FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Managing Resources To Strengthen the Mission

YMCA Association Resources

Mission and Cost Analysis Report for Minot, North Dakota

December 2017

Dan Newhouse
Finance Specialist Y-USA

© Copyright 2009 YMCA of the USA

Section 1: Overview

The mission and cost analysis is designed to provide management with information that will enable good decision making with regards to program management, pricing and the allocation of resources. The mission and cost analysis assigns a proportionate share of the Y's administrative and occupancy costs to each program therefore showing the real cost of operating that program and making it clear which programs are consuming resources and which programs are producing surplus. Once the true cost of programs are made clear management is better able to make decisions about the fees to charge, which programs to discontinue or expand, and how it can use the sources of subsidy it has available in the most effective way possible to meet the Y's mission.

The mission and cost analysis has been used extensively by Ys across the country. The information gleaned from the analysis is helpful to staff and boards seeking to improve the Ys effectiveness at managing its financial resources to advance the Y's mission.

Through this analysis the following specific information is determined for each program or service of the Y.

1. The relative mission impact of the program
2. The total operating cost
3. The revenue from participants and/or members
4. The subsidy needed or surplus produced by the program
5. The level of participation
6. The cost per participant and revenue per participant

Management must be aware of costs in order to develop a plan that ensures the financial stability of the Y. As memberships, programs and services continue to expand and diversify, management must know the nature of costs and how they apply to current programs, as well as to all new programs under consideration.

Accurately established cost information is also useful in gaining acceptance and funding for the Y's charitable mission. Cost data is often necessary to provide accurate information about subsidized programs to contributors, the United Way and/or government funders.

While the information received from this type of study stimulates a quick fix response from staff and board members, its primary objective is to provide information that contributes to long range financial decisions and changes in strategy, financial policy and operating practices.

Procedure for Allocating Revenue and Expense

The basic computations done to arrive at the final cost of each program center are:

1. Each line of the Y's budget is carefully allocated across various program centers. Revenue and expenses are allocated directly to the program centers they are associated with whenever possible. Those revenue and expense items that can not be allocated to programs are allocated to one of three areas of overhead; administration, fundraising and occupancy.

2. Occupancy expenses are assigned to program centers on the basis of the amount of space they utilize. An annual operating cost is determined for each program space in the facility and that cost is then allocated to programs based on their usage of the space.

3. Administrative and fundraising overhead is assigned by a formula which considers each program center's percentage of the Y's total revenue and expense.

Section 2: Data Summary

Revenue and Expense Totals
The chart below shows the total revenue and expense that has been entered in the template.

These totals should match the financial report or statement used as the basis for the Mission and Cost Analysis.

The Mission and Cost Analysis is based on information from the Y's:
2018 Budgtet

Earned Revenue		$3,082,464
Financial Assistance / Scholarships		
Government Funding		
Contributions - Total		$276,066
Contributions - Restricted	$76,066	
Contributions - Unrestricted	$200,000	
TOTAL REVENUE		**$3,358,530**
Personnel Cost		$1,739,124
Other Expenses		$1,662,268
TOTAL EXPENSE		**$3,401,392**
NET INCOME		**-$42,862**

Section 3: Summary of Program Center Performance

Program Center	Bundled in membership	A Revenue does not cover direct expenses These programs require a subsidy	B Revenue covers all direct and a portion of indirect These programs require a subsidy	C Revenue covers all direct and indirect expenses These program create a surplus
Membership	Yes			X
Day Passes	Yes			X
Drop In Child Care		X		
Preschool Classes				X
Preschool Swim Lessons			X	
Youth Swim Lessons			X	
Private Swim Lessons				X
Out of Town Lessons			X	
Itty Bitty Sports			X	
Youth Instructional		X		
Youth Basketball League				X
Flag Football			X	
Tackle Football			X	
Summer High School Basketball			X	
Basketball Camps				X
Adult 5 on 5 Basketball League			X	
Adult Volleyball League		X		
Racquetball League		X		
Racquetball Tournament				X
Climbing Wall	Yes	X		
Lifeguard Training			X	
Fitness Classes	Yes	X		
Aqua Aerobics Classes	Yes	X		

