

Frequently Asked Questions

Double V Ad Hoc Task Force

12 March 2024

EXECUTIVE SUMMARY

The following Frequently Asked Questions (FAQ) document was developed primarily from questions posed at a Double V Town Hall held on February 15, 2024. Those questions were supplemented by others that came about after that meeting along with questions raised by the Catalina Council – BSA (CCBSA) board and the Double V Ad Hoc Committee.

The questions are grouped into broad categories such as Governance, Finance, Strategy, Finance, Camp Operations and Finance, Program and Legal.

Governance: The Catalina Council – BSA, Inc is governed by their Board of Directors who have legal and fiduciary responsibility for the company, a non-profit organization. Primary tasks for the board include hiring the executive and supporting the organization with an appropriate strategy and necessary resources. The board has standing committees and may appoint Ad Hoc committees for special tasks. In September 2023, after many months of discussions concerning the viability of Double V, CCBSA appointed an Ad Hoc Committee to evaluate the property. A committee was formed that included members with a wealth of scouting experience, professional skills, and qualifications. The committee was tasked with evaluating past and recent studies regarding the use of the property and to make a recommendation to the board.

Finance: The Council is in a precarious financial condition. Three ‘Black Swan’ or critical events have occurred that created deep concern about the future viability of the Council:

1. Departure of a significant charter partner.
2. Reputational, legal, and financial impact from pedophilia victim claims.
3. Covid pandemic.

These three events, any ONE of which could have caused insolvency, occurred after a decades long overall decline in Scouting nationally, and led to existential decline in Council membership and support:

1. Membership between 2018–2023 declined from about 7,000 to 1,715.
2. Financial support declined from \$1,227,000 in 2018 to \$507,000 in organic support in 2020. While recovering to \$793,000 in 2023, it remains far short of the 2018 level.

3. The Council's pedophilia claims and the resulting bankruptcy settlement cost \$1,080,000. The settlement, along with accumulating deficits, severely reduced our reserves.

These membership and financial declines created a need to adjust and revise our income, expenses, and evaluate our capital assets such as camps.

Specific options on funding and finance are discussed throughout the following FAQ.

Strategy: The board tackled these events and conditions with a new "Strategy for the Rebound" in 2022. They identified two paths forward:

1. Seek combination with another Council.
2. Remain Independent.

The chosen strategy focused on maintaining independence and required major changes to staffing, program, finances, and management. There were three primary goals:

- A. Grow Membership – with a focus on Cub Scouts.
- B. "Tell our Story" - emphasize publicly our brand, value, and visibility.
- C. Raise finances and utilize resources to fund the first two.

The board also adopted, as part of the going forward plan, a specific Council Properties Strategy and Vision.

Camp Operations and Finance: The Ad Hoc committee gathered information and data from a variety of internal and external sources.

Monetization ideas for the camp were considered: Solar Farm, RV Park, Replace Broadway office with Double V site, and multiple options regarding the outside use of the pool, camp facilities and campsites, access to Tucson Mountain Park, and shooting sports. A partnership with Pima County was examined and is still an option.

Four approaches to the financial cost models of Double V were developed. These models evaluated operating income and expense and a separate analysis was developed of the cost to overcome long standing deferred maintenance and capital needs. At a high level of confidence, the committee determined the annual net loss from operating is in the range of \$50,000 to \$76,000. The operational cost of the pool is about half of this total. The committee noted that this level is the current state and does not include expenses needed for an appropriate level of repair and maintenance. National Camp Accreditation Program (NCAP) formulas indicated an additional capital and maintenance need for \$86,000 annually, a total of about \$136,000 - \$162,000. The Committee further evaluated the current capital needs of the camp. They identified approximately \$1,260,300 of Priority 1

(critical) improvements and total capital needs of \$2,454,000. They included about \$50,000 to open the pool for safe and practical use and a total cost of about \$177,000 if it included re-plaster which is 3-5 years from the end of its useful life. Camp Lawton has similar needs. Other insurance and indirect costs were evaluated.

Program: An inventory of programs and events based at Double V was developed and a list of alternative locations drafted. Camp usage reports from the Council's registration system were evaluated and supported the conclusion the camp was underutilized. The usage reports also lead to an extremely high cost per scout use, particularly for the pool. The availability of Double V as an 'alternate location' for Camp Lawton was also determined to be extremely costly.

Advantages were also discussed for visible, near town activities as a recruiting and public relations tool.

Legal: A fresh review of the history of the land deed and various restrictions revealed that prior conclusions on camp use and transfer may not be valid. The "Recreation and Public Purpose Act" interpretations have evolved since the initial land transfer in 1970. Land transfers for conservation uses have been common and so have transfers of partial interests for non-public use.

These changes have opened the possibility of a transfer of a restricted or partial interest to the benefit of the Council. Interest by a municipality and a private developer have confirmed this understanding.

Frequently Asked Questions (FAQ)

GOVERNANCE

Q. Who is on the Double V Ad Hoc Committee?

A. The Catalina Council Board of Directors established the Ad Hoc Committee in September of 2023 to evaluate the status of Double V. The Committee was tasked to review previous work by the Finance, Property, and Camping Committees that confirmed serious operational concerns about the camp.

Committee members were selected based on long term Scouting experience along with subject matter skills in Construction, Legal, Municipal management, Finance, Accounting, Tax, Real Estate, Banking, National Forest and Parks, Insurance, Strategy, Governance, Bankruptcy, Corporate restructuring, and Non-Profit Board experience. As a group they

represent hundreds of years of experience in Scouting at all levels. Three members are active unit leaders.

