girl scouts

Girl Scouts of Central California South

Quarterly Delegate Roundtable Meeting

October 20, 2022





All Fun.
No Filter.
Be a Girl Scout.



1. Welcome (5 Minutes)

- 2. Our Girl Scout Year Ahead: Girl Experience Program Guide (20 Minutes)
- 3. Membership: Where We Ended MY 22 and Our Goals for MY 23 (10 Minutes)
- 4. Updates on Cookies and Fall Product Seasons (20 Minutes)
- 5. Updates on Council Budget, Financial Planning, and Facilities (20 Minutes)
- 6. Open Forum and Closing (15 Minutes)



Welcome!

Dr. Russel Statham *Chief Executive Officer*



Girl Scouts of the USA (GSUSA)

Organizational Update



GSUSA and 29 Councils Recipients of Largest Gift in Girl Scouting History!

The gift will:

- Create more equitable membership opportunities in communities that have been under engaged
- Foster meaningful program innovation informed by the current interests and needs of girls to prepare them for leadership, including an expanded focus on career readiness and mental wellness
- Bolster the "foundations" of the Movement in critical areas such as research, staff, and volunteer training
- Future-proof its facilities, including the iconic Girl Scout camp properties



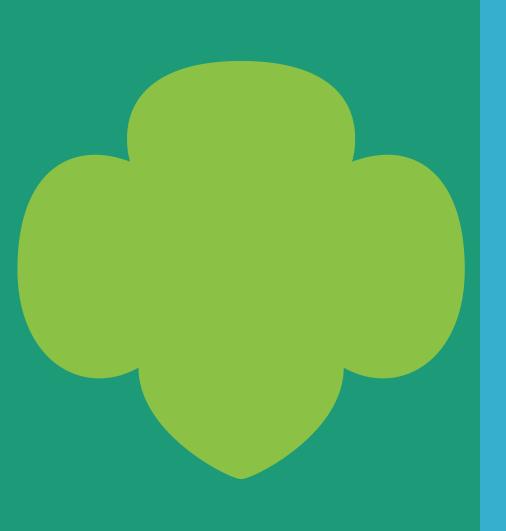
GSUSA and 29 Councils Recipients of Largest Gift in Girl Scouting History!

While Girl Scouts of Central California South was not one of the 29 Councils receiving individual gifts, we will benefit from the transformational work driven through it by GSUSA and Councils throughout the country!

Will you help us leverage this an opportunity to <u>expand</u> fundraising for GSCCS?

Until now, less than two percent of annual giving benefitted girl and women-focused organizations.

Source: Women and Girls Index, Women's Philanthropy Institute, Indiana University, October 2021



Questions?





Girl Experience

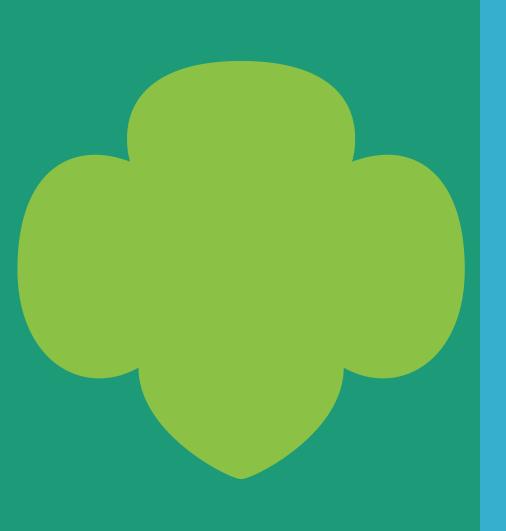
To wrap up the previous membership year:

- Hosted first Diversity, Equity and Inclusion patch workshops for Hispanic Heritage
- Celebrated Fall Product Season with a Fall Product Rally
- Sold out of AgriNation tickets

Girl Experience

- Juliette Gordon Low Carnivals October 29th
- DEI Series Continues
- College and Career Corner Continues
- Cookie University December 3rd
- Polar Express Events December 17th
- Thin Mint Runs January 14th and 21st

- World Thinking Day February 18th
- Camporee March 10th to 12th
- GS Birthday Lock-Ins March 18th
- Bronze Award Ceremony April 29th
- Gold/Silver Award Ceremony May 20th
- Camp El-O-Win 4 Sessions



Questions?



