

February 20, 2008

Executive Board  
Golden Empire Council, Boy Scouts of America  
Sacramento, California

Members of the Board:

This 2007 Financial Summary is respectively presented to the Executive Board and Scouters of the Golden Empire Council, Boy Scouts of America. This report has condensed the 2006 Annual Audit Report and management's unaudited 2007 financial statements. This report also includes the Treasurer's narrative overview and analysis of this year's financial activities with comparative data for 2006 and 2005. Our auditors, Campbell, Benn and Taylor, Certified Public Accountants and Consultants, reported that our financial statements present fairly the financial position of the Council and the results of operations for the years ending December 31, 2006 and 2005. The 2007 balances are unaudited. The audit of the 2007 year will be completed in the spring of 2008.

The 2006 Annual Audit Report, dated May 14, 2006, contains the complete report from our independent auditors, financial statements prepared in conformity with accounting principles generally accepted in the United States of America and all appropriate footnote disclosures. We encourage readers seeking a complete financial report to read the Annual Audit reports available in the Council Service Center.

The Golden Empire Council, (the Council) was formed under a charter from the Boy Scouts of America. The Council's purpose is to promote Scouting and other programs for youth in several northern California counties. Our mission is to instill values in young people and prepare them to make ethical choices during their lifetimes, to take leadership roles as adults, and to reach their full potential. Those values are based on character, citizenship, personal fitness, and are found in the Scout Oath and Law.

### **Financial Highlights**

The Council's financial highlights for 2007 are as follows:

- The Council earned a \$61 thousand increase to the council's operating fund unrestricted net assets. Unrestricted net assets increase from a beginning balance of \$95 thousand to \$156.
- Total operating support and revenue was \$3.163 million, a 6.6% increase from the \$2.967 million earned in 2006.

**Financial Highlights (Continued)**

- Total expenses were \$3.115 million, an increase of 5.3% increase from the 2.957 million expenses in 2006.
- The Friends of Scouting program earn \$941,647 in 2007. This is virtually the same as last year's \$941,167. The Friends of Scouting campaign earned 86% of the \$1.1 million budget.
- Camping revenues increased 7% to \$840 thousand. This compares to the \$787 thousand earned in 2006.
- The special events committees, Scout Expo 2007, and the University of Scouting provided vital resources for the Council.

**Operating Fund**

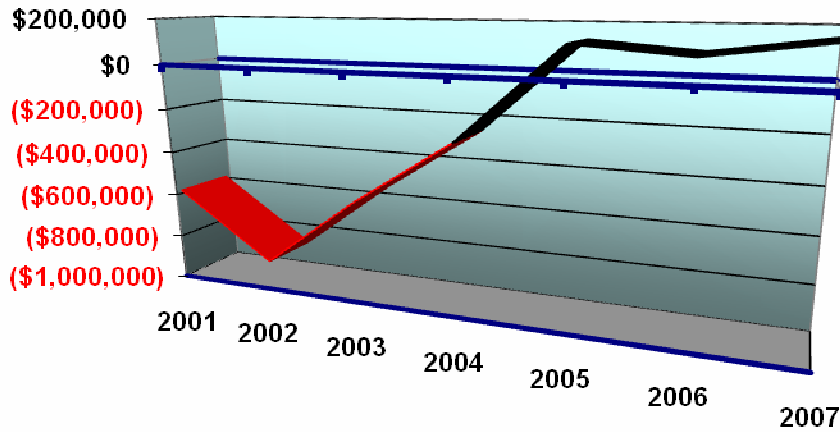
The operating fund receives public support and revenues from the Friends of Scouting campaign, camping and other activities and special events. Expenses include staff expenses and operating cost of camping and other activities. A condensed statement of financial position for the operating fund is as follows:

Condensed Operating Fund Statement of Activities  
For the Years Ended December 31, 2007, 2006 and 2005