Silver Sneaker				x
Summer Day Camp		x		
Summer Kinder Camp			x	
Mini Camp		x		
Resident Camp			x	
Horse Masters Camp		x		
Adventure Camps				x
Camp Rentals		x		
NW Bible Camp			x	
ND School for the Deaf Camp		x		
Wednesday Religion Class	Yes	x		
Halloween Fun				x
Crush the Snow		x		
Burn the Bird				x
CPR Classes		x		
Rentals - Head Start		x		
Pool Rental-Trinity			x	
Youth Basketball Tournaments			x	
Church League Basketball		x		
Cycling Classes	Yes	x		
Adult Lessons		x		
Autism Swims		x		

Summary of subsidized programs

The chart on the preceeding page shows the overall financial performance of each program center in terms of how much of the direct and indirect costs are covered by the revenue generated. Programs with an "X" in column A or B do not cover the total expenses related to them and threfore require some level of subsidy.

How much subsidy do these programs require?

The total amount of subsidy required by the programs that fall into columns A and B is:

Subsidy Required =	**$515,444**

The amount of subsidy required by a program can be determined by looking at the Program Center Report. When you consider the amount of subsidy required to sustain certain programs you might find it helpful to ask yourself questions such as:

Was it an intentional decision to subsidize this program to this degree?
Is the amount of subsidy required justified by the number of people served?
Does the mission value of this program justify the subsidy required?
Could the Y make better use of this subsidy applying it to another existing, or new, program?
Is it reasonable to expect that participants in this program can pay a higher fee to reduce the
Are there other changes that can be made to way in which the program is operated that will reduce the amount of subsidy required?

Where does the subsidy come from?

Ys typically have two forms of subsidy available to them; unrestricted contributions and the net income generated by programs that operate at a surplus. The amount of subsidy available to the Y from these two sources is:

Subsidy Available =	**$472,582**
Amount of unrestricted contributions =	$200,000
Total of program centers generating a surplus =	$272,582

What's the difference between the funds available to subsidize programs and the amount required?

The funds which a Y has available to subsidize programs should equal or exceed the subsidy required by programs, otherwise the Y is operating at a deficit. The difference between the subsidy available and subsidy required for the Y is shown below.

Difference =	**-$42,862**
Subsidy Available	$472,582
Subsidy Required	$515,444

Section 4: How to read the Program Center Report

Net Before Overhead

This section of the program center report shows the financial performance of each program center taking into consideration only direct revenue (fees collected from participants plus revenue from restricted contributions and government funding) and direct expense. The idea is to simulate what would happen financially if these programs were to be discontinued.

Theoretically if a program's net before overhead is a negative number, the Y would be better off to discontinue that program. That is not always true however since a Y's programs have value beyond financial considerations. A Y may choose to subsidize programs that meet important community needs and have high mission value but are not self-sustaining. Ys also choose to subsidize programs and services that support membership, like the drop-in child care center that doesn't break even but is essential to attracting and retaining members. The key is that decisions to subsidize programs are intentional and reflect the Y's mission and financial policies.

The Y should however look closely at all program areas showing a net loss before overhead to see if by raising fees, increasing volume, reducing expenses or a combination of the aforementioned it can minimize the loss and strengthen the financial performance of these programs.

Net After Overhead

This section of the report shows the financial performance of program centers after applying its share of administrative overhead and occupancy expenses. The purpose is to determine the "fully burdened" or true cost of operating each program.

Administrative expenses are allocated proportionately to each program center based on revenue and expense. These expenses relate to the overall administration of the Y and include such items as executive and administrative staff salaries, audit fees, office supplies, bank charges, overall Y promotion and fundraising programs.

Occupancy expenses are those necessary to operate and maintain the facility such as janitorial and maintenance, utilities, equipment repair and the like. Occupancy expenses are allocated based on facility usage. The programs utilizing a higher % of the spaces within a facility are allocated a higher portion of the occupancy costs. The occupancy allocations need to be taken with a grain of salt. If a Y does not have a good system in place for tracking facility usage by different programs than facility utilization is essentially someone's "best guess". While that is not a perfect way of doing things it is good enough to give management a reasonable idea as to the true cost of operating programs.

