

January 22, 2024

On behalf of the Board of Directors, I am happy to share the following highlights from the January 22, 2023 meeting of the Board of Directors of Southern Arizona. This meeting was conducted in person and by Zoom. As per our bylaws, we did have a quorum to conduct business.

Pamela Traficanti
Board Secretary

Present in person:

Anne McLain, Bella Duncan, Carly Kaplan, Maggie Shafer, Melissa Arroyo, Nicholle Zarkower, Pamela Traficanti, Sheila Kressler Crowley, Terry Flores, Lynn Borders, Pamela Treadwell Rubin,

Present via Zoom: **Dr. Cheree Meeks, Elaine Becherer, Melissa López, Elizabeth Locke Thomas, Niki Hoffman, Tia Tsosie Begay, Tanisha Price Johnson**

Staff present in Person: **Kristen Hernandez, MacGyver Tank, Melissa Tomlinson, Timalee Nevels**

Terry Flores, Board Chair convened the meeting 5:05pm

Mission Moment

Directors who assisted with Cookie Drop shared some thoughts of their experiences. Timalee shared a story about the cycle of Girl Scouting and its ongoing impact.

CEO Update

Kristen Hernandez, CEO

Kristen shared a brief update with the following highlights which also serve as an update to her goals for the year:

- We recently completed the charter renewal process with GSUSA and we were granted a three year charter.
- Kristen was officially appointed to the GSUSA DEIA committee, serving alongside other CEO's and National Staff and begins her service in a few weeks with a trip to Macy to meet in person.
- In addition to supporting the Product Program team, the Program team is also planning for camp and is beginning camp hiring.
- Our Membership team is focused on supporting Troops and Volunteers in the Cookie Program and will begin to pivot to spring recruitment as we move toward March.

CFO Report

Melissa Tomlinson, CFO

Melissa Tomlinson, Consulting CFO, reviewed the financials from months ending November and December 2023. These documents were reviewed and approved by the Finance Committee last week.

November-

\$152,000 revenue which is ahead of budget by \$7,295

\$466,000 expenses which was an unfavorable variance of \$93,000

We've moved investment income and in kind revenue and expense below the line as these are elements that we have no control over and makes our financials look more volatile than they really are.

Net product and retail was budgeted to be at a deficit and we underspent and ended up flat to budget in that category.

Contribution income is right where we want it to be. The funding for AdVENTUREs came in and that offset the deficit from Over the Edge.

Expenses were close to where we want to be. Year to date we are tracking fine, but for the month we were a bit off the mark.

Program expenses and assistance we are over for the month. This is an area we are watching closely.

In the 'Other' category is our annual printing of the Cookie Guide and other materials.

Skipping November year to date and balance sheet we will move to December. No objections were heard.

December-

\$26,576 revenues, which were positive to budget with expenses at \$346,000 which are closer to budget than November's were. Investments were doing really well in the first quarter.

Overall, from a net income perspective we are performing better than budget.

Net product and retail was another good month due to underspending in this line item. We were a little under in contribution income and we are seeing an uptick in January.

Fiscal Year to Date Budget vs. Actuals-

Revenue \$281,000 with an unfavorable variance of \$38,000.

Expenses were at \$1.2m with an overage of \$187,000.

Other Revenue/Expense leaves us with a favorable variance of \$305,000 and that's due to our investments doing very well.

Contribution year to date is down and that's largely due to Over the Edge coming in under budget, largely due to sponsorship shifts to other events.

From an expense perspective, the big culprit in the variance is program expenses. If you recall we had a previous discussion about utilizing dormant troop bank accounts for girl assistance. That released \$38,000 in funds to offset that variance. In addition, we have made an adjustment to our troop rules. The new pre-requisite is that financial assistance will not be approved, if there are funds in the troop's bank account. Troop funds should be assisting girls with registrations, uniforms and programs and not just saved solely for fun activities.

There was some discussion about the DEIA videos, the production expense for which is included in these financials also contributed to the variance. It has not been decided whether we will license the final product to other councils and if so, what the cost might be. The video series is entering the editing and post production process. We will share the final result as they are available.

