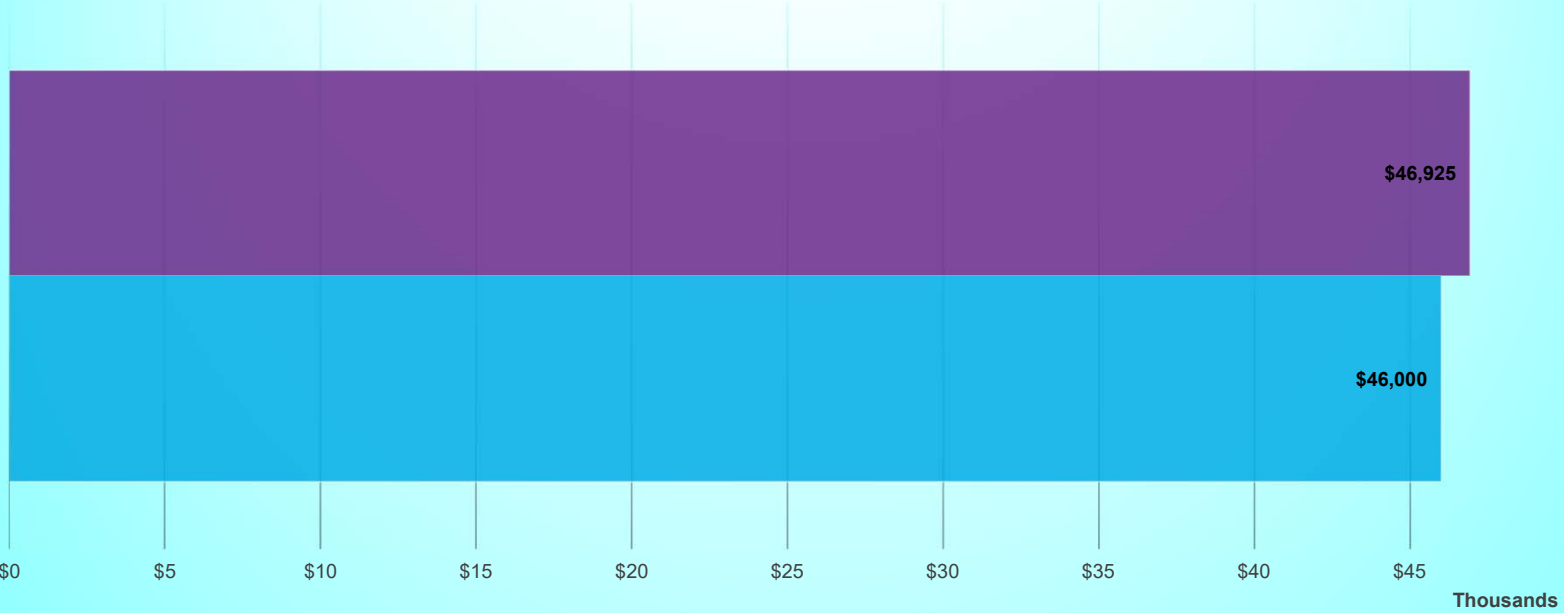


■ Total Board Members = 24 (includes new & members retired in April) ■ Board Members Participating

Participated in campaign is defined as made a pledge & completed a pledge in 2019.

Money Raised

as of 9/19/19

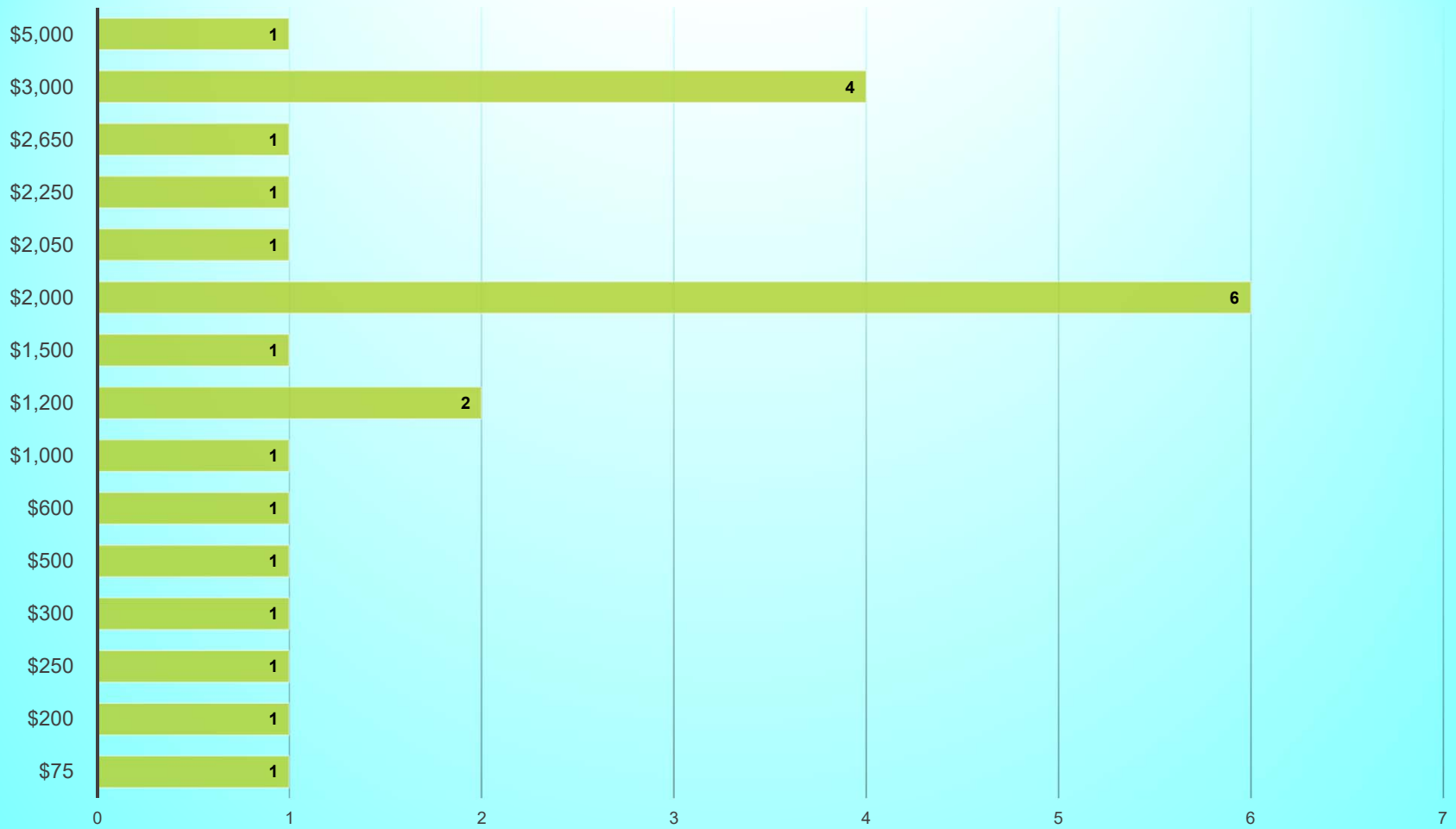


■ Amount Pledged to Date

■ Goal

Range of Gifts

as of 9/19/19



How Did We Work?

Kim Fender, Board Monitor

- Attachment F – Board Monitor Memo & Report Form



Next Agenda Items

Victoria Nilles, Board Chair

Friday, November 1, 2019

Board Retreat – Drury Inn Dayton North



Adjournment

