

**Minutes of the Council Executive Committee****December 14<sup>th</sup>, 2021**

The meeting was opened at 5:11pm on Zoom by Kathy Winger, Council President. A quorum was present.

**Present:** Robert Bernheim, Roger Dahlgren, Jeff Hotchkiss, Jonathan Lang, Steve Odenkirk, and Kathy Winger.

**Staff:** Dustin Shoemake

**Summary of Action:**

1. **Executive Board minutes** for November 16<sup>th</sup>, 2021, were reviewed. Lang moved, Dahlgren seconded, **approved**.
2. Written committee updates were accepted. Lang moved, Dahlgren seconded, **approved**.
3. **November Treasurer's report and financials** were presented by Council Treasurer Riegger.

**Overview**

- Net income for the Catalina Council is at a surplus YTD of \$18,182.
- Audit Committee met, renewed membership and signed engagement.
- Finance Committee considered land donation and concurred with board action on interfund balance.

**Financial Snapshot & Trends**

- Overall, the council appears to be following normal BSA business cycle trends.
- Gala gross was \$37,936 with a fully loaded net of \$22,418.
- Received Furrow Fund Foundation of just under \$40,000.
- Popcorn net is 53% of budget but a 2.5x multiple of prior year.
- FOS is off budget by \$55,500.

**Financial Ratios**

- The council has seen an increase in liquidity and decrease in debt ratios over the past year.
- Great progress in 2021 – should end with a surplus before adjustments.

Lang moved, Dahlgren seconded, **approved**.

**4. Resolution Approvals:**

- a. Approval of the 2022 draft budget with suggested revisions and with the recommendation of drafting both a capital & endowment budget. (see attached). Riegger moved, Lang seconded, **approved**

- b. Acceptance of Anderson land donation. After discussion and with a slight revision (see attached) Lang moved, Dahlgran seconded, **approved.**
- c. Approval of Audit Committee (see attached) Lang moved, Dahlgran seconded, **approved.**
- d. Approval of the Nominating Committee (see attached) Lang moved, Dahlgran seconded, **approved.**

**5. Reports & Updates**

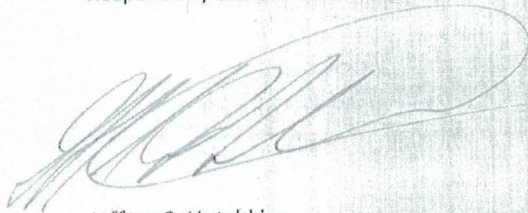
- a. **ABA workday success** – SE Hotchkiss reported on another successful workday with the ABA at Double V Scout reservation
- b. **National Bankruptcy:** - VP of Administration Robert Bernheim updated the committee on its status, another Adhoc call is scheduled for later this week.
- c. **Strategic Plan** – Council President reminded folks of our planned half day retreat for late January. Key topics will be growing membership, camp revenue and fundraising.

- 6. **SE Minute:** SE Hotchkiss reminded the committee of the good news in the Council, even as we continue to have to deal with the pandemic and the National bankruptcy.

**7. Closing:**

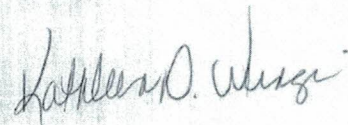
The meeting was closed at 7:33PM

Respectfully submitted,



Jeffrey S. Hotchkiss  
Scout Executive

Approved,



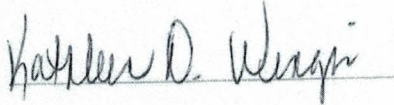
Kathy Winger  
Council President

Next Board of Directors meeting at Board retreat on January 23<sup>rd</sup>, 2022

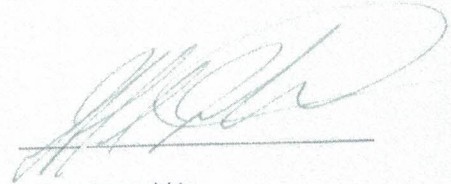
### 2022 Annual Operations Budget Resolution

We approve the provisional budget, subject to further review by the Finance Committee and authorize management of the Catalina Council to expend funds in accordance with the 2022 outline. We also authorize the creation of both a 2022 Capital and Endowment budget in conjunction with the Finance Committee for 2022.