Unit Cost / Margins

This report shows the number of annual enrollments units within each program center. It then calculates the direct revenue, direct cost, total cost and margin for each program center on a per unit basis.

Section 5: Observations / Recommendations

	Observations	Recommendations
1.	Overall you have an excellent YMCA operation, with a solid financial plan. You have a budgeted deficit of $42,862, but you are accounting for depreciation of $450,000. The cash generated however needs to be used to pay your debt principle.	Continue to focus on STRENGTHS of the organization. The key to success is to meet your enrollment goals in all programs. Enrollment is the fuel that powers the budget plan. Enrollment should be high on all staff's priority lists and annual performance goals.
2.	A few programs do not meet their direct expenses (Net before overhead). Value-added programs are planned for subsidy. Focus your efforts on the programs that have negative net before overhead totals. Many programs are within a few hundred dollars of covering their direct costs.	Evaluate all programs not meeting their direct expenses (without subsidy). Challenge staff to improve the financial performance of those programs. This might be done by increasing pricing, increasing enrollments, or cutting expenses. Remember that eliminating a program does not eliminate the overhead, so additional overhead costs must also be cut. Minor price adjustments in many programs will move them into the black.
3.	Your YMCA has a number of great mission programs that are having a great impact in your community. These programs require a subsidy of $505,998 annually. You're paying for that with significant program/membership surpluses and limited unrestricted contributions. Your Contributions ratio is 8.2% of revenue, below the national benchmark of 15%.	You do a good job of program management, but you need to do more in fundraising so that you are telling your story regarding the great mission programs that you run for the community. Continue to ask the community to join you in supporting a great cause to improve your community. Program/membership surpluses should be used to fund depreciation and provide for operational reserves. They should not be used to subsidize direct costs of programs.
4.	Your productivity ratio is very low (52%), indicating that your operation does a tremendous job of generating revenue while controlling staff costs.	Continue to monitor this ratio. It is the best indicator of operational efficiency. For every 1% swing in this ratio it will add or subtract $35,000 directly from your bottom line.
5.	Your Membership package is highly subsidized. You are losing $125,748 on this value-added package of services for members.	Review the items included with membership to consider removing some of these items. Classes with low enrollments, or with very limited market niches should not be included as free services for members. These will be tough decisions, but will enhance your overall financial position.
6.	Drop in Child Care is a valuable service for members. It is subsidized by membership in the amount of $2.15 pervisit direct costs, and $3.85 per visit with overhead.	Consider changing your value added package by removing niche programs and consider including free Drop In Care. This could greatly enhance the value of Family Memberships. Many Y's offer this service free for members. It also increases program participation.
7.	Climbing Wall is subsidized by $11 per use direct cost, and $14 per use with overhead.	Consider removing this as a free service and charging for this unique experience.

8.	Free Fitness classes and Aqua Aerobics are both run very efficiently at just $1 per attendance direct cost.	Continue to offer classes with high enrollments as a free member service, but eliminate classes with low or limited enrollments from your menu of free services for members. The best free programs are those with high enrollments and low direct costs. You are getting a very high return on investment.
9.	Summer Day Camps in many Y's are high financial performers. Your program is not. It is subsidized by $5,000 before overhead and $12,000 after overhead. Or $26 per attendee before overhead, and $59 after overhead.	Review this program for adjustments in pricing, enrollment goals, staffing or hours of operation for efficiency.
10.	Horse Camps and Camp Rentals are both very highly subsidized. Your losing $30,000 in direct costs and $75,000 with overhead on these programs combined.	These specialty programs should be priced to cover their direct costs and provide a surplus to help pay for overhead costs. Review these programs for pricing and operational efficiencies.
11.	Trinity Pool Rental does not cover all of the overhead costs by $2,000.	Consider increasing their rental rate when their contract comes due.
12.	All Youth Swim programs perform well financially. Adult Swim Lessons however is highly subsidized at $10 before overhead per lesson and $47 per lesson after overhead.	Review pricing or staffing of adult swim lessons to bring it in line with other swim lesson programs financially.
13.	Church Basketball is fairly highly subidized for a relatively small program ($1,000 before overhead, and $4,000 after overhead; or $238 per team before overhead).	Consider price adjustment or other program changes to close the financial gap on this program.