Membership

Membership Year 2022

	Year End Goal	Actual
New Adults	913	1,529
Total Adults	2,184	2,994
New Girls	3,478	4,249
Total Girls	7,161	7,298

Membership Year 2023 Current Membership & Goals

	As of October 20, 2022	Year End Goal
New Girls	555	2,793
Girl Renewals	4,766	5,084
Total Girls	5,321	7,877
New Adults	317	1,194
Adult Renewals	2,024	1,601
Total Adults	2,341	2,795

Membership Year 2022 Year End Retention

Adult/Lifetime Renewals	1,465
Adult Retention %	69.00%
Girl Renewals	3,049
Girl Retention %	46.80%
Total Renewals	4,514
Total Retention %	52.30%

Early Bird Retention

Early Bird Membership Numbers		
	MY 23 (Current Year)	MY22 (Last Year)
Adult/Lifetime Renewals	2,230	981
Adult Retention %	49.9%	48.5
Girl Renewals	2,499	1,932
Girl Retention %	46.8%	32%
Total Renewals	3,729	2,913
Total Retention %	47.7%	36.1%

Program Credits

This year, we were excited to offer all On-time renewed members \$20 in Program Credits to use toward gsEvents programs, workshops, and activities!

- Available to all members that were renewed on or before September 30, 2022
- A program credit balance of \$20 will be credited to all eligible members for use November 1, 2022 through April 30, 2022; these cannot be used past expiration
- An email with instructions and eligibility rules and restrictions will be going out to all eligible members in the upcoming week
- Managed electronically for easy member access
- Calendar of activities and workshops is in process of uploading so that members will have plenty of options to choose from

Membership Year 2023 Current Retention & Goals

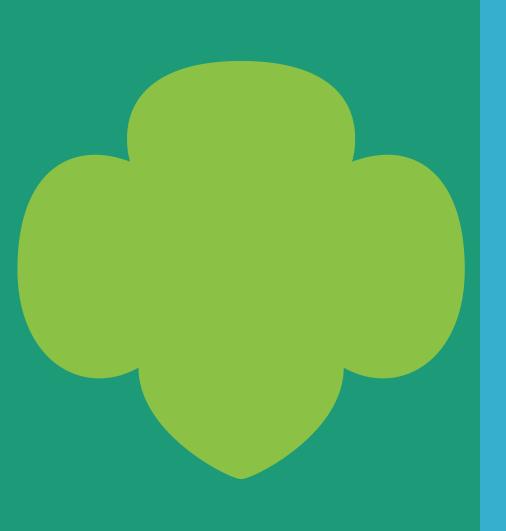
	Current as of 10/1/2022	Year End Goal
Adult/Lifetime Renewals	1,983	1,601
Adult Retention %	66.2%	63.0%
Girl Renewals	4,738	5,084
Girl Retention %	64.9%	71.0%
Total Renewals	6,712	6,685
Total Retention %	65.3%	67.0%

Supporting Retention Goals

- Continued Growth of Early Bird Program
- Program Credits for On-time Renewal
- Expansion of Girl Programming
- Expansion of Training for Troop Leaders
- More opportunities for volunteer engagement- Volunteer Mixers, Volunteer Retreat, and Volunteer Workshops

Upcoming Early Bird Events

- Juliette Gordon Low Birthday Carnival
 - October 29th
- Friendsgiving Bingo Night (Early Bird Exclusive)
 - November 10th
- Friendsgiving Volunteer Mixer
 - November 1st Kern
 - November 8th Fresno
 - November 15th Visalia
- Polar Express Holiday Event
 - December 17th



Questions?





Product Programs



Macro-environmental risks heading into this season remain a challenge

- Pandemic
- War
- Supply chain
- Inflation
- Recession
- Labor
- Weather
- Demand volatility





Partnership with ABC Bakers (HFS)

* Similar issues
with our Fall
Product Program
partner due to
industry, inflation,
and supply chain
constraints

We must be proactive rather than reactive



BUSINESS

Hershey warns 'trick-or-treat' supply chain may cause candy shortage

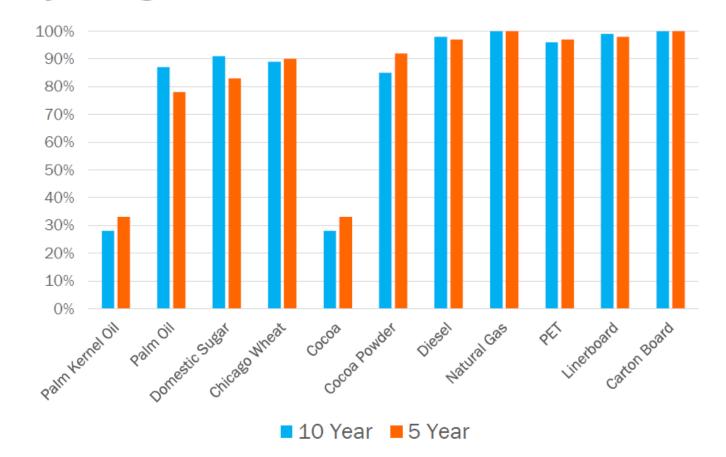
The maker of Kit Kats and Twizzlers says its Halloween and holiday season output may fall short due to a scarcity of raw ingredients and capacity challenges



