

July 28, 2025

On behalf of the Board of Directors, I am happy to share the following highlights from the July 28, 2025 meeting of the Board of Directors of Southern Arizona. This was a hybrid meeting and was conducted both in person and by Zoom. As per our bylaws, we did have a quorum to conduct business.

Sheila Kressler Crowley
Board Chair

Present in person: Nicholle Zarkower, Melissa Arroyo, Natali Behar, Karyn Damschen, Michelle Saint Hilarie, Jessica Torres, Tanya Tretshok, Lynn Bordersm Pam Treadwell Rubin, Sheila Kressler Crowley

Present via Zoom: Arcianna Jimenez, Elaine Becherer, Cheree Meeks, Tanisha price Johnson, Leia Begay, Lesah Sesma. Gina Kutas

Staff present: Kristen Hernandez, Melissa Tomlinson (via zoom), MacGyver Tank, Elizabeth Locke Thomas, Timalee Nevels

Sheila Kressler Crowley, Chair convened the meeting 5:00pm

Shout out: Leia Begay shared about presenting at a national conference about her Gold Award project.

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:

- Update on the July 2026 NCS- feedback has been submitted on the proposals and discussion topics for the session.
- National priorities are also being finalized by GSUSA
- Summer wrapped up with a great camp season, although day camp was down this summer. New strategies are being deployed now, to boost engagement for the next year by making multiple touches with campers now and throughout the year.
- Camp was smooth with new co-directors in place at both camps. Communication was great. If there was one concern overall for the summer, the biggest issue was mental health of our campers. We had 3 kiddos go home because of feeling unstable.
- National forecasting for membership has been submitted. We believe we will remain consistent in our retention numbers. We will see a dip in our registration numbers because although we are going to continue to serve them, we are not going to automatically register them unless they are engaged over the longer time, year round time frame.

*It was suggested that we check on having a student who is a candidate for MSW on site during the season to offer mental health support in exchange for practicum hours.

CFO Report

Melissa Tomlinson, CFO

Melissa Tomlinson, Consulting CFO, reviewed YTD highlights from the financials of end of month June 2025. These documents were thoroughly reviewed and approved by the Finance Committee last week.

Year to Date:

Our net operating revenue YTD is \$3.9m, which is down about 7% from budget. The big driver of that variance is the cookie sale coming in less than budget. That said, the team has been very carefully managing expenses to offset of that variance. All of the other revenue lines are coming in much closer to budget.

Total expenses just over \$3.2m against a budget of \$3.4m- 6% lower than budgeted. When the reality of the cookie sale came into view, we engaged in cost savings measures across the board. The result is that even though we are down in revenue by \$450,000 our net income is only off by about \$50,000 at this time.

While our investment income is in positive territory currently, it's not where we have been in prior years.

From a cash perspective, we are very strong. We are ending June with \$1.6m cash. We also have \$3.3m in investments that can be easily converted. We are going to end the year very strong in spite of a difficult year in the cookie sale.

Question: The personnel line items had an unfavorable variance, what was the reason for that?

Answer: Mostly because of straight lining the budget and having a 3 pay period month.

Motion: Motion to approve the financials as put forward by the Finance Committee. Motion by Nicholle Zarkower Second by Pam Treadwell Rubin

Motion Passes

FY26 Budget Season Overview

Melissa Tomlinson, CFO/Kristen Hernandez, CEO

We are projecting a little more conservatively this year with regard to the Cookie Program. That said, we have revised our process in a way that starts with a target gross profit percentage. The team then built a reward system that could be done beginning with the final projected numbers of boxes sold. The department heads then worked with the rest of the budget within the parameter of a 12% decrease in each department from prior year. The team enjoyed this approach, and appreciated that they had a lead role in the process.

The team has worked hard and been quite conservative. Kristen and Melissa met with the Benefits brokers and we have a rate pass for the upcoming year. That's a standalone result in terms of insurance, as we know that other insurance products are going up.

Generative discussion-

Sheila Kressler Crowley Chair, Kristen Hernandez, CEO

During the summer retreat this year, it was proposed that as a body, the board would like to create a board designated fund. The Chair feels strongly that we need 100% board giving for this fund. There is an idea put forward that Board members reach out to former board members to ask for a donation in honor of the 90th anniversary. It could also be opened up to alumnae as well.

A concern is raised that we need to ensure that we do not overlap with donors who already give.

It is proposed that it be a specific theme and goal this year taking into consideration that we have a tiered Membership Dues increase coming over the next two years. As it is our 90th year as a council, the group likes the idea of theme that revolves around asks involving increments of 9. IE- 90 alums donating, 900 memberships covered, and donation amounts of \$9, \$90, \$900.

In the end, the board adopted the following plan for this new board designated fund:

- Each year, the Board Fund will support the area of greatest need identified by our council and board
- For **Fiscal Year 2025/2026**, the focus will be **offsetting the increase in national membership dues**
- Goal for board fund is **1,000 memberships/ 45k**, that's an ambitious goal and a stretch...but we can do hard things!

- We'll do this by **reaching out to former board members and alumni**—GS staff will provide a **contact list and a call/email script** to support outreach in the coming weeks.
- In celebration of **90 years of Girl Scouts in Southern Arizona**, we'll encourage donations in themed increments of **\$9, \$90, or \$900**.

Over the Edge- recruitment brainstorm

Elaine Becherer, Development Committee

Current state is that the board has previously decided that this is a mission centered fund raiser that we definitely want to continue. The event has plateaued in terms of what the staff can accomplish and need additional brain power. This is our 10th year of doing OTE. How can we lean into that? Is there a theme or tag line that we could utilize for this purpose? How can we be strategic in recruitment of participants? Can we utilize the giving season- what are you thankful for? The event will be as successful as we want it to be if we can fill the ropes. We need to be more purposeful in our search for participants and the marketing targeting each of these categories

Ideas discussed included:

- Outreach to the Greek network at UA (Sheila/Charlotte)
- Company mascots vs. other company mascots
- Fire vs. Law Enforcement (new Camp Fury leadership)
- Reaching out to Fire/Law in outlying areas- Marana, Oro Valley, Nogales
- Marketing to people who have 10 years of sobriety, cancer recovery, anniversary
- Really honoring past participants for their return to the event
- It is the 50th anniversary for 5151
- Highlighting the impact of this event over its 10 years
- Other business/organizations who are having a 10 year anniversary this year
- Companies who want to send a whole group down the ropes- competing company vs. company or department vs. department
- Possible mixer at 5151 for new tenants

Elaine will host an ad hoc zoom for anyone who wants to jump on and share additional ideas. Information to come.

Consent agenda-

Motion to accept the consent agenda, which includes the dashboard, leadership reports, agenda, minutes and draft financials from March-June 2025.

Motion by: Pam Treadwell Rubin. **Second by:** Lynn Borders

Motion Passes

The meeting was adjourned at 6:30pm