

## STRATEGIC PLANNING FORECAST - FINANCE

The forecast is based on historical data collected and then projected forward through 2010. If nothing were to change internally or externally, then this is what could be expected in the future

### **FINANCIAL RESOURCES**

All amounts at year-end are stated as actual or projected. The YMCA fiscal year is a calendar year.

The history over the past **six (6) year period (1997 through 2002)** sets up a pattern of growth through 2002, which is then spiked in 2003 because of new facility additions in emerging market areas. Total asset and liabilities growth between 1997 and 2001 was 3.2%, and between 2002 and 2003 it spiked by 147% to \$17,773,000. Total assets and liabilities in 2010 are projected at \$17,204,000.

Cash and equivalents grew 4% over the six-year period to \$1,460,000, with the 2003 spike projected to be at \$1,932,000 by year-end. Cash and equivalents are projected to reach \$2,472,000 by 2010. This amount will be reduced as debt service on new facilities increases over the same period to \$650,000 annually by 2010.

Investments over the period grew by 63% to \$630,000 by a combination of interest, dividend and new contributions to endowments. By 2010, the investments are projected to reach \$1,026,000.

Membership dues for the Association will grow from a projected amount of \$4,775,100 in 2003 to \$6,543,600 in 2010. This projection is taken from the historical data of the Parkwood and Oak Park Branches. Performa budgets and 2003 actual data were used for the Westside Branch and the Wellness Center.

Enrollment fees will decrease from a projected amount of \$205,300 to \$169,100 in 2010. The large increase in enrollment fees in 2003 is the result of opening a new facility with a majority of memberships being new sales.

Program revenue will increase 14% from 2002 to 2003 to \$2,627,500 and continue to increase 30% by 2010 with revenues of \$3,397,400.

Personnel expenditures are 59% of total annual expenses and grew an average of 3.5% per year for the period. Personnel expenditures include, wages, payroll taxes and employee benefits. The 2003 spike is projected to be 26% to \$4,382,000 by year-end. By 2010, personnel costs will be \$5,389,000 annually. Benefit costs, driven by health insurance, grew an average of 4.6% for the period and spiked in 2003 by 22% to \$556,000. By 2010, benefit costs will grow another 32.2% to \$735,000.

Facility occupancy expenditures (Utilities, insurance, building & grounds, etc.) are 13% of annual expenditures and decreased by 3% over the period. The 2003 spike is projected to be 48% to \$969,600 and by 2010 occupancy costs will be \$941,000.

Operating expenditure growth (all other non-personnel and facility costs) has closely followed growth in membership and program revenue as a percentage. They should be analyzed together in the forecast. For the past period, operating expenses grew 17% while membership revenues grew 16% and program revenues grew 15%. The 2003 spike in membership revenues is projected at 54%, or \$4,980,000 and program revenues are projected at 14% or \$2,627,500. By 2010, membership revenues are projected to increase 35% and program revenues to increase 29%. Operating expenses are projected to spike in 2003 by 33% to \$1,768,000 and will grow to \$2,068,000 by 2010.

## **PEOPLE**

The YMCA workforce for the period has been 20% full time and 80% part time. In the summer, the workforce will grow by 20%, mostly part time employees.

During the period, the YMCA workforce grew by 7.3%; maintain approximately the same ratio for full and part time staff. In 2003, the projected increase in the number of employees is 5% to 344 and by 2010, the YMCA will have 370 employees.

In 2010, the YMCA workforce will have 44% of its employees with one year or less tenure and 41% with 1 to 5 years in the organization. Only 15% of all employees will have more than 5 years of the job.

## **FIXED ASSETS**

This forecast refers to land, buildings and equipment, including information technology, owned by the YMCA.

Information technology invested from 1997 to 2001 was \$152,000 with an additional \$190,000 invested in 2002. By 2001, the YMCA will be able to invest \$210,000 in new technology. Annual service costs will be equivalent to 20% of new technology purchase or \$42,000 annually.

During the period, the YMCA invested \$445,000 in branch improvements and will invest an additional \$519,000 by 2010. During the period, the YMCA invested \$1,482,000 in major maintenance to facilities and will invest an additional \$1,729,000 by 2010. During the period, the YMCA invested \$158,000 in vehicle replacement and will invest an additional \$184,000 by 2010.