Macro-**Environment:**

Partnership with ABC Bakers (HFS)

Majority of commodities remain at or near 5 and 10 year highs

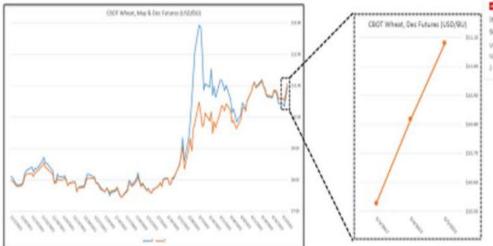


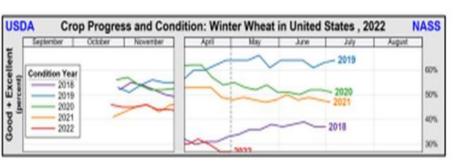


Macro-Environment:

Partnership with ABC Bakers (HFS)

CBOT Wheat - prices have increased in last 48 hours +5%





INDIA IMPACT:





What's the weather iteracest for 2000? ... Connection. This story has been optioled to connect a conversion from Catalua to Palmonnell. Delhi Chili -

2 feet ap

- Market up >5% in 24 hours over concerns with the Indian wheat crop
- Wheat growing regions have been experiencing temperatures of 120°F (49°C)
- Yields will be negatively impacted & exports are uncertain

GEOPOLITICAL:

- Ukraine continues to export at a low rate (10% if historical levels)
- Russia has stolen grain reserves and farm equipment from the Ukraine, impact uncertain

US:

 Crop is struggling, 40% of the crop is currently rated "poor" to "very poor"



Macro-Environment:

Partnership with ABC Bakers (HFS)

Cocoa powder pricing not tracking with commodity price of cocoa due to processor capacity

HFS strategy was to RFP our business and to employee a multisupplier approach. We have partners with capacity to meet our demand, while not being wholly dependent on one source. In an environment like this predictable volume is the key, as capacity is spoken for.



Supplier Conversations, McKeany-Flavell Insights

- Cocoa Supply Chain: Harvested in West Africa and most is processed in Europe
- International Transportation: Affects North American availability and safety stock build up
- North American Grind Numbers: Considerably inefficient processing has limited supply
- Pricing: Powder prices have been steady, North American warehouse and distribution costs added to landed costs
- Landscape: Capacity driven 2023 tightness, expected improvement for 2023 H2 dependent on capacity improvement



Macro-Environment:

Partnership with ABC Bakers (HFS)

We are taking actions to mitigate these risks and ensure cookie quality and availability



Macro-Environment:

Partnership with ABC Bakers (HFS)

* Similar issues
with our Fall
Product Program
partner due to
industry, inflation,
and supply chain
constraints



NGREDIENTS

Secure proper supply



PEOPLE

Hire the right amount of labor at bakery and 3PLs (12 weeks)



EQUIPMENT

Invest to provide consistent quality & greater output



PACKAGING

Protect supply and transition to more flexible packaging options



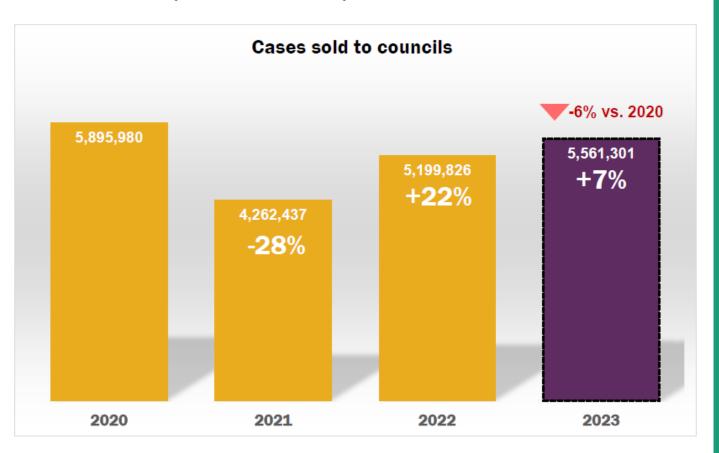
PRODUCT

Maintain safety and food quality standards

Accurate forecast is critical

Our current council forecast +361K cases over LS

Forecast has declined by -134K cases since July



Macro-Environment:

