



## BOARD OF DIRECTORS

### MINUTES

#### GSCO BOARD MEETING and STRATEGIC PLANNING

March 11, 2022

#### Attendance

*(All present throughout, maintaining quorum.)*

- Board members attending: Brooke Bodart, Caroline Cornell, Crystal Eustis, Megan Flori King, Erica Fukuhara, Victoria Gigoux, Christina Gunn, Genia Herndon, Maureen McDonald, Cindy Miller, Barbara Myrick, Anji Roe Wood, Angela Roberts, Ranee Sheno, MD, Shannon Sisler, Carrie Walters
- Board members excused: Tim Butler, Jennifer Casani, Meredith Keuhler, Katy Essenburg (MCC Rep)
- Membership Connection Committee Representatives to the Board (non-voting): JoAnne Busch, Wendy Doak, Nicole Lockwood
- GSCO Staff (non-voting): Leanna Clark - *ex-officio*, Rychelle Arnold, Michelle Boot, Kristin Hamm, Donnell Heistand, Melissa Holmberg, Martha Johnson, Katie Singleton
- Guest: Kim Ryan, Rubin Brown and Anne Smith, GSUSA

#### Call to Order

With a quorum present, Caroline Cornell, Chair of the Girl Scouts of Colorado (GSCO) Board of Directors, called the meeting to order at 9:02 a.m. The meeting was held via Zoom video call.

No conflicts of interest were declared.

#### Consent Agenda

The Board reviewed the consent agenda.

- Board approved the minutes from the January 21, 2022, meeting
- Standing and Ad-Hoc Committee Reports were approved including Audit, BGC, Finance, Membership Connection and Philanthropy

**ACTION: On a motion made by Ms. Miller and seconded, the Board unanimously approved the above-named actions through a consent agenda. A quorum was present.**

#### Audit Review

Ms. Ryan with Rubin Brown presented 990 review and led discussion

- Ms. Hamm and Ms. Heistand have worked with Rubin Brown to create this document so that it showcases the wonderful things Girl Scouts do for the community.
- IRS is backlogged and no known date on when the 990 will be processed and posted for the public to access.
- Ms. Ryan highlighted key points of the 2020-21 990
  - First page provides a general snapshot of GSCO and general information regarding governing body
  - Large change in contribution and funding was due to federal funding including PPP and ERC (Employee Retention Credit)
  - Increase to investment income due to sale of Magic Sky Ranch

- GSCO presented a positive net asset of almost \$5 million which is healthy
- Part V is important as it provides numbers and disclosures that the IRS can verify independently. This section is scanned by a computer and red flags are looked for and getting these points are important to keep the audit risk low.
- Key notes on the Financial Statement reviewed
  - 2021 finished very strong
  - Cash in/Cash out increased by \$10 million, primarily due to Magic Sky Ranch sale
  - GSCO was able to take advantage of the Employee Retention Tax Credit
  - The PPE loan that was forgiven is shown as revenue
  - Net product sales were down \$2.7 million from 2020 to 2021, but GSCO was able to host camps and receive contributions and grants to offset loss
  - Non-operating activities were very strong and lead to strong financial statement

**ACTION: On a motion made by the standing Audit Committee and seconded, the Board unanimously approved the above-named actions through a consent agenda. A quorum was present.**

#### **Council Update**

Ms. Clark highlighted council updates as outlined in the Board Packet, Ms. Arnold provided a recap of cookie season.