	2007 Unaudited		2006 Audit		2005 Audit	
	Estimated	%	Actual	%	Actual	%
<u>Support &amp; Revenues</u>						
Friends of Scouting	\$ 941,647	29.8%	\$ 941,167	31.7%	\$ 997,438	27.5%
All Other Public Support	324,317	10.3%	255,055	8.6%	250,741	6.9%
Camping	840,199	26.6%	787,442	26.5%	680,471	18.8%
Other Revenues	1,057,028	33.4%	983,780	33.2%	1,694,988	46.8%
Total Support and Revenues	<u>3,163,191</u>	<u>100.0%</u>	<u>2,967,444</u>	<u>100.0%</u>	<u>3,623,638</u>	<u>100.0%</u>
<u>Expenses</u>						
Employee Compensation	1,790,278	57.5%	1,778,979	60.2%	1,573,286	46.8%
Other Expenses	1,273,300	40.9%	1,131,106	38.3%	1,743,415	51.9%
Payments to National Council	51,061	1.6%	46,870	1.6%	43,684	1.3%
Total Expenses	<u>3,114,639</u>	<u>100.0%</u>	<u>2,956,955</u>	<u>100.0%</u>	<u>3,360,385</u>	<u>100.0%</u>
Transfers from Other Funds	<u>12,143</u>		<u>(46,191)</u>		<u>135,788</u>	
Net Increase in Net Assets	<u>60,695</u>		<u>(35,702)</u>		<u>399,041</u>	
<u>Unrestricted Net Assets</u>						
Beginning Balance	<u>95,834</u>		<u>131,536</u>		<u>(267,505)</u>	
Ending Balance	<u>\$ 156,529</u>		<u>\$ 95,834</u>		<u>\$ 131,536</u>	

The 2007 Unrestricted Net Asset balance increased by \$61 thousand to \$156 thousand. 2007 is the third consecutive year the council has ended with a positive unrestrictive net asset balance. This follows many years of deficit balances as shown in the following Net Asset trend chart.

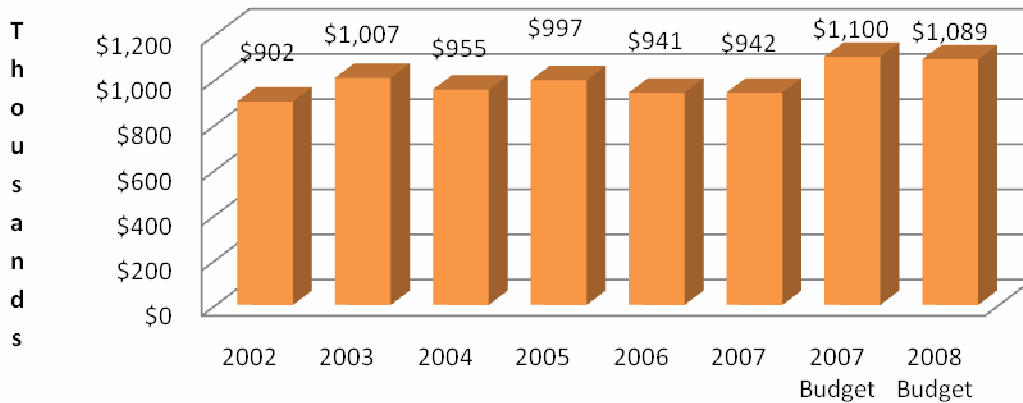
### Operating Fund Unrestricted Net Assets



### Friends of Scouting

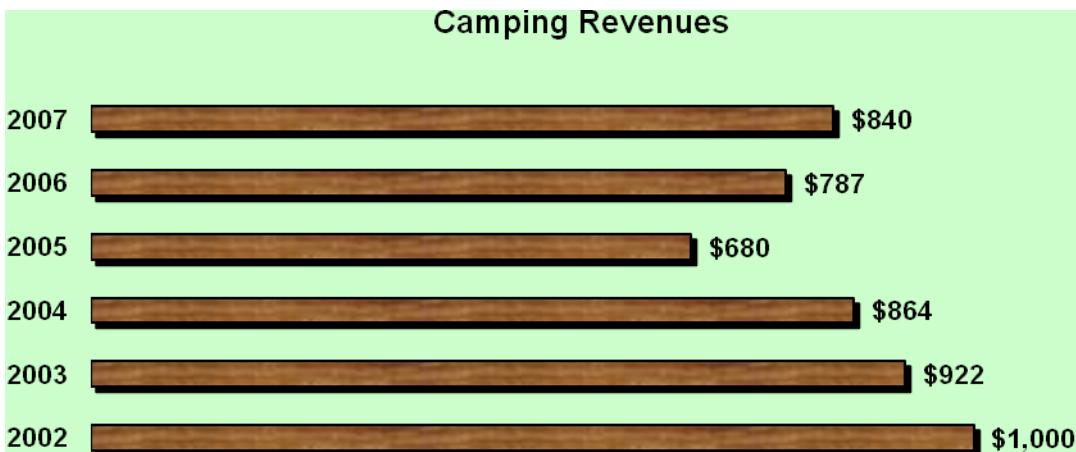
The 2007 Friends of Scouting campaign is estimated to earn \$903 thousand. This is a 4% decrease over the 2006 campaign. The following chart of past Friends of Scouting campaigns illustrates the flat performance of this program. The goal of future campaigns is to increase the participation and revenue from this in vital program.