Overview of Task Force Committee Composition –

Joe Winfield, Chair – An Eagle Scout with six Eagle Scout sons in the CCBSA Council:
CCBSA Board Member

Jeff Brunet – Recently served as a Scoutmaster in CCBSA. Two sons in the BSA program.
CC BSA Board Member. Recently joined the CCBSA Program Committee

Tom Kittle – CCBSA Eagle Scout. CCBSA Board Member. Current Chair of CCBSA
Properties Committee.

Clint Liechty – Long-time CCBSA leader and member. Current CCBSA Board Member

Steve Odenkirk – Former CCBSA Scoutmaster, three Eagle Scout sons, former Chair of the
CCBSA Properties Committee. Current CCBSA Board Member.

Fred Petersen – Currently a registered CCBSA Troop level leader (ASM). Two Scouts in the
program. Current CCBSA Board Member and Operations Committee Chair.

Chuck Durham – CCBSA Finance Committee, Raytheon Finance (Retired), Troop member
and Treasurer

Ex Officio: Shannon Roberts – Current CCBSA Scout Executive

Ex Officio: Don Riegger – Current CCBSA President. Three Eagle Scout sons.

Q. Who are the board members of the Catalina Council?

A. There are 36 members elected to the board which include a broad range of members across Southern Arizona with both business skills and mission experience. The OA Lodge Chief is included as a youth member. All have Scouting experience and a broad array of special skills. The full membership of the board can be found on the Catalina Council website, many with links to bios on Linked-In: [Board of Directors | Boy Scouts of America, Catalina Council](#)

The Board is governed by Arizona non-profit law, the BSA charter, and Catalina Council By-laws which can be found at: [Disclosures | Boy Scouts of America, Catalina Council](#)

Q. Who will make the decision regarding the future of Double V?

A. The Catalina Council BSA Board of Directors will make any final decisions after receiving a recommendation from the Ad Hoc Committee and input from management. The CCBSA has the legal and fiduciary responsibility for all governance actions. Management is responsible for the day-to-day management of the Council and for implementing board actions.

This is not a decision anyone wants to face. But, as noted in the Town Hall by those in the Council a long time, we used to have 5 or 6 camps. We now have two – so similar decisions have faced our predecessor Scouters.

Q. No one from the Task Force is of our youth. If BSA is a youth focused organization, would it not make sense to include one or more of them in this process?

A. Your point is well taken, and we will evaluate how we might include more youth points of view. Like many boards, CCBSA Board has a permanent youth position for the OA Lodge Chief.

Q. Transparency is so important to Scouting going forward.

A. Agreed, this is why we have a Town Hall as part of the process. The Council has recently been awarded the Gold Level for transparency by GuideStar. This is the highest rating given by this nationally recognized non-profit confidence system.

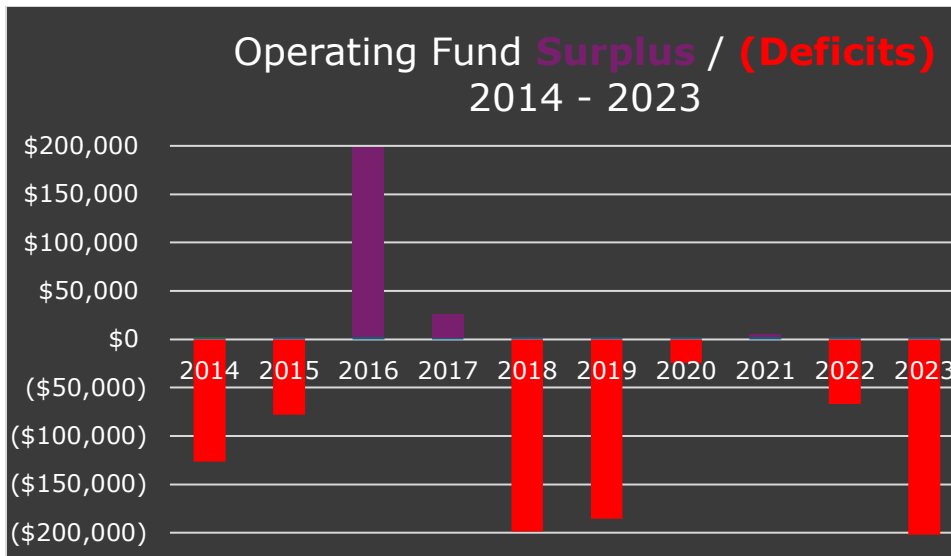
FINANCE

Q. What is the Financial State of the Council and why are considering such drastic action as closing a camp?

A. The financial state of the Council is.....not good. We are at an existential point where the fate of the Council as an independent entity is at stake. After many years of drifting, external events and forces have highlighted our weak spots. We've done everything we could to survive the last five years but with the end of government support we must find a way to succeed in the near and long term. We are rapidly running out of time to turn things around. We all want to serve our scouts from Southern Arizona here in Southern Arizona. None of us want to close a camp or reduce our services or programs that develop our young people. But the current situation requires facing difficult choices and requires drastic decisions that may be unpopular.

As demonstrated in the graph below, a structural deficit has existed in the council for many years. The trend seems to be mitigated only by extraordinary events like the building swap or one-time grants (2016/2017). The council had relatively break-even operations in 2020-2022 due to pandemic aid but at a significant reduction in support and investment. Needless to say, pandemic aid has come to an end.