Partnership with ABC Bakers (HFS)





Initial Orders Management and Forecasting

- Call/email campaign with existing troops without Initial Orders
- Outreach to new troops for Initial Orders
- Inform Service Unit Director of Troops without Initial Orders
- Social media campaign reminders
- Add to GSCCS Service Unit updates
- Cookie Catch-Up emails



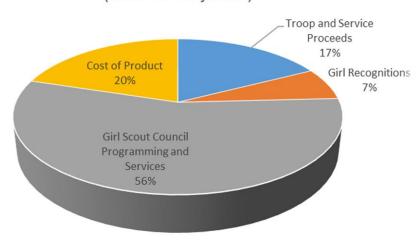
Changes for Cookies 2023

- No DoorDash collaboration
- Raspberry Rally exclusively online
- Training dates scheduled for December 12-14, 2022
- Looking to add Council Cupboard and third distributor in mid valley
- Smart Cookies upgrade/NEW features
 - Digital Cookie launch delayed



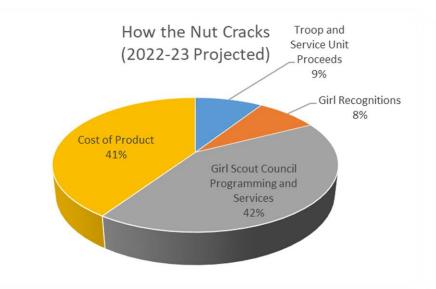
How the Cookie Crumbles

How the Cookie Crumbles (2022-23 Projected)





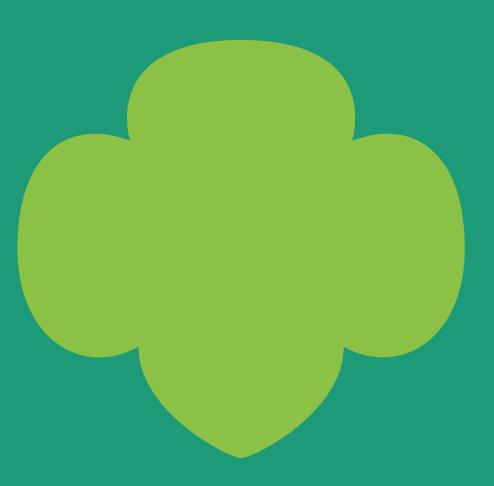
How the Nut Cracks





Troop Proceeds Survey - Girl Scout Councils

Council Membership Size	Gross Cookie Procceds	Troop Incentive Proceeds Per Box
Large Council	Greater than \$15 Million	\$0.24
Large Council	\$10 Million - \$15 Million	\$0.71 older girls/CSA if other rewards not taken; \$0.61 younger girls
Large Council	\$10 Million - \$15 Million	\$0.65-\$0.85/box
Large Council	\$10 Million - \$15 Million	Every troop begins at \$0.80 per package. 175 Registered Girl Average (RPGA), they increase to \$0.85 200 RPGA, they increase to \$0.90 per package
M id-Size Council	\$10 Million - \$15 Million	Troop base proceeds = \$0.65/box. Troop bonus = \$0.25/box (if they turn in financial reports and no bounced ACHs). Troop Super Award = \$0.05 - \$0.07/box (tiered depending on requirements they meet). Service Unit Base Proceeds = \$0.05/box. Service Unit Super Award = \$0.01-\$0.03/box (similar to Troop Super Award)
Mid-Size Council	\$8 Million - \$10 Million	Ranges from \$0.75/box to \$1.15 depending on requirements
Mid-Size Council	\$8 Million - \$10 Million	\$0.70 troop/\$0.80 IGM
Mid-Size Council	\$5 Million - \$8 Million	\$0.70
Mid-Size Council	\$5 Million - \$8 Million	\$0.75
Mid-Size Council	\$5 Million - \$8 Million	\$0.78 (\$0.13 incentives and \$0.65 proceeds)
Mid-Size Council	\$5 Million - \$8 Million	\$0.80
Small Council	\$5 Million - \$8 Million	\$0.95
Mid-Size Council	\$1 Million - \$5 Million	Up to \$1.00
Mid-Size Council	\$1 Million - \$5 Million	\$0.65
Small Council	\$1 Million - \$5 Million	up to \$1.03
Small Council	\$100k - \$1 Million	\$0.70-\$0.85 per package
Small Council	\$100k - \$1 Million	1-100 pkgs - \$0.55, 101-150 pkgs - \$0.65, 151-200 pkgs - \$0.75,