Lastly, we need to make the bulk of supplies we have purchased last into the upcoming busy program season. This is an area that always needs to be watched closely. We have tried several approaches and continue to tinker with the process. Our team is aware, engaged and on board to use resources wisely.

Looking at the balance sheet, cash is down a bit. We have recently paid deposits for cookie reward trips and purchased two vehicles. In addition, cookies had to be paid for in advance. The first ACH pull for cookies happens the first week of February and these numbers will be shifting again in the other direction.

We have fully utilized our line of credit so that we could purchase the cookies and utilize the discount for doing so. We have also cashed out \$500,000 in CD's to have the liquidity to make some of these large purchases like the vehicles and the order of camp beds. As we see the cash column go down, we have to remember that these are items from the capital expenditure budget and everything is just shifting to the asset category.

The audit fieldwork has been completed and we expect to have draft for the board next month. The audit went very smoothly.

Motion: Motion to approve the month ending November 2023 financials as put forward by the Finance Committee. Motion by Nicholle Zarkower/Second by Lynn Borders **Motion Passes**

Motion: Motion to approve the month ending December 2023 financials as put forward by the Finance Committee. Motion by Anne McLain Whipple/Second by Maggie Shafer. **Motion Passes**

Product Program Update

Elizabeth Locke Thomas, CMDO

Elizabeth shared that we had the largest cohort of Board members at the two Pima County drops this year. Thank you for all who participated.

In terms of cookies picked up from us and out for sale/distribution, we are 58.74% to goal with 49 days to go in the sale. All indications are that the community is very supportive of the sale this year. It is very important that we continue to share the 'why' of the cookie program with all our contacts and in our social streams.

Bella and Carly shared some thoughts about the season so far from their lens.

Fund Development Update

Kristen Hernandez, CEO

Niki prepared and emailed an update earlier today and Kristen shared a few more details including:

- The success of the fall/holiday appeal this year. Thus far, it has surpassed last year's appeal.
- We received a \$25,000 gift last week from an individual donor. The gift is intended for use in a solar energy project at the Hacienda.
- Contrary to the email that went out earlier today, the date for Cookies and Cocktails may be changing. Stand by for an update by the end of the week.
- Kristen and MacGyver have a follow up meeting with Dell Webb foundation tomorrow about the Nurses Cabin project at Whispering Pines. We have a \$250,000 request in to this foundation.

Property Update

MacGyver Tank, COO

MacGyver updated the Board with some highlights about our properties.

- This time of year we don't do many projects at Whispering Pines due to inaccessibility of the property. We have drained the water tanks for the winter.
- Staff continues to work with Elaine Becherer on preliminary steps to prepare for work at the Hacienda.
- Tom and Mike, our Property Team members will spend the bulk of their time in the next two months supporting the Cookie Program.

Generative Discussion-

Kristen Hernandez, CEO

Upcoming Strategic Planning Process

We are completing the final year of our 3 year Strategic Alignment Plan with GSUSA. Kristen is beginning to prepare for the process of completing a new plan for the next triennium. In the last several iterations of our plan, we have utilized a various process and working modalities. This year, Kristen is planning to dream and plan more courageously. We would like to recruit participants who will bring and contribute new ideas that

are out of the box and bold. Kristen invites ideas and thoughts about format, planning modalities, constituents and locations.

To involve youth, tying the process with a tangible outcome or skill was suggested. The importance of making the program's impact clear compared to other activities, like a swim team, was emphasized.

A director shared a successful process involving a morning workshop to generate excitement and an afternoon work session. For location, the suggestion was to use a neutral site with a dynamic facilitator to maintain focus on the planning stage. Breaks with movement and food were recommended for a more engaging session. Market research with non-Girl Scouts in advance could provide valuable insights.

Commitment to the efforts was seen as key, and starting the session by highlighting outcomes from the previous plan, both achieved and not, was proposed to set the tone. Examples like SARSEF, serving Title 1 kids, were cited to broaden perspectives. Feedback in the coming weeks and months was encouraged.

Consent agenda-

Motion to accept the consent agenda, which includes the dashboard, agenda and draft minutes. Motion by Sheila Kressler Crowley / 2nd Pamela Treadwell Rubin

Motion Passes

The meeting was adjourned at 6:27pm