This resolution is approved and duly recorded on this day, December 14<sup>th</sup>, 2021.



Kathy Winger  
Council President



Jeffrey S Hotchkiss  
Scout Executive/Secretary

**Summary Budget Analysis Report**  
**Period Ending: December 31, 2021**  
 as of 12/31/21

Operating Fund - Unrestricted	Actual	Actual	Budget	Actual	Budget	approved draft 12/14/21, updated with 12/31/actuals	
	2019	2020	2020	2021	2021	2022	notes
<b>Support and Revenue</b>							
<b>Direct Support</b>							
Direct Mail							
Friends of Scouting	182,690	141,688	185,000	107,154	140,400	140,000	31% increase from 2021, a return to 2020 level
Project Sales	1,943	1,500	4,000		2,000	5,000	sell one of our campaigns
Special Events - Net	106,377	58,480	138,500	88,013	109,000	98,700	an increase in all events, chance for more here
Legacies and Bequests							
Foundations and Trusts	139,219	142,420	174,891	61,357	70,000	95,000	55% increase from 2021, must do at least one proposal per month
Other Direct	52,756	51,225	56,000	56,446	56,500	50,000	bounce back of AZ tax credit to 2020 level
<b>Total Direct Support</b>	<b>482,985</b>	<b>395,312</b>	<b>558,391</b>	<b>312,970</b>	<b>377,900</b>	<b>388,700</b>	<b>37% increase in direct giving</b>
<b>Associated Organizations</b>							
United Way	5,589	5,157	8,000	4,795	4,700	4,700	perhaps a growth area if we can sell a program
Unassociated Organizations	9,635	9,326	9,000	6,671	8,100	8,200	bounce back with Raytheon giving with recent ad in magazine
Other Indirect							
Government Fees and Grants		133,192		127,141		99,501	use part of ERTC 2021 refund
<b>Total Indirect Support</b>	<b>15,223</b>	<b>147,675</b>	<b>17,000</b>	<b>138,607</b>	<b>12,800</b>	<b>112,401</b>	<b>a step down from 2021 government funding</b>
<b>Revenue</b>							
Sale of Supplies - Net	6,273	1,267	5,350	2,972	5,000	3,500	patch sales, could do more with online Catalina store
Product Sales - Net	121,645	11,803	135,000	52,417	100,000	80,000	53% increase in sales, expect more kids & better organization
Investment Income	99,000	109,000	109,000	106,500	106,500	110,500	our 12 quarter rolling average from 7/21
Realized Gain/Loss on Investments							
Camping	272,334	39,259	241,400	58,429	62,000	115,000	97% increase, expect more fully attended Summer Adventure weekends
Activities	39,350	12,339	53,275	25,715	35,000	30,950	20% increase as we do more well planned and attended events
Other Revenue	165,525	108,861	128,800	82,987	88,800	91,800	11% increase, need large increase in Scouts to drive program fee
<b>Total Revenue</b>	<b>704,126</b>	<b>282,529</b>	<b>672,825</b>	<b>329,020</b>	<b>397,300</b>	<b>431,750</b>	<b>31% in revenue</b>
<b>Total Support and Revenue</b>	<b>1,202,334</b>	<b>825,516</b>	<b>1,248,216</b>	<b>780,597</b>	<b>788,000</b>	<b>932,851</b>	<b>20% increase in support &amp; revenue</b>
<b>Expenses</b>							
<b>Employee Compensation</b>							