Mission and Cost Analysis Action Plan

Use this template to develop an action plan based on the results of the mission and cost analysis.

Strategies and Action Steps

Strategy #1	Goal / Success Measure	By When	% Complete
Action Steps		By Who	By When
Strategy #2	Goal / Success Measure	By When	% Complete
Action Steps		By Who	By When
Strategy #3	Goal / Success Measure	By When	% Complete
Action Steps		By Who	By When

Strategy #4	Goal / Success Measure	By When	% Complete
Action Steps		By Who	By When
Strategy #5	Goal / Success Measure	By When	% Complete
Action Steps		By Who	By When

Dashboard

A snapshot of key findings

Contributions as a % of revenue	**8.2%**	**Benchmark = 15%**
Productivity ratio *personnel cost as a % of operating revenue*	**52%**	**Benchmark = 50-60%**
% of interest expense covered by earnings	**100%**	**Benchmark = 100%**
% of depreciation covered by earnings	**91%**	**Benchmark = 100%**
% of expense devoted to programs and services	**86%**	**Benchmark = 80-85%**
% of expense devoted to administration and fundraising	**14%**	**Benchmark = 15-20%**

Program Center Report	Totals	Program Center 1	Program Center 3	Program Center 4	Program Center 5	Program Center 6	Program Center 7	Program Center 8	Program Center 9	Program Center 10	Program Center 11	Program Center 12
Minot, North Dakota YMCA	All Program Centers	Membership	Day Passes	Drop In Child Care	Preschool Classes	Preschool Swim Lessons	Youth Swim Lessons	Private Swim Lessons	Out of Town Lessons	Itty Bitty Sports	Youth Instructional Basketball	Youth Basketball League
		Bundled in membership	Bundled in membership									
DIRECT REVENUE & EXPENSE												
Earned Revenue	$3,081,760	$2,184,448	$112,190	$39,420	$32,325	$34,300	$26,980	$8,750	$6,400	$2,360	$1,800	$42,000
Financial Assistance / Scholarships	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Government Funding	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions - Restricted	$76,066	$50,000	$0	$0	$1,361	$1,361	$0	$0	$0	$544	$544	$544
Total Direct Revenue	**$3,157,826**	**$2,234,448**	**$112,190**	**$39,420**	**$33,686**	**$35,661**	**$26,980**	**$8,750**	**$6,400**	**$2,904**	**$2,344**	**$42,544**