Girl Scouts of Central California South

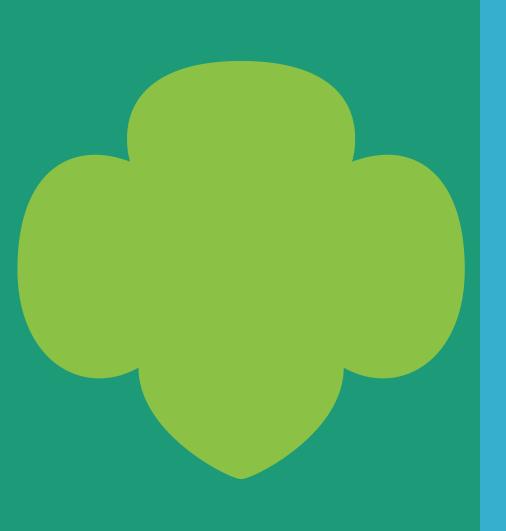
Membership Size: Small Council

Gross Cookie Proceeds: \$5 Million - \$8 Million

Troop Proceeds: \$1.00

SU Proceeds: \$0.05

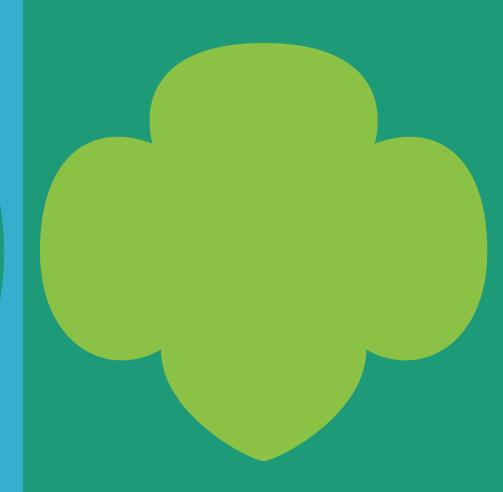
We are in the process of developing a bonus incentive for if we exceed 1 million packages of cookies sold in 2023 – stay tuned!



Questions?

Our Budgeting Process

- Engaged in a several month planning and forecasting process at the department, unit, and organizational level
- Utilized a bottom-up, zero-based budget development approach
- Provided our best assessment of revenues and expenditures projections, understanding that there is a significant amount of uncertainty due to inflation



Department Structure

- Council Management
 - Business Operations
 - Governance
 - HR
- Finance
 - Accounting
 - · Retail Store
- Resource Development
 - Fund
 Development
 - Marketing & Public Relations

- Mission Delivery
 - Girl Experience
 - Troop Support
 - Customer Care
 - Volunteer Services and Training
 - Recruitment & Community Partnerships
 - Product Programs
 - Start-Up Troop





Operating Revenue

Impact to our revenue is potentially broad

- · Membership dues revenue financial aid
- Product program revenue cookies + fall product
- Fundraising revenue shift to seeking financial support for workshops and programs scheduled versus finding financial support for new endeavors.
- Retail store revenue impact from inflation, supply chain issues, and online shopping
- Programs (Girl Experience) revenue shift to hybrid format, increasing workshop capacity, and impact on pricing