Salaries	540,458	422,931	551,200	333,980	375,000	375,000	12% increase, no vacancies, add part time support position, promote Development Associate to professional status, 5% salary pool for March raises
Employee benefits	72,840	64,927	74,100	63,267	60,000	82,900	31% increase reflects full staff and higher retirement premiums
Payroll taxes	43,199	33,797	41,020	27,303	35,302	35,100	in line with staffing
Employee related	29,799			4,674	5,000	3,000	don't expect to spend this whole line - interviewing & relocation
<b>Total Employee Compensation</b>	<b>686,295</b>	<b>521,656</b>	<b>666,320</b>	<b>429,224</b>	<b>475,302</b>	<b>496,000</b>	<b>16% increase</b>
<b>Other Expenses</b>							
Professional Fees	121,443	88,314	100,000	86,388	101,900	91,700	Accounting cost up slightly,
Supplies	117,870	7,691	122,842	31,869	41,350	39,600	24% increase driven by more activity and summer program food
Telephone	21,638	15,676	20,400	15,366	15,500	17,500	14% increase, added wifi to Camp lawn
Postage and Shipping	9,073	13,342	13,350	4,158	11,000	6,050	increase postage costs
Occupancy	88,331	61,465	79,340	77,999	73,700	79,350	locking in higher building supply numbers
Rental and Maintenance of Equipment	32,308	25,917	23,400	14,437	30,000	20,850	\$4500 of this for new equipment if needed
Publications and Media	6,159	1,515	10,047	1,340	9,275	9,750	\$5000 of this for new membership recruiting material
Travel	50,741	15,437	40,200	12,470	35,500	36,400	a return to more traditional figure, national meeting and conferences for staff
Local Conferences and Meetings	15,193	4,390	18,350	2,565	7,100	14,300	see above
Specific Assistance to Individuals	5,700	7,120	14,600	4,550	15,000	10,800	with new members expect a higher need, national fee higher
Recognition and Awards	50,028	7,996	46,630	21,471	38,300	20,800	
Interest Expense	1,163	5,299	1,000	6,741	6,962	4,000	must begin paying our SBA loan in July 2022
Insurance	65,879	37,927	32,120	41,213	39,100	57,800	40% increase with much higher property & auto insurance
Other Expenses	49,740	18,948	18,250	9,154	17,000	9,950	kept \$5000 for marketing
Charter and National Service Fee	15,799	17,050	18,880	15,750	15,750	18,000	our new fee
<b>Total Other Expenses</b>	<b>651,066</b>	<b>328,088</b>	<b>559,409</b>	<b>345,471</b>	<b>457,437</b>	<b>436,850</b>	<b>26% increase</b>
<b>Total Expenses</b>	<b>1,337,362</b>	<b>849,744</b>	<b>1,225,729</b>	<b>774,695</b>	<b>932,739</b>	<b>932,850</b>	<b>20% increase from 2021</b>
<b>Net Revenue / Expense</b>	<b>-135,028</b>	<b>-24,227</b>	<b>22,487</b>	<b>5,902</b>	<b>-144,739</b>	<b>1</b>	<b>plus one</b>
<b>Unrestricted Net Assets - Beginning of Year</b>	<b>-71,296</b>	<b>-256,695</b>		<b>-284,624</b>			
<b>Change in Net Assets from Operations</b>	<b>-135,028</b>	<b>-24,227</b>	<b>22,487</b>	<b>5,902</b>	<b>-144,739</b>	<b>1</b>	
<b>Transfer of Assets</b>				<b>134,437</b>			
<b>Adjustment of Net Assets</b>		<b>-3,702</b>					
<b>Unrestricted Net Assets - End of Period</b>	<b>-206,324</b>	<b>-284,624</b>	<b>22,487</b>	<b>-144,285</b>	<b>-144,739</b>	<b>1</b>	