Full financial detail, audit reports and tax returns can be found on the council website at: [Disclosures | Boy Scouts of America, Catalina Council](#)



Q. How did we get here?

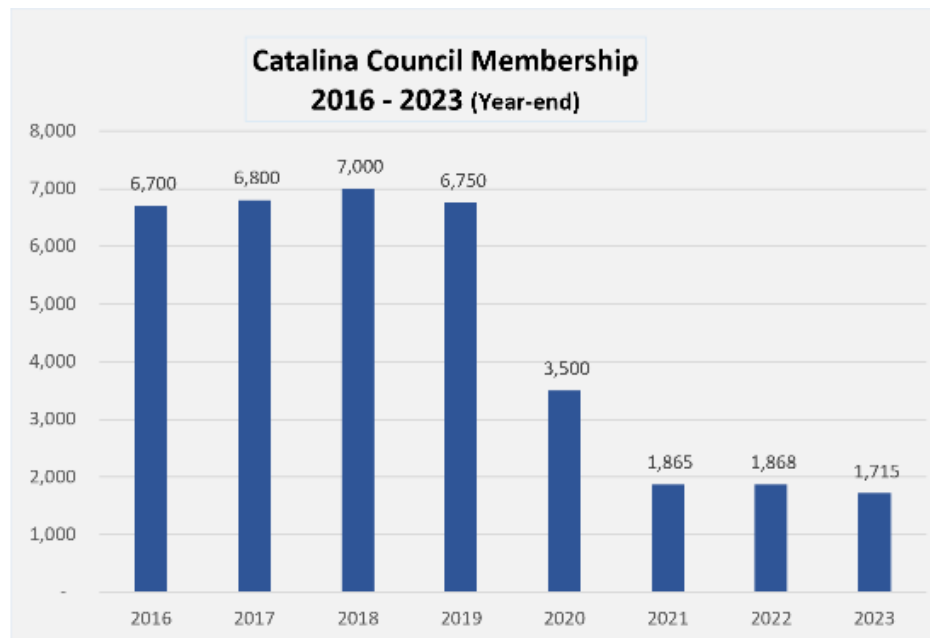
A. The Council faced three “Black Swan” events since 2019, any **one** of which could have caused insolvency. While most members are aware of these events, many outside the board may not fully appreciate the extent and impact on Council finances. If we over-commit our limited resources, then we cannot effectively deliver the program from Southern Arizona to our youth.

Q. How did all this impact the Catalina Council?

A. The impact of these three grave and pivotal events are:

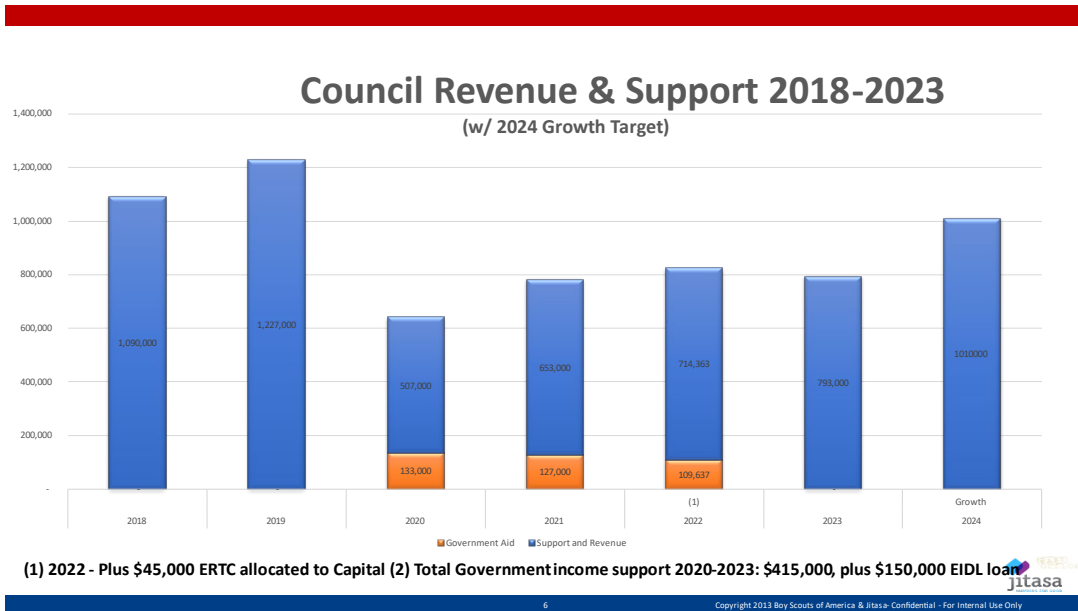
1. Departure of Church of Jesus Christ of Latter-day Saints as a Charter Organization.
 - a. While many LDS members continued with scouting, our membership loss was **over 60%**. Membership of about 7,000 scouts in 2018 declined to less than 3,500 in 2020. (post LDS, pre-Covid)
 - b. Any entity with market concentration to this extent is at significant risk.

- c. LDS was also a significant contributor financially, with membership fees, Friends of Scouting, and auxiliary revenue from activities, supplies, and scout store. Revenue **declined 59%** from \$1,227,000 in 2019 to \$507,000 in 2020. (organic revenue before government aid).
- d. With LDS membership and funding historically nearly automatic, the council going into 2020 severely lagged in standard recruitment and fundraising.
- e. CCBSA Membership, even before 2019, had fallen by more than 50% in the ten years prior. This was a national trend as well as scouting membership declined dramatically since the 1970's. Membership of about seven million in the 1970's to less than two million in 2019. It slid another million following LDS and Covid to just over one million currently.



2. Reputation damage due to pedophilia cases that resulted in National BSA Bankruptcy.
 - a. The brutal fact is many, many children were harmed in Scouting, against all our principles.
 - b. Reputation, once harmed, is extremely difficult to reclaim. We know we've lost grants in Pima County due to reputational concerns and a concern about whether we are committed to serving ALL youth safely.
 - c. Millions of dollars of lawsuit damages and hundreds of victims claims before 2019 led National BSA to seek protection in Bankruptcy.
 - d. After over 80,000 victim claims and eventually billions of dollars in settlements, BSA narrowly survived to emerge from bankruptcy in early 2023.