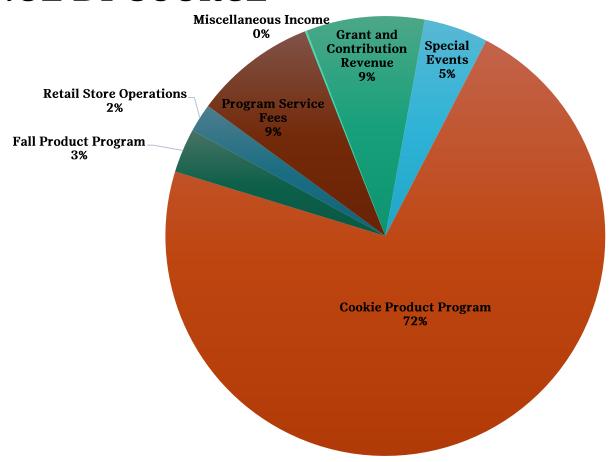
Operating Expense

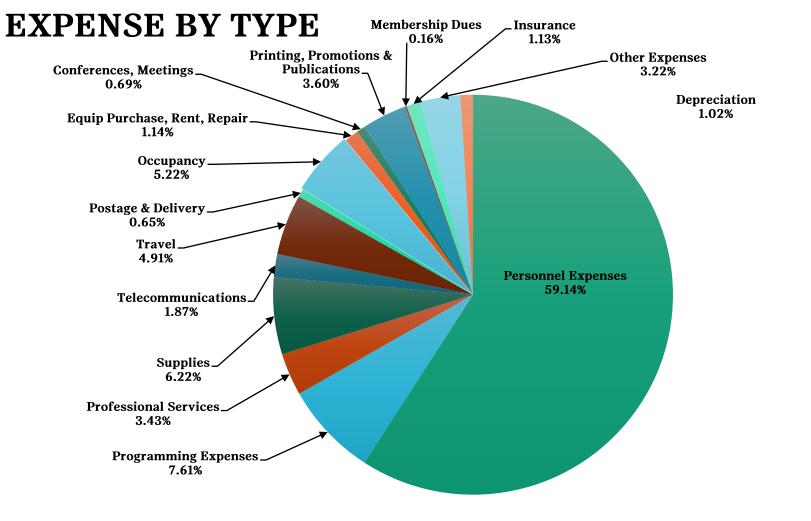
Operating expenses are seeing major and significant shifts increases on changing needs in hybrid program environment, and inflation of costs

- Prioritizing Mission Delivery functions -programming, member experience, customer support, and recruitment
- Staying competitive as an employer while maintaining a level of excellence to our girls, Troop leaders, volunteers, and community stakeholders
- Analyze operating costs for quality product for minimal expense

REVENUE BY SOURCE

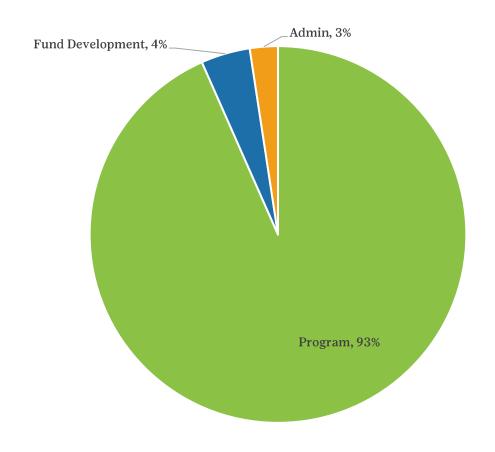






EXPENSE ALLOCATION









Personnel Expenses

- 7% projected compensation increase pool this comes after multiple years of increases driven by state changes to minimum wage and exempt salaries
- Additionally, all staff outside of CEO have an incentive compensation pool that will be available when goals and objectives are accomplished
- Employee Health & Dental insurance increased by 8% over the prior year based on actual premiums from insurance companies

Programming Expenses

- With the shift in focus to asking for grants to fund programs and Troops in underserved areas, the budget is closer to what was used in 2021-2022 fiscal year
- Assistance to Adult Members' budget increase from prior year is a shift to attract Troop leaders to fill the new Troops





Professional Services

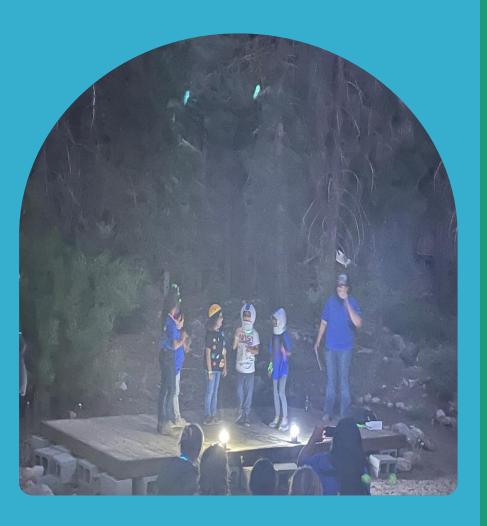
- Departments reviewed the costs of professional services needed by staff of the offices
- The budget amount included an inflation rate of 15%

Supplies

- Departments reviewed the costs of supplies to plan, and execute the programs, workshops, events and management of the offices
- The budget amount included an inflation rate of 20%

Telecommunications

 The increase is primarily due to the allocation of GSUSA's technology expense





Travel

- National Convention scheduled for July 2023 in Florida
- Council also budgeted travel for staff to attend the GSUSA's Conferences
- The travel budget also includes expenses for local travel, car rental and gas & oil for recruitments, programs, etc.