### Friends of Scouting



### Camping

The 2007 camping season earned \$833 thousand from the operations of the Council's three camps. This represents a 6% increase over 2006. The council has invested a lot of resources to improve the scouting experience in each camp. We encourage every unit in our council to support our council camps. The following chart illustrates the camping revenue trends for the past six years.



### Special Events

The Council special events included two golf tournaments, and two Distinguished Citizen Dinners. The golf tournament grossed \$89 thousand with net proceeds of \$62 thousand. The Distinguished Citizen Dinners recognized citizens who have support Scouting and the Council for many years. The council is planning a new clay shooting event for 2008. The efforts of the special events committees provided vital resources for Council activities.

### New Events

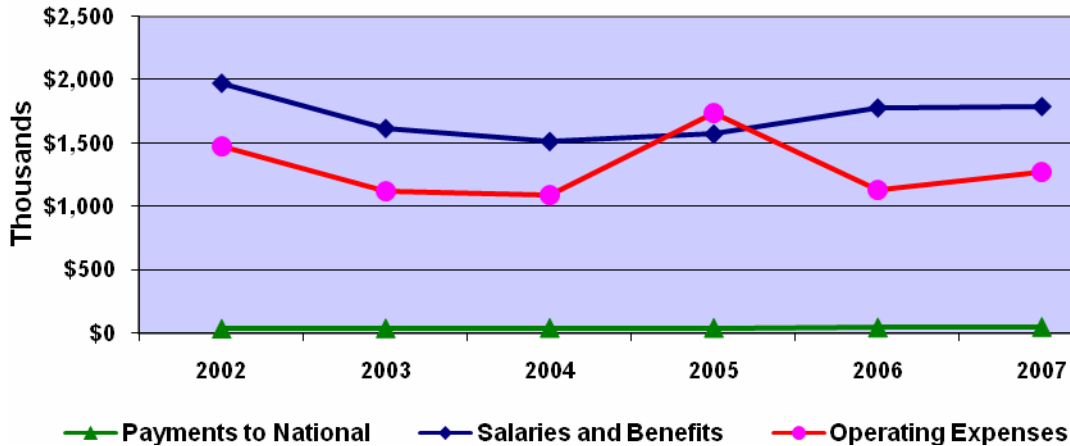
Scout Expo 2007 gathered scouts from many council units for a weekend of scouting activities. The event grossed \$143 thousand. The net contribution to the council was \$27 thousand.

The University of Scouting event brought Scout leaders together for a day of training covering all aspect of scouting. The event earned \$7,000 revenue and a net contribution of \$3,500 for the council.

**Operating Fund Expenses**

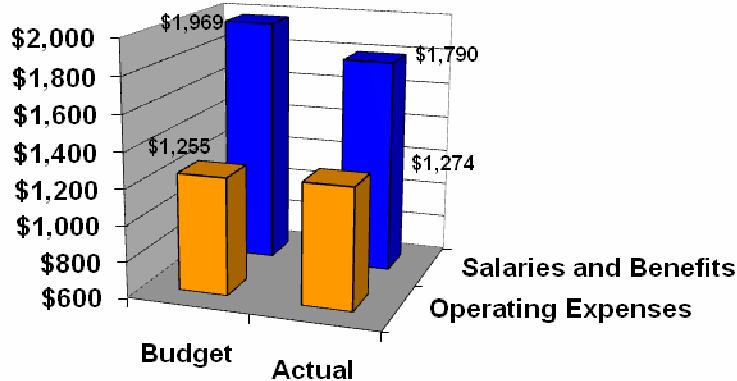
The operating fund expenses for 2007 totaled \$3.115 million. This compares to \$2.957 million in 2006. The following chart shows expense trends for the past five years.

**Operating Fund Expenses**



Council expenses are governed by a budget reviewed and approved by the Council’s Finance and Executive committees and the Executive Board. Budget controls also tie expenses to the actual realization of revenues. The following chart shows that expenditures in for salary and benefits were less than budget. Operating expenses exceeded budget by \$19 thousand due to scout expo.

**2007 Operating Fund Budget Expenses vs. Actual**



### **Acknowledgements**

The preparation of this report would not have been possible without the efficient and dedicated services of management and the Council's accounting department. We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report.

Our sincere appreciation is expressed to the members of the Council's Finance Committee and Executive Committee for their support for maintaining the highest standards of professionalism in the management of the Golden Empire Council, Boy Scouts of America's finances.

Our appreciation is also extended to each Executive Board Member and all committee members for their commitment to the Council.

We stand ready to answer any questions you may have regarding the contents of this report.

Respectfully Submitted,

Robert C. Adams  
Treasurer