Direct Personnel Costs	$667,907	$335,683	$0	$60,071	$16,061	$16,211	$10,807	$2,161	$5,404	$2,024	$1,309	$2,618
Other Direct Expenses	$519,924	$155,772	$2,218	$4,229	$4,104	$896	$751	$173	$327	$447	$1,936	$9,230
Total Direct Expense	**$1,187,831**	**$491,455**	**$2,218**	**$64,300**	**$20,165**	**$17,107**	**$11,558**	**$2,334**	**$5,731**	**$2,471**	**$3,245**	**$11,848**
NET BEFORE OVERHEAD	**$1,969,995**	**$1,742,993**	**$109,972**	**($24,880)**	**$13,521**	**$18,554**	**$15,422**	**$6,416**	**$669**	**$433**	**($901)**	**$30,696**
ALLOCATION OF OVERHEAD EXPENSE												
Indirect Personnel Cost	$267,832	$94,798	$983	$2,164	$639	$12,540	$10,260	$2,850	$2,850	$1,337	$4,457	$9,805
Net Occupancy Expense	$1,471,761	$1,267,348	$12,407	$9,691	$6,295	$9,845	$4,849	$278	$1,386	$2,065	$978	$0
Net Administration and Fundraising Expense	$473,264	$282,669	$11,283	$10,476	$5,345	$7,548	$5,726	$1,627	$1,729	$780	$1,406	$7,175
TOTAL EXPENSE	**$3,400,688**	**$2,136,270**	**$26,891**	**$86,630**	**$32,444**	**$47,041**	**$32,394**	**$7,090**	**$11,696**	**$6,653**	**$10,085**	**$28,827**
NET AFTER OVERHEAD	**($242,862)**	**$98,178**	**$85,299**	**($47,210)**	**$1,242**	**($11,380)**	**($5,414)**	**$1,660**	**($5,296)**	**($3,749)**	**($7,741)**	**$13,717**
UNRESTRICTED CONTRIBUTIONS	$200,000											
NET INCOME	**($42,862)**											
UNIT COST / MARGIN		Units	Passes	Attendance								
Enrollment Units		3800	12000	11578	30	500	500	70	120	75	60	757
Direct Cost per unit		$129.33	$0.18	$5.55	$672.16	$34.21	$23.12	$33.35	$47.76	$32.95	$54.08	$15.65
Total Cost per unit		$562.18	$2.24	$7.48	$1,081.46	$94.08	$64.79	$101.29	$97.46	$88.71	$168.09	$38.08
Direct Revenue per unit		$588.01	$9.35	$3.40	$1,122.87	$71.32	$53.96	$125.00	$53.33	$38.72	$39.07	$56.20
Margin per unit - direct costs only		**$458.68**	**$9.16**	**-$2.15**	**$450.71**	**$37.11**	**$30.84**	**$91.65**	**$5.58**	**$5.77**	**-$15.01**	**$40.55**
Margin per unit - total costs		**$25.84**	**$7.11**	**-$4.08**	**$41.41**	**-$22.76**	**-$10.83**	**$23.71**	**-$44.13**	**-$49.99**	**-$129.02**	**$18.12**