- i. While the bankruptcy is closed, the National organization is a shell of what it was and emerged with an immense amount of debt.
 - e. While the Council was not forced to file bankruptcy, the Council was severely impacted.
 - f. There were nearly 240 abuse claims in our Council service area. The Board quickly realized that any ONE case would lead to bankruptcy of the Council.
 - g. The Council, along with nearly 250 other councils, unified as a group to find a way to support appropriate compensation for the victims yet protect our interests and avoid liquidation. The process required hundreds of hours of our staff and our board members' time to explore claims made in Southern Arizona. We successfully and appropriately responded to the court ordered document and other requests and evaluated the settlement offers. While we were fortunate to have the ability to fund our eventual payment of \$1,080,000, our endowment reserve was critically reduced.
- 3. COVID – While all businesses were hit by the impact, Non-Profits seemed to have suffered more than most. Some surveys indicate a vast majority of non-profits are teetering on the brink of closing.
 - a. Our membership declined nearly a further 50% during the pandemic, by end of 2021 membership was down to 1,865 and organic revenue and support continued to be depressed at \$653,000. Membership nationally still has not recovered and hit a low for the Council in 2023 of 1,715.
 - b. Most of that loss occurred to Packs and Cubs where moving to Zoom was simply impractical. Without Cubs, we cannot grow, and the impact of the 2020-2023 decline will continue for years to come. Those first and second graders lost between 2020-2022 will impact membership for the next ten years.
 - c. Revenues continued to decline rapidly and were near zero early in the pandemic – worst case scenarios forecast deficits in the later part of 2020 to be over \$300,000.
 - d. Staff and program shrinkage and an immense effort to receive over \$556,000 in government aid allowed the council to survive. But only survive.



Q. Grants received annually by CCBSA – can some detail be provided?

A. Grant revenue for the last three years include:

- a. 2021 - \$6,346
- b. 2022 - \$14,997
- c. 2023 - \$13,754
- d. Special note: During 2020-2022, Government Grants, Loans, and deferrals equaled \$556,000. These grants help keep the doors open as the Council downsized due to the pandemic.

Q. What grants has CCBSA applied for in the last year?

A. Since the current Scout Executive joined CCBSA in mid-2023, CCBSA has submitted requests for \$900,000 in grants.

Q. Question – Feasibility study on a possible capital campaign to support saving and renovating Double V. Can we / should we have such a study completed?

A. Any capital campaign requires a feasibility study as a critical first step. The cost of a professional feasibility study by a capital campaign expert would be in the range of \$17,000 - \$30,000. Those board members with experience with capital campaigns shared they did not believe the council was anywhere near ready for a successful capital campaign. Successful capital campaigns begin with a broad and deep donor base. We have already identified that we need to expand our donor base dramatically.

One member's experience included spending \$40,000 to conclude a campaign was not feasible. A capital campaign can also be expensive with costs in the range of 10-20% of the funds raised. A feasibility study can take 3-6 months and the campaigns could last up to three years.

Q. Has a feasibility study been completed to ascertain the viability of a capital campaign to fundraise to save this camp and to also support CCBSA more broadly? Phoenix's re-development of the Heard property was a boon to their membership.

A. As indicated in the prior question, no study has been completed at this point but has been considered. It is important to note that a significant, underutilized portion of the Grand Canyon Council's Heard property was recently sold. Those proceeds, along with a large loan, were used to settle their bankruptcy settlement obligation. Those of you who recall the announced intent to close and sell Camp Geronimo may note that the above actions allowed GC Council to keep operating that camp. But with considerably more debt and a significant operating loss.

Q. Has the committee conferred with a qualified capital campaign fundraising expert for raising the money needed to keep Double V going, and if so, what was the initial feedback received?

A. Following the Town Hall, a volunteer with capital campaign experience has come forward and the Key 3+ has initiated conversations. (The Key 3 is shorthand in scouting for the day-to-day oversight group. It includes the Scout Executive, Council President, and Council Commissioner. There are times when others join the Key 3 as resources – i.e. the incoming president, the Treasurer for financial issues, or the legal counsel, etc. as a "+")

Q. How would proceeds from any sale or savings from reduction of expenses by 'mothballing' be used?

A. This has not been fully defined as this point but the general priority for council funding is:

1. Increase funds allocated to Camp Lawton; overcome deferred maintenance and fund some critical capital needs. There is significant support to improve Lawton rather than keep Double V open.

2. Reduce the operational loss. Provide the Council with a longer runway to execute the turnaround. The current runway is less than one year, sale of the camp could extend that runway by at least two to three years.

3. Re-pay the operational line of credit to the endowment. The balance is currently about \$250,000 and could be near \$350,000 by the end of 2024.

Q. If we don't achieve substantial proceeds, what are the options?

A. With cash flow at a critical point, the council's next option, perhaps with or without a sale, focuses on the equity in the Broadway building. A small bridge loan is in process. The building sale or sale/leaseback would be needed by the end of 2024 or early 2025. We have an appraisal and the net equity in the building is approximately \$750,000 - \$800,000.

STRATEGY

Q. What were we doing to address our position after the three critical events of the last few years?

A. After initially surviving these events, the Board and management attempted to develop ways to continue to survive from our much lower base of membership and funding. The council's dependency on a single source for membership and support meant it wasn't in a healthy condition before these events and was not well positioned to survive. They concluded the need to "Rebound" with a strategy to reset and grow back Scouting for the future – Scouting 2.0.

Q. What strategic choices did the Council have as the pandemic ended?

A. To turn the dire situation around after the pandemic, the Board agreed there were two critical choices:

1. Look to combine with another council before BSA national does it for us.
2. Remain an Independent Council and try to survive for as long as we are able.