Postage & Delivery

 Postage & delivery budget includes postage for donor newsletters, postcards for membership, communication to troops, service units and parents, along with regular management communications

Occupancy

- Facility rental increase due to estimated increase in costs for use of space for our events
- Repairs, maintenance and services budget is slightly higher than prior year due to increase in services costs

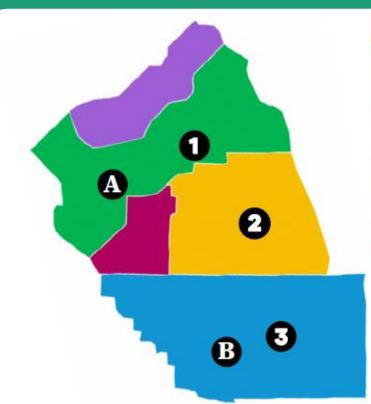




Insurance

- Insurance budget is for insurance policies GSCCS has on the buildings, umbrella coverage, programs/camper, cyber security, Directors and Officers, employment, and general liability
- Insurance has an 8% increase per estimates from the providers and broker





Service Area

- Madera
- Fresno | GSCCS Headquarters Office* (1)
 1377 W. Shaw Ave., Fresno, CA
- Kings
- Tulare | GSCCS Visalia Office (2)
 2423 N Highland St., Visalia, CA
- Kern | GSCCS Regional Office* (3)
 1831 Brundage Ln., Bakersfield, CA

*This office has a Gold Mine store!

Contact us for store and office hours.

- A. Mendota Office | 115 Belmont Ave., Mendota, CA
- B. Taft House | 321 Calvin St., Taft, CA

A. Mendota Office | 115 Belmont Ave., Mendota, CA B. Taft House | 321 Calvin St., Taft, CA



Property and Deferred Maintenance Study

- GSCCS recognized the need to develop a facilities improvement plan to address the following needs:
 - Make cost-effective recommendations to mitigate any Health and Safety issues and provide the Girl Scouts and staff with an optimal environment in which to pursue their leadership development
 - Improve the aesthetics of the three properties belonging to the Girl Scouts of Central California South
 - Update and modernize existing buildings with an eye toward extending future use and accommodating growth in 21st-century leadership development
- In 2020, GSCCS engaged a Facilities Planning Assessment (FPA) Team to create a comprehensive study of all owned facilities, identifying necessary improvements and deferred maintenance
- FPA Team consisted of three individuals with extensive experience in conducting facility assessments:
 - Ron Groeneveld, retired Director of Facilities, Maintenance & Operations at Lemoore Union Elementary School District
 - Luke Smith, the former Director of Facilities at Tulare Union High School District
 - Ed Gonzalez, former Board Member of GSCCS and a retired school superintendent



Property and Deferred Maintenance Study

- Three comprehensive reports (one for each owned facility) were prepared that covered a broad range of areas (refer to table on right)
- Consultants provided recommendations for prioritization of projects, as well as detailed cost estimates; reports in Basecamp
 - Cost estimates are from 2020 and inflation has driven up costs substantially
- Property Committee was formed to review the recommendations, provide guidance to management on implementation, and to work in tandem with Finance Committee to fund the improvements over multiple years
- Prior to this work, the Council did not have a property plan or deferred maintenance schedule; focus was on paying off mortgages and becoming debt free

Areas of Review by FPA:

- Security
- Building Assessment Exterior
 - Roof
 - Exterior Walls / Paint
 - Doors and Windows
 - Lighting
 - HVAC
- Building Assessment Interior
 - Ceilings and Walls
 - Restrooms
 - Storage
 - Electrical/Utilities
 - Lighting
 - Flooring
- External Spaces
 - Outside Equipment/Areas
 - Yard
 - Fencing and Gates
 - Trees
 - Parking Lots



Property and Deferred Maintenance Study

- Costs for modernization, property improvements, and deferred maintenance are substantial and will require multi-year, strategic investments
- Based on the 2020 analysis, Council had the following amounts of deferred maintenance per owned property:
 - Taft Girl Scout House \$15,554
 - Bakersfield Regional Office \$162,672
 - Fresno Headquarters Office \$878,745
- A major component (\$582,645) of the deferred maintenance in the Fresno Headquarters Office includes the design and construction of a photovoltaic (solar) parking lot, including repaving, construction of coverings, and trenching of electrical
 - We are working with a developer to identify a donor to fund this project
 - Removing this project from our list, the Fresno Headquarters remaining deferred maintenance is \$296,100

Progress and Updates - Mendota Regional Office (After)









Progress and Updates - Taft Girl Scout House (Before)













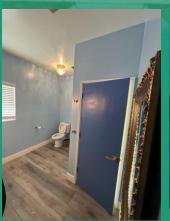
Progress and Updates - Taft Girl Scout House (After)

















Progress and Updates - Fresno Headquarters Office (After)







- Replacements of multiple air conditioning units, roof repair, and pressure washing the exterior of the building
- New exterior paint in the updated branding colors, as well as fascia repair and replacement
- Updated the interior courtyard and installed new signage
- Installed updated exterior window wraps in new brand, as well as external privacy reflective coating on all windows and removing all old internal window treatments