© Copyright 2009 YMCA of the USA

Program Center Report	Program Center 13	Program Center 14	Program Center 15	Program Center 16	Program Center 17	Program Center 18	Program Center 19	Program Center 20	Program Center 21	Program Center 22	Program Center 23	Program Center 24	Program Center 25
Minot, North Dakota YMCA	Flag Football	Tackle Football	Summer High School Basketball League	Basketball Camps	Adult 5 on 5 Basketball League	Adult Volleyball League	Racquetball League	Racquetball Tournament	Climbing Wall	Lifeguard Training Classes	Fitness Classes	Aqua Aerobics Classes	Silver Sneaker
									Bundled in membership		Bundled in membership	Bundled in membership	
DIRECT REVENUE & EXPENSE													
Earned Revenue	$7,500	$67,190	$10,400	$2,000	$4,200	$2,240	$300	$1,500	$5,000	$13,050	$0	$0	$76,100
Financial Assistance / Scholarships	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Government Funding	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions - Restricted	$545	$545	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Direct Revenue	**$8,045**	**$67,735**	**$10,400**	**$2,000**	**$4,200**	**$2,240**	**$300**	**$1,500**	**$5,000**	**$13,050**	**$0**	**$0**	**$76,100**
Direct Personnel Costs	$2,618	$12,564	$3,403	$0	$0	$1,047	$262	$262	$42,175	$0	$12,901	$7,565	$921
Other Direct Expenses	$1,148	$36,328	$3,456	$40	$3,503	$1,444	$806	$630	$8,949	$1,458	$0	$2,000	$1,505
Total Direct Expense	**$3,766**	**$48,892**	**$6,859**	**$40**	**$3,503**	**$2,491**	**$1,068**	**$892**	**$51,124**	**$1,458**	**$12,901**	**$9,565**	**$2,426**
NET BEFORE OVERHEAD	**$4,279**	**$18,843**	**$3,541**	**$1,960**	**$697**	**($251)**	**($768)**	**$609**	**($46,124)**	**$11,592**	**($12,901)**	**($9,565)**	**$73,674**
ALLOCATION OF OVERHEAD EXPENSE													
Indirect Personnel Cost	$6,240	$10,696	$2,228	$0	$2,228	$2,228	$0	$0	$983	$5,700	$2,164	$2,850	$0
Net Occupancy Expense	$0	$0	$7,972	$489	$3,129	$0	$583	$167	$8,610	$4,841	$31,484	$76,327	$3,666
Net Administration and Fundraising Expense	$2,355	$13,382	$2,105	$198	$1,179	$891	$133	$232	$5,632	$2,512	$1,670	$1,480	$7,613
TOTAL EXPENSE	**$12,360**	**$72,970**	**$19,165**	**$727**	**$10,039**	**$5,610**	**$1,783**	**$1,290**	**$66,349**	**$14,511**	**$48,219**	**$90,222**	**$13,706**
NET AFTER OVERHEAD	**($4,315)**	**($5,235)**	**($8,765)**	**$1,273**	**($5,839)**	**($3,370)**	**($1,483)**	**$210**	**($61,349)**	**($1,461)**	**($48,219)**	**($90,222)**	**$62,394**
UNRESTRICTED CONTRIBUTIONS													
NET INCOME													
UNIT COST / MARGIN			Teams								Attendances	Attendance	Attendance
Enrollment Units	163	460	26	60	70	56	20	15	4208	35	15122	9168	25000
Direct Cost per unit	$23.10	$106.29	$263.80	$0.67	$50.04	$44.48	$53.38	$59.43	$12.15	$41.66	$0.85	$1.04	$0.10
Total Cost per unit	$75.83	$158.63	$737.11	$12.11	$143.41	$100.18	$89.15	$85.99	$15.77	$414.60	$3.19	$9.84	$0.55
Direct Revenue per unit	$49.36	$147.25	$400.00	$33.33	$60.00	$40.00	$15.00	$100.00	$1.19	$372.86	$0.00	$0.00	$3.04
Margin per unit - direct costs only	**$26.25**	**$40.96**	**$136.20**	**$32.67**	**$9.96**	**-$4.48**	**-$38.38**	**$40.57**	**-$10.96**	**$331.20**	**-$0.85**	**-$1.04**	**$2.95**
Margin per unit - total costs	**-$26.47**	**-$11.38**	**-$337.11**	**$21.22**	**-$83.41**	**-$60.18**	**-$74.15**	**$14.01**	**-$14.58**	**-$41.75**	**-$3.19**	**-$9.84**	**$2.50**