- Career path and salary structure for GSCO staff is being reviewed and overhauled
  - Staff will be presented with a snapshot on what their career path could look like
  - Performance measurement is up and running
- Highest Awards – 45 Gold Award, 269 Silver Award and 494 Bronze Award Girl Scouts will be recognized this spring
  - Most Gold Award Girl Scouts since 2014
- Women of Distinction event in Denver will be August 25<sup>th</sup> at the Denver Botanic Gardens
- Program membership at 14,169 girls and is up 6% from this time 2021 but down 27% from before COVID
  - Early Bird renewal campaign launches April 1, 2022
  - GSCO has a membership goal to register over 6,000 girl members by end of June
- Heidi Vielhaber has been hired as Chief Outdoor Property and Program
- Resident summer camp registration is exceeding 2021 numbers and expected to reach goal of 85% capacity for 2022.
- Little Brownie Bakers had product supply challenges
  - COVID created labor shortages (reduced staffing on select cookie lines)

- Ingredient supply delays including peanut butter in Tagalongs and butter for Trefoils
- Transportation delays due to staffing and lack of drivers
- Overall cookie demand higher than anticipated intensifying listed challenges
- GSCO forecasted 3.3 million packages – in between best- and worst-case budgets
  - 3 million packages of cookies were ordered and secured prior to troops submitting starting inventory orders
  - Initial order up 72%
  - 80% of girls sold cookies in 2022, up 14.7% from 2021
  - GSCO has met budget for cookie sales in 2022

**Finance**

Ms. Heistand reviewed the financial reports as presented in the Board Packet.

- Once March is completed the Finance committee will be able to do a complete forecast through end of year
- Second PPE loan received full forgiveness for \$1.7 million dollars
- There has been no update yet on the ERC status
- Deficiencies in January have been remedied and will continue to be tracked throughout the year

**ACTION: On a motion made by the Standing Finance Committee and seconded, the Board unanimously approved the January 2022 Financials. A quorum was present.**

**Experience Center Pilot**

Ms. Clark reviewed updated renderings and use of space for proposed Experience Center.

- GSCO has found a location at Boulevard One in Lowry that will provide 4,000 square feet.
  - First year rent will be \$12,653.13 per month.
  - Additional expenses include common area maintenance, taxes, and insurance for an additional \$4,555.13 or total of \$17,208.25 per month.
  - Utilities and janitorial services will be in addition to monthly expenses.
  - Complex provides security 24 hours.
  - Landlord is contributing \$251,038 towards construction costs.
  - Lease will be 10 years with five-year renewal options, and a 2.5% annual increase which is below market.
- It will be in a location that provides an opportunity to reach different types of girls and increase diversity.
  - Experience Center enables GSCO to reach current members and provide a space for girls to meet and interact.
  - Will also provide exposure to grow membership
- GSUSA will provide a direct value investment of \$384,000; and total value \$784,000 to the facility.

- Funds from the sale of Magic Sky Ranch will be used for the build out and hard costs. Monthly lease payments will be made from the regular budget.

**ACTION: On a motion made by Ms. Roberts and seconded, the Board unanimously approved that the CEO has authority to move forward with the lease as described and negotiate further details, and to spend MSR funds up to \$700k for hard costs. This motion also requires the CEO to provide regular updates on the plan and any changes in the financials or timing, and to also begin to develop a business plan for the Experience Center and provide regular progress reports on the business plan. A quorum was present.**

**Finance**

Ms. Roberts requested the financial package presented in the Board Packet be approved

- Board did not have any questions regarding the financial package outlined in the Board Packet

**ACTION: On a motion made by the Standing Finance Committee and seconded, the Board unanimously approved the November 2021 Financials. A quorum was present.**

**Magic Sky Ranch Sales Update**

Ms. Heistand presented a recap on the Magic Sky Ranch Sales

- Funds from the Magic Sky Ranch sales will be dropped into two types of funds
  - A \$3 million fund which is for short-term upgrades on property technology, security, reservation software, winterize/upgrade plumbing for year-round access, and upgraded accommodations
  - A \$7 million fund for long-term, game changing ideas
  - Example of these ideas includes the proposed Experience Center

No action was taken as this expenditure was identified in the Limits of Authority Policy approved in September.

APPROVED by Girl Scouts of Colorado Board of Directors on May 20, 2022, by vote of all in favor; none opposed; none abstained.




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Girl Scouts of Colorado  
Brooke Bodart, Secretary, GSCO Board of Directors