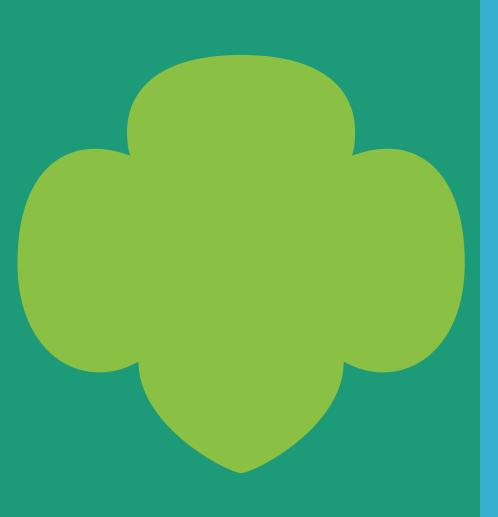
Progress and Updates - Bakersfield Regional Office

- Council invested \$30,000 in installing an automated gate and fence around the property to improve security, installed improved exterior lighting, and made internal improvements where cost effective
 - Examples include bathroom renovations, Gold Award project to expand training room, upgrades of window treatments, etc.
- Council conducted surveys and focus groups on the safety and security of the area in which the Bakersfield Regional Office is located and the overwhelming feedback was that a new office location was needed
- In January 2022, the Bakersfield Regional Office was placed for sale on the market
 - Initial offer, entered escrow, and the buyer failed to consummate the transaction; Council retained deposit
- Property Committee is engaged in process to find a new broker and realtor to represent the Council, as we have been dissatisfied with the progress and support
 - Goal to re-post and re-market facility in early Spring

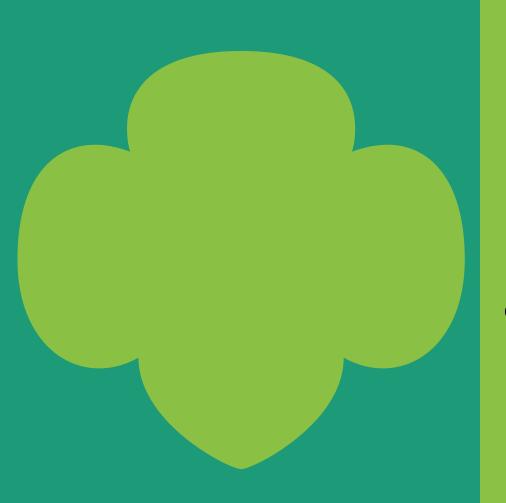


Property Plan for the Future

- Development of space study and plan for the Bakersfield Regional Office
- Work with developer to identify potential donor and execute solar project concept for the Fresno Headquarters Office (multi-year process)
- Continue to invest in deferred maintenance and property upgrades, focusing on girl-spaces first
 - In the past three years, we have invested between \$50K to \$100K per year (depending on budget resources available)
 - We anticipate continued investment in this range for multiple years in the future
- Near-term projects include:
 - Roof replacement/repair at Fresno Headquarters
 - Internal painting at Fresno Headquarters
 - External signage replacement at Fresno Headquarters
 - New flooring throughout at Fresno Headquarters
 - Renovations of bathrooms at Fresno Headquarters
- Examining a strategy of supporting and standing up Girl Scout Houses in communities to expand reach in rural areas



Open Forum and Closing Thoughts



<u>Important Upcoming Dates</u>

Juliette Gordon Low Birthday (Fresno, Bakersfield, Visalia)

October 29

Cookie University (Kern) **December 3**

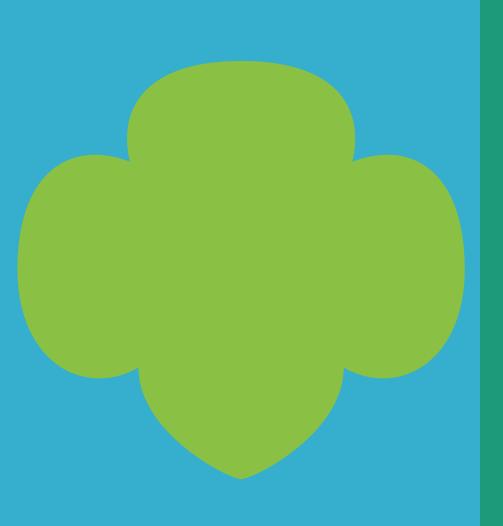
Polar Express (Train to Hanford) **December 17**

Girl Representative to the Board Applications Due **December 31**

Adult Recognition Forms Due **December 31**

2nd Quarter Delegate Roundtable

January 18



Thank you for attending!

We welcome your feedback anytime at

customercare@girlscoutsccs.org