----- End of Statement -----

Acceptance of Anderson Land Gift to Catalina Council

Pima County Property, Book 303, Map 37, Parcel 0210 was quitclaimed to the Council on 12/31/19.  
It is an undeveloped parcel in an undeveloped housing tract.

The Anderson's state the following in an 11/16/20 email:

*"The gift is unrestricted; use the proceeds wherever you want when it is sold. However, this gift is to be used exclusively for the benefit of the Catalina Council Boy Scouts of Southern Arizona and for no other entity.*

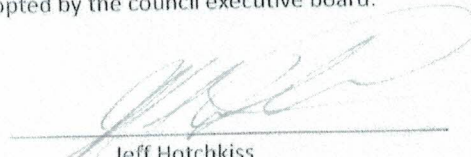
*We are expecting that you will hold the property at least for 2 years has been done in the case of several other properties donated to the council."*

After our due diligence of both a parcel visit, internet records check and the review of an appraisal of the property we do the following:

Approved to accept this land donation with these restrictions on 12/14/21, and further authorize the Scout Executive to sell this land at his earliest convenience subject to any required approvals from the National Council and that the offer be within the appraisal range.

The undersigned certified that this resolution was duly adopted by the council executive board:

  
\_\_\_\_\_  
Kathy Winger  
Council President

  
\_\_\_\_\_  
Jeff Hotchkiss  
Scout Executive/Secretary

12/14/21  
Date

## Resolution

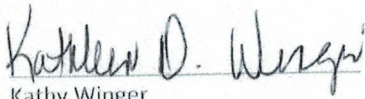
## - Approval of the Audit Committee -

Whereas, the Catalina Council on an annual basis appoints an audit committee with the following responsibilities:

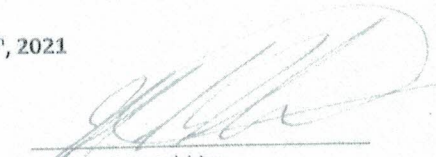
1. Meet as needed to address matters on its agenda, but not less frequently than twice each year. Additional meetings should be held to address matters such as possible conflict of-interest situations and to monitor compliance with the council's code of conduct.
2. Recommend to the board the appointment of an independent auditor to complete the annual audit of the financial statements of the BSA local council as required by the Standard Local Council Articles of Incorporation and Bylaws.
3. Have a planning meeting with the independent auditor and management to review the independent auditor's proposed audit scope and approach and approve the auditor's engagement letter.
4. Review the independent auditor's fee arrangements.
5. Have a post-audit meeting to review the draft copy of the financial statements and independent auditor's report and recommendations on internal control, operating procedures, and suggestions for improvements as outlined in the management letter.
6. Review compliance of the audit with the BSA standards on accounting and adequacy of management's policies and procedures on accounting and make recommendations.
7. Review the adequacy of disclosure of information with management.
8. Present the audited financial statements and audit findings to the board following review with the independent auditor.
9. Periodically review the council's system of internal control.
10. Review the independent auditor's performance using the BSA's audit checklist.

Be it Resolved, the Catalina Council appoints the following for 2022: Devin Allard to serve as Chair, Joe Daniszewski, and Bryan Eto to serve as members; Don Riegger, Council Treasurer, and Jeff Hotchkiss, Scout Executive, as ex-officio members.

This resolution adopted and duly recorded on December 14<sup>th</sup>, 2021



Kathy Winger  
Council President

  
\_\_\_\_\_  
Jeffrey S Hotchkiss  
Scout Executive/Secretary

## Council Nominating Committee

Be it resolved that a Nominating Committee made up of the following individuals:

Jack Clements –Chair

Steve Odenkirk – Alliance Bank

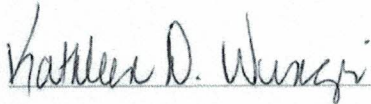
Tim Bee – Director Southern Arizona Builders Alliance

Lou Salute – Tucson Jazz festival treasurer

Eb Wilkinson – Imus -Wilkinson investments

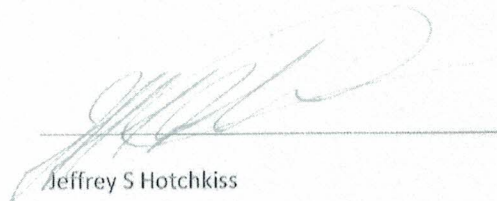
Be authorized to recommend a diverse slate for the program year of 2022 and that includes a Council President, Council Commissioner and a Board of Directors, National Representatives and if they deem necessary Advisory Committee or Honorary Council memberships.

Approved on December 14<sup>th</sup>, 2021



Kathy Winger

Council President



Jeffrey S Hotchkiss

Scout Executive/Secretary