When the Board faced these two options in early 2022, there was never much consideration of a merger. Nearby councils faced similar or greater problems and had no desire or ability to merge. There was unanimous agreement and support from our members to stay independent. All were convinced that our scouts are best served in Southern Arizona by staff, volunteers, and properties located in Southern Arizona.

Q. What plans were considered to remain an independent council?

A. The CCBSA Board has been singularly focused on how to remain an independent council. A new “Strategy for the Rebound” was sketched out in late 2021 and early 2022. An operational draft was debated and a preliminarily document accepted during the board retreat in May 2022. The board realized that critical times call for drastic action. We must do something very different, adapt to the new reality, and failure meant continuing to ‘do things the way we’ve always done them in the past’. Since that time, every decision made by CCBSA is tied to that strategy. A copy of the strategy can be found at: [PowerPoint Presentation \(catalinacouncil.org\)](https://catalinacouncil.org)

Implementation of the plan meant very tough decisions:

- *Spending our reserves to build a staff to serve the council we need to become.*
- *Overhauling our donor base, eliminating ‘fundraising’ efforts that had declined even post-pandemic and didn’t raise significant funds.*
- *Focusing on some properties at the expense of others.*

We will NOT survive assuming we can continue to muddle along and continue doing what ‘we’ve always done in the past”. We must pivot and change and GROW – and to GROW, we must INVEST. While membership and operational revenue has shrunk our size to that of a medium sized district, we do have assets.

We have limited time and money, and both are running out. The runway for a turnaround is getting shorter.

Q. What is the overall strategy and vision?

A. There are two ‘strategic’ documents at play in this decision, the overall Council Strategy, and the Property Strategy.

*1. The Council’s 2022 – 2025 “Strategy for the Rebound” was adopted in 2022 with the overall goal of **remaining an independent Council** serving youth of Southern Arizona with staff, volunteers and properties based in Southern Arizona. The strategy, which was reconfirmed in May of 2023, includes several strategic aims but focuses on three priorities:*

***a. Grow Scouting** – with an emphasis on Cubs.*

***b. “Tell our Story”** – support the BSA brand and broadcast our mission and values to the public.*

***c. Raise money** to fund those priorities.*

To achieve these aims, the Council adopted a growth strategy which focused on increasing staff back to where we need to be to serve the council we need to become. For example, membership increases are directly tied to staffing levels, hence our investment in two new District Executives for a total of three with a primary focus on recruitment and unit support. The goal, nearly complete, is to increase the staff to about 8 FTE (Full-Time Equivalent) employees, up from 3.6 FTE.

The second investment was in marketing and public relations with an emphasis to improve fundraising, grant applications, expand the donor base and digital marketing, improve our public visibility, and enroll new Cub Scouts.

All this takes money and requires a total overhaul of our shrinking donor base with new development and fundraising.

This also meant ‘investing’ in people and process in advance of income improvement. Investment has consequences for capital and cash flow.

The Council Strategic Plan can be found at: [PowerPoint Presentation \(catalinacouncil.org\)](http://catalinacouncil.org)

2. Property Strategy: As part of the strategic overhaul the strategic property committee evaluated the direction of our camps. This included members attending a National BSA Camp Forum where they studied ‘best practices’ for camp improvements and investments.

The committee developed the following strategic vision and mission for our Catalina Council properties:

CAMP PROPERTIES VISION STATEMENT

We will operate and maintain camp facilities that provide the highest quality, year-round program and outdoor experiences for youth and adults, consistent with the Catalina Council vision, mission, and capabilities.

We will maximize the learning and adventure opportunities that our unique mountain-top and desert camps provide.

We will make our camps attractive destinations for appropriate non-Scouting groups and out of council Scouting units, recognizing the marketing and financial advantages that such uses provide.

Above all, we will strive to operate camps that provide all participants with the sense of the spirit and adventure of Scouting.

OUR COUNCIL’S MISSION

- *We deliver fun and exciting experiences through strong Scouting units in Southern Arizona.*
- *We build better young people through activities and outdoor adventures.*
- *We develop character that will lead our youth to lifetimes of leadership & service.*

The property strategic plan included an intentional reference to “Quality”. The BSA National Camp Forum stressed the need to employ professionals to take on professional tasks. They observed ‘quality

camps' did not include those who relied too heavily on volunteer labor. Volunteer labor is great for some tasks, but technical maintenance and improvement is best performed by professional trades. (Which could include volunteers with appropriate credentials and experience.)

Q. This seems to be at a crossroads again just like we were with the old council office. What other avenues have you looked at and in what ways does selling Double V better serve youth in the Council?

A. Yes, we are at a crossroads, but with perhaps more challenges than in 2014/2015 when the building swap occurred. At that time the Council had deficits of greater than \$200,000. The sale of other camps previously points to a pattern of operational concerns. Other avenues examined include a merger, which as was stated elsewhere, was ruled out and sale of the 'new' council building.

We believe the difference this time is the mission and intent to invest the proceeds in a council restructured for growth, to change the direction of membership growth and to better serve youth. Some ways the closure or sale will support this mission:

- 1. The overriding benefit is to continue serving scouts who live here to be served by staff, volunteers and properties based in Southern Arizona.*
- 2. Continue staff funding to reach, promote and recruit many more youth.*
- 3. Expenses and investments needed just to maintain Double V can be redeployed to Camp Lawton to provide a higher quality mountain camping and activity experience.*
- 4. Allow youth to explore more of our surrounding deserts, mountains, and urban communities with new locations for program experience.*
- 5. Attend events and programs, particularly those focused on Cubs, closer to where they live in and around town.*
- 6. Scouting events held in and around our urban spaces provide an opportunity to promote the visibility and vitality of scouting.*