© Copyright 2009 YMCA of the USA

Program Center Report	Program Center 26	Program Center 27	Program Center 28	Program Center 29	Program Center 30	Program Center 31	Program Center 32	Program Center 33	Program Center 34	Program Center 35	Program Center 36	Program Center 37	Program Center 38
Minot, North Dakota YMCA	Summer Day Camp	Summer Kinder Camp	Mini Camp	Resident Camp	Horse Masters Camp	Adventure Camps	Camp Rentals	NW Bible Camp	ND School for the Deaf Camp	Wednesday Religion Class	Halloween Fun Nite	Crush the Snow	Burn the Bird
										Bundled in membership			
DIRECT REVENUE & EXPENSE													
Earned Revenue	$20,800	$14,400	$29,450	$172,855	$74,700	$43,302	$8,500	$16,800	$2,700	$0	$3,000	$1,000	$1,500
Financial Assistance / Scholarships	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Government Funding	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions - Restricted	$907	$907	$4,225	$4,225	$4,225	$4,225	$0	$0	$0	$0	$908	$0	$0
Total Direct Revenue	**$21,707**	**$15,307**	**$33,675**	**$177,080**	**$78,925**	**$47,527**	**$8,500**	**$16,800**	**$2,700**	**$0**	**$3,908**	**$1,000**	**$1,500**
Direct Personnel Costs	$21,250	$11,832	$10,379	$37,244	$15,043	$7,697	$8,422	$3,018	$2,610	$0	$0	$1,081	$0
Other Direct Expenses	$5,761	$1,885	$24,495	$110,544	$73,430	$18,847	$18,933	$10,202	$5,975	$0	$1,859	$370	$630
Total Direct Expense	**$27,011**	**$13,717**	**$34,874**	**$147,788**	**$88,473**	**$26,544**	**$27,355**	**$13,219**	**$8,584**	**$0**	**$1,859**	**$1,451**	**$630**
NET BEFORE OVERHEAD	**($5,304)**	**$1,590**	**($1,199)**	**$29,292**	**($9,548)**	**$20,983**	**($18,855)**	**$3,581**	**($5,884)**	**$0**	**$2,049**	**($451)**	**$870**
ALLOCATION OF OVERHEAD EXPENSE													
Indirect Personnel Cost	$383	$256	$8,498	$36,808	$15,860	$6,044	$6,544	$3,272	$1,636	$0	$0	$0	$0
Net Occupancy Expense	$1,441	$2,421	$0	$0	$0	$0	$0	$0	$0	$67	$0	$82	$130
Net Administration and Fundraising Expense	$4,798	$2,864	$8,294	$38,635	$19,305	$8,353	$4,745	$3,545	$1,411	$0	$559	$238	$207
TOTAL EXPENSE	**$33,633**	**$19,257**	**$51,665**	**$223,230**	**$123,639**	**$40,941**	**$38,645**	**$20,036**	**$11,632**	**$67**	**$2,418**	**$1,770**	**$966**
NET AFTER OVERHEAD	**($11,926)**	**($3,950)**	**($17,990)**	**($46,150)**	**($44,714)**	**$6,586**	**($30,145)**	**($3,236)**	**($8,932)**	**($67)**	**$1,490**	**($770)**	**$534**
UNRESTRICTED CONTRIBUTIONS													
NET INCOME													
UNIT COST / MARGIN													
Enrollment Units	200	160	97	343	145	88	603	104	22	364	1000	25	60
Direct Cost per unit	$135.05	$85.73	$359.52	$430.87	$610.16	$301.64	$45.37	$127.11	$390.20	$0.00	$1.86	$58.03	$10.50
Total Cost per unit	$168.16	$120.35	$532.63	$650.82	$852.68	$465.24	$64.09	$192.66	$528.71	$0.18	$2.42	$70.79	$16.10
Direct Revenue per unit	$108.54	$95.67	$347.16	$516.27	$544.31	$540.08	$14.10	$161.54	$122.73	$0.00	$3.91	$40.00	$25.00
Margin per unit - direct costs only	**-$26.52**	**$9.94**	**-$12.36**	**$85.40**	**-$65.85**	**$238.44**	**-$31.27**	**$34.43**	**-$267.47**	**$0.00**	**$2.05**	**-$18.03**	**$14.50**
Margin per unit - total costs	**-$59.63**	**-$24.68**	**-$185.47**	**-$134.55**	**-$308.37**	**$74.84**	**-$49.99**	**-$31.12**	**-$405.99**	**-$0.18**	**$1.49**	**-$30.79**	**$8.90**