DOUBLE V CAMP OPERATIONS AND FINANCE

Q. What is the Task Force's level of confidence in the Revenue figures used in their calculations to date?

A. The Task Force's has a relatively high level of confidence in the revenue and costs related to Double V. They have dug into historical records and recent data for both revenues and costs. All financials are produced on the People Soft platform used by councils nationally. Financials, Audit reports, and tax returns can be found on the Council Website at: [Disclosures | Boy Scouts of America, Catalina Council](#)

There were four cost models used which provided relatively consistent results:

- 1) The Finance Committee examined the Double V cost center codes from our financial statements and reports. Direct costs over the last three years were specifically identified along with a reasonable allocation of indirect costs such as insurance and Ranger compensation.*
- 2) a sophisticated model used by property/program committee examining optimal use based on increasing population.*
- 3) NCAP analysis from 2023.*
- 4) A detailed examination and audit of files and records by Board and Ad Hoc Committee member Clint Liechty.*

*Each model includes assumptions based on historic numbers but not always directly tied to actual historic numbers. All four approaches fell in the range of **\$50,000 - \$76,000** for net operating loss. It is important to note that the losses were established ‘as-is’ and did not include expenses that would address significant deferred maintenance. The NCAP model included an estimate of ROI (Return on Investment) that is used to evaluate camp viability. This BSA national camp evaluation model estimated that approximately \$86,000 additional costs and capital annually would be required to keep the camp viable. This would be over and above the current net operating loss, meaning the full Double V shortfall is in the range of **\$136,000 – \$162,000**. This would provide for appropriate maintenance and/or a sinking fund established for significant repairs and replacement of some capital assets.*

Q. What other solutions have you explored?

A. The committee has explored several options to increase efficiency of Double V:

- 1. Solar Farm or array: The committee engaged with high level executives (C- Suite) at TEP. They were helpful in explaining four basic models they currently used for Solar investment. They also offered to have their engineering team evaluate Double V for each of those options. Their engineering team came back with a determination that the property size, scope, and location eliminated three of the options they use to evaluate an investment by them. The fourth option had potential, but they indicated those investments typically required significant investment, via a private investor. While the option was technically viable, they indicated it would not have significant value to the council and there was no guarantee of income, particularly in the short term.*
- 2. RV Park: The Committee briefly considered converting a portion of the camp into use as an RV Park. Significant barriers arose around this option. A requirement for investment, obstacles regarding appropriate use under the deed ‘recreational’ use designation, non-GLIP insurance and liabilities, conflict such use might have with scouting activities and the*

fact that the council has no experience with management and promotion of such a venture. The conclusion was this idea was not viable.

3. Move the office from Broadway to Double V: This idea was initially considered during the early stages of the pandemic. The following factors proved to be significant obstacles:

a. *Potential loss of the Scout Shop.* The scout shop is a significant tenant in the current Broadway building. It generates rental income in the range of \$24,000 - \$36,000 and utilizes about 1500 square feet. The building at Double V is approximately the same square footage, leaving little space for other Council use. The distance to the center of Tucson would be a significant inhibition to the retail use and access for scout supplies.

b. *Significant costs to re-fit the building.* Tenant improvements would be significant for a scout shop or office repurpose.

c. *The distance to Double V – it is at least 20-30 minutes farther than the current location for most Scouters who are clustered on the east and northwest side of town.*

d. *Post pandemic, the central location is even more optimal for staff use, community access, and other council and committee meetings.*

4. Increased use by outside groups: The council's experience historically indicates that while there has been some outside use, it has not been a consistent thing nor provided significant revenue. Also, as stated elsewhere, the need for non-Scout GLIP is increasingly expensive and difficult.

- *Pool:*

- *As indicated elsewhere, partnership with Pima County is probably not an option.*
- *Mixed stories on success of previous partner arrangements: previous subcontracting from 'worse contract ever', neglected and destroyed equipment, excessive costs to heat the water, etc.*
- *No recent inquiries from swimming or diving entities.*
- *The current condition of the pool may not make it a viable or marketable option.*
- *Minimal marginal revenue.*

- *Hiking or Run Clubs*

- *"Mudder Run" experience does not have a positive reputation, was discontinued after one run.*

- *This is an excellent option for hiking, but it is unlikely to generate much income given abundant free alternative trailheads.*

- *Expand rifle/shooting range.*

- *Require Special use permit.*
- *Disturbance of neighbors in a location surrounded by single family homes.*
- *How would our property compare to other options on the market?*
- *Additional investment in appropriate range.*

Q. The \$1,000,000 in repairs and upgrades referenced earlier by the Task Force, where was this figure sourced?

A. Tom Kittle, Ad Hoc Committee Member and VP of Properties, along with the Properties Committee has built on previous work by the committee to update the needs and their priorities for all three of our properties. There is a general agreement that all of them suffer from a history of deferred maintenance. This has been supplemented by their work on the National Camp Accreditation Program (NCAP) evaluation completed in 2023. That evaluation provided a grading system which indicated Double V at below standard. Our intent is to offer quality camp experiences at above average standards. Quality camps are essential to recruitment.

*The evaluation has determined there is approximately **\$2,454,300** needed improvements. The analysis further estimates about 16,264 hours of effort would be required to complete the needed repairs and upgrades.*

*The improvements have been prioritized into three categories. Number 1 priorities, the basis for the original \$1 million estimate, are considered to address “Safety, Compliance, and Very Important” issues and total about **\$1,260,000**. Items included in the list include:*

- i. Safety and maintenance repairs throughout.*
- ii. Repair perimeter fencing.*
- iii. Replace water distribution piping system as needed.*
- iv. Fix drinking fountain at Sports field.*
- v. Repair or remodel primary campsite restrooms and ramadas.*
- vi. Electric repairs and LED fixtures throughout.*
- vii. Replace pool pump, filter equipment, and water.*
- viii. Repair broken trail bridges.*
- ix. General clean-up of whole camp.*

The pool alone would cost about \$50,000 to safely open and operate in 2024. Like any estimate, these amounts could vary, but provide a clear direction on the magnitude of the problems. Note the Priority 1 improvements only expect to address issues to bring the camp up to a nominal minimal standard for safety and compliance.

The committee estimated labor hours to determine capacity. How many volunteers could we expect in a typical year? A thousand perhaps but not the many thousands needed at Double V.

Q. Is there a similar analysis for Camp Lawton?

A. Yes. The properties committee estimates that a similar magnitude exists at Camp Lawton. One recent example is provided by the work done on the recent grant application to replace the failing KYBOs. The forest service sanitation standards were updated a few years ago and the current state with broken vaults, etc., is unacceptable. These sanitation standards could go into effect in 2025 and will require the council to replace six of them at a total cost of just under \$700,000.

Q. Pima County formerly used the Double V pool.

A. The Task Force is in active dialogue with the County about some type of possible partnership which was initially sparked by an idea of sharing the current pool. While dialogue is ongoing, we have determined there is no current or near future interest by the County. They indicated considerable upgrades or replacement would be anticipated with any county or other sharing option. They provided their experience that their budgets for building or replacing pools have been over \$500,000.

Q. Business interruption insurance – does CCBSA have such coverage for Camp Lawton?

A. This question is not related to the Double V solution. However, we have interruption insurance, and it was last utilized for the Big Horn fire closure.

Q. What are the current costs of property insurance?

A. The Council's current insurance annual cost is approximately \$80,160 of which about \$69,000 is for property insurance. Other insurance funded by the council totals about \$11,000. Property insurance costs have accelerated dramatically and have nearly doubled from the 2021 cost of \$41,200. Western wildfires have had a significant impact on the availability and cost of camp property insurance. The council had a competitive bid process in 2022 and selected a new provider to reduce cost.

Q. What portion of the property insurance is related to Double V?

A. The approximate portion of the insurance cost related to Double V is about \$20,000.

Q. If membership fees include insurance, why are the Council's insurance costs so high?

A. Councils are responsible for local insurance costs such as auto and property. The membership fees cover the cost of General Liability Insurance Protection, also known as GLIP. Those insurance costs have increased dramatically post-bankruptcy and are a significant driver to increased national membership fees. The BSA-GLIP only provides for liability related to scouting activities and does NOT cover non-scout related activities. Special liability insurance is required for non-scout use of Council property, the minimum coverage for an individual event begins at about \$1,000. The high cost impacts the Council's ability to provide camps for non-scout use.

Q. Double V is endowed through the Furrow family at an amount approximating \$40,000 per year. Have those funds been directed to maintaining Double V? It will be impossible to replace Double V given the overall financial position of the Council today.

A. Double V is not endowed through the Furrow Fund. While Double V was a gift of the Furrow Family, there was no tie to the Furrow Family Fund. The Community Foundation of Southern Arizona, who is the trustee, informed the council that the Furrow fund grant is unrestricted. It is NOT tied to Double V.

Q. Have you considered increasing scout fees to cover say \$50,000 of the Double V operational short fall? (Equates to approximately \$17 per scout increase)

A. Increasing Scout fees are always a consideration, but has not been considered for this purpose, yet. Scout fees have recently been increased to cover increased inflation and costs while an increased scholarship budget was also allocated to help Scouts in need. Such an additional fee increase only covers the minimum estimate of annual Double V deficit without any funds to cover deferred maintenance.

Q. The costs of our current Ranger crew is partly covered by granting them living quarters at Double V. If the facility were sold off, how would CCBSA be able to compensate those individuals?

A. The committee is aware and has discussed this question. Compensation and personnel are operational matters in line with BSA personnel guidelines. Management will make decisions when and where needed. The Scout Executive consults with the compensation committee as needed.

PROGRAMS

Q. A significant number of programs are delivered at Double V, how can that be replaced?

A. *The committee, with help from numerous unit leaders and program leaders, has developed a significant list of alternative locations for all the programs currently being offered at Double V. The list relies on utilizing public parks and pools, private spaces, and national forests and monuments and includes locations for Cub Scout activities.*

Q. What are those options and how do those get funded?

A. *The following is an initial list of options for programs historically held at Double V:*

- *Aquatics: Oro Valley Aquatics; Udall Pool, other Pima County or Tucson Pools, YMCA (Indoor!)*
- *Camping (Desert style – Close in): Catalina State Park, Molino Basin, Oracle State Park*
- *Camping (Desert style – Nearby) : Picacho State Park, Tumacácori and Ironwood National Monument and other federally managed properties, Kartchner Caverns, Madera Canyon*
- *Cub Fun Days: Fort Lowell, Brandi Fenton, Naranja Park, Udall, Public and Private school properties, other Pima and Tucson Parks*
- *Archery: Naranja Park, Southeast Archery*
- *Shooting: Pima County Southeast Regional Park Shooting Ranges – Tucson Mountain Park Rifle and Pistol; various private ranges*
- *Expand shoulder seasons and winter camping at Lawton.*
- *Camporees: Scalable camping and fun day locations – Tumacácori, Ironwood, Cochise Options such as the Arizona Arts Academy.*

Q. What about the funding for alternate locations?

A. *Recall the aim is for most activities to break even, which would still be a goal. We would not anticipate that these venues would cost a great deal. Unit leader input included that many public parks and spaces can be cheaper than the current Double V fees. The Council could consider making a conscious decision to subsidize certain activities.*

Q. Question / Comment – Historically there needs to be a four-to-one ratio of Cub Scouts to Scouts BSA to maintain Scouts BSA. *[This is the Questioner’s data – Input from national membership teams indicate the ratio data is not reliably tracked. Our current ratio in CCBSA is about 1 to 1. But the point is well made – we need a lot of Cubs! The Council’s #1 priority is to grow Cubs]* **Most Cub Scout parents will NOT be amenable to driving their Cub Scouts to Camp Lawton for typical one day Cub Scout activities.**

A. *We agree that Camp Lawton has challenges for single day programs for Cubs. (The fishing day at Rose Canyon last year may be an exception). However, the committee has developed a significant list of options for Cub programs utilizing convenient in-town locations such as public parks, local public and private schools, private spaces, and other locations. Input from the membership committee included their view that events held in local parks are much more convenient for membership focused events and provide an unparalleled opportunity for public visibility.*

Q. How many events per year are held at Double V vs. Camp Lowton?

A. *The committee evaluated ‘Facility Usage’ reports from our registration system, Black Pug, 2021, 2022, 2023 for each of the camps and include Pool Usage. The reports include council and district events, in-council and out of council units, and non-BSA groups. These usage reports are the sum of “reservation days,” for example: a unit that uses a facility for Friday and Saturday night are logged as two reservation days.*

Double V:

2021 : - 109

2022 : - 330

2023 : - 411

Double V Pool :

2021: - 24

2022: -101

2023: - 118

Camp Lawton:

2021: - 175

2022: - 757

2023: - 1010

Note: totals may be more than 365 since each usage can include multiple uses for the same day.

The Council was clearly impacted by Covid and Pandemic in 2021 and 2022. The 2023 usage is encouraging and provides a better estimate of usage at current scout populations.

Q. What's the back-up plan for Lawton closures?

A. Good question. It's a good idea to have a set of plans for camp closure. The Council has used locations other than Double V for 'back-up'; Double V has its own issues with safe and comfortable use during June and July in the desert. We know in-town locations may be an option and the Council office was used on one of the previous closures.

Many camps, including two recent years at Philmont, dealt with camp closures by relocating to other camps, or other options. There is excess camp capacity at locations within a day's drive.

Finally, rarely is any business able to hold such an expensive asset as a "back-up". There is no back-up to Philmont, Sea Base, Northern Tier, or The Summit. As stated at the meeting, holding such an asset, at the current annual deficit, is something an organization in critical financial condition cannot afford.

Q. What happens if Lawton were to be temporarily out of commission? How to retain the Scouts in our own Council for summer camp with no swimming pool at Lawton?

A. A personal experience with a summer camp trip planned for California which was cancelled one week before camp. Took our Scouts to a different BSA camp in Colorado. Many examples of BSA camps picking-up Scouts when another camp has fire issues. Also, how can CCBSA consider renovating and then maintaining a property as large as Double V as a "back-up" camp to our main camp? Is such a model economically feasible? Two camps may (or may not) have been feasible when CCBSA had 8,000 Scouts, but certainly would not appear feasible with 1,800 Scouts.

LEGAL

Q. Please explain the current understanding of the BLM land patent and its restrictions on the sale or re-use of the Double V Property?

In 1970, the Bureau of Land Management (BLM) transferred 359.73 acres to the Catalina Council for the "establishment and operation of a Boy Scout Reservation". The transfer was made to Catalina Council pursuant to the 'Recreation and Public Purposes Act'. The land

patent (deed) includes a specific provision that if not used for that specified purpose, that ownership would revert to the BLM.

Subsequent transfers occurred in 1978, 1980, and 2003 from the BLM and Pima County (related to road easements taken, and later abandoned). Some of the property related to the Starr Pass alignment appears to have been transferred back to Catalina Council by Pima County without restriction. Catalina Council now owns approximately 374.8 acres, and most have a restriction that it must be used for public recreation purpose, or it reverts to the BLM. (1)

The Public Recreation and Public Purpose Act has been amended over time since 1970 but seems to liberally allow the transfer of public lands (with BLM consent) if used for public recreation. There are several examples where transfers were made to states, municipalities (i.e. counties), Indian Tribes or nonprofits “for public purposes”, and such transfers were approved by BLM (rather than enforcing its reversion interest).

During our investigation, there were also several examples where the BLM’s ‘reversion’ interests were effectively sold as part of a transaction to allow properties to be used for purposes other than public recreation. Such transactions require many studies, appraisals, and sometimes land swaps, and are ultimately subject to BLM approval.

Based on updated research, there does not appear to be any requirement to return the property to ‘pristine condition’ if BLM exercises its reversionary interest.

Preliminary Conclusion

The Double V property has limitations in its deeds covering most of its property that prevent an open marketing and sale process. If the Double V Property is not used for its intended purpose for more than 5 years, or the Council attempts to sell or transfer without BLM approval, ownership will revert to the BLM. The Council has long been under the impression that Double-V’s property restrictions eliminated any ability to repurpose the property, in part or in whole. Recent research suggests that CCBSA may have options to generate value for the Council in conjunction with a disposition of the Property. That could include a transaction with the County or a non-profit as a recreation or conservation property and/or via transfer that includes a purchase of the reversionary interest by a private developer willing to advance the cost and take the risk of obtaining BLM approval.

Exploratory discussions have been had with both a municipality and a private developer with significant experience dealing with BLM property exchanges, that support the belief that the Council may receive value despite the BLM restrictions.

^[1] The following is a layman summary of an extensive memo and should not be relied upon as legal advice. Curiously, the Furrows do not seem to appear at any time in the chain of title during or since the 1970 transfer.

Q. Would bankruptcy claimants chase any of the net proceeds from a possible Double V sale if CCBSA is able to find a path to a sale?

- A. *No – CCBSA has already paid their contribution to the settlement fund and the bankruptcy case is closed. In addition, in response to our specific question on this point, legal counsel has provided their opinion that any proceeds, or other assets for that matter, are not at risk.*