© Copyright 2009 YMCA of the USA

Program Center Report	Program Center 39	Program Center 40	Program Center 41	Program Center 42	Program Center 43	Program Center 44	Program Center 45	Program Center 46	Program Center 47	Program Center 48	Program Center 49	Program Center 50
Minot, North Dakota YMCA	CPR Classes	Rentals - Head Start	Pool Rental-Trinity	Youth Basketball Tournaments	Church League Basketball	Cycling Classes	Adult Lessons	Autism Swims	0	0	0	0
						Bundled in membership						
DIRECT REVENUE & EXPENSE												
Earned Revenue	$0	$350	$3,000	$6,750	$1,200	$0	$1,000	$0	$0	$0	$0	$0
Financial Assistance / Scholarships	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Government Funding	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions - Restricted	$0	$0	$0	$0	$0	$0	$0	$1,000	$0	$0	$0	$0
Total Direct Revenue	**$0**	**$350**	**$3,000**	**$6,750**	**$1,200**	**$0**	**$1,000**	**$1,000**	**$0**	**$0**	**$0**	**$0**
Direct Personnel Costs	$0	$1,081	$2,161	$1,309	$1,309	$921	$1,081	$5,404	$0	$0	$0	$0
Other Direct Expenses	$400	$207	$59	$3,433	$1,324	$0	$220	$0	$0	$0	$0	$0
Total Direct Expense	**$400**	**$1,288**	**$2,220**	**$4,742**	**$2,633**	**$921**	**$1,301**	**$5,404**	**$0**	**$0**	**$0**	**$0**
NET BEFORE OVERHEAD	**($400)**	**($938)**	**$780**	**$2,008**	**($1,433)**	**($921)**	**($301)**	**($4,404)**	**$0**	**$0**	**$0**	**$0**
ALLOCATION OF OVERHEAD EXPENSE												
Indirect Personnel Cost	$2,850	$2,850	$0	$891	$2,228	$0	$570	$1,140	$0	$0	$0	$0
Net Occupancy Expense	$56	$1,109	$2,449	$1,137	$0	$6,579	$209	$3,674	$0	$0	$0	$0
Net Administration and Fundraising Expense	$591	$711	$506	$1,287	$804	$89	$334	$842	$0	$0	$0	$0
TOTAL EXPENSE	**$3,897**	**$5,958**	**$5,176**	**$8,057**	**$5,665**	**$7,590**	**$2,413**	**$11,059**	**$0**	**$0**	**$0**	**$0**
NET AFTER OVERHEAD	**($3,897)**	**($5,608)**	**($2,176)**	**($1,307)**	**($4,465)**	**($7,590)**	**($1,413)**	**($10,059)**	**$0**	**$0**	**$0**	**$0**
UNRESTRICTED CONTRIBUTIONS												
NET INCOME												
UNIT COST / MARGIN				Teams	Teams							
Enrollment Units	20	144	384	45	6	1461	30	440	0	0	0	0
Direct Cost per unit	$20.00	$8.94	$5.78	$105.37	$438.80	$0.63	$43.36	$12.28	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Cost per unit	$194.87	$41.38	$13.48	$179.05	$944.15	$5.20	$80.44	$25.13	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Direct Revenue per unit	$0.00	$2.43	$7.81	$150.00	$200.00	$0.00	$33.33	$2.27	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Margin per unit - direct costs only	**-$20.00**	**-$6.51**	**$2.03**	**$44.63**	**-$238.80**	**-$0.63**	**-$10.02**	**-$10.01**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**
Margin per unit - total costs	**-$194.87**	**-$38.94**	**-$5.67**	**-$29.05**	**-$744.15**	**-$5.20**	**-$47.10**	**-$22.86**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**

© Copyright 2009 YMCA of the USA

Membership Report

This report shows the financial results for the complete membership package. It includes membership and all programs that are included with membership.

For most Ys membership generates a surplus that is a significant source of subsidy. Without a healthy membership Ys wouldn't be able to offer many important programs and services that can't support themselves. When you look your Y's membership bottom line there are no benchmarks to compare to. What's important is that you feel membership is making the contribution it is capable of making to your Y, its goals, and financial needs.

DIRECT REVENUE & EXPENSE	
Earned Revenue	$2,301,638
Financial Assistance	$0
Government Funding	$0
Contributions - Restricted	$50,000
Total Direct Revenue	**$2,351,638**
Direct Personnel Cost	$501,024
Other Direct Expense	$168,939
Total Direct Expense	**$669,963**
NET BEFORE OVERHEAD	**$1,681,675**

ALLOCATION OF OVERHEAD EXPENSE	
Indirect Personnel Cost	$101,778
Net Occupancy expense	$1,402,822
Net Administration and Fundraising expense	$302,824
TOTAL OVERHEAD EXPENSE	**$2,477,386**
NET INCOME AFTER OVERHEAD - FULLY BURDENED	**($125,748)**

© Copyright 2009 YMCA of the USA

Mission Matrix Report

Finding the Right Balance between Mission and Money

Program Centers	Net Before Overhead	Mission Impact Priority	Position on the Mission Matrix			
			Heart	Star	Money Maker	Question Mark
Membership	$1,742,993	1		■		
Day Passes	$109,972	2			■	
Drop In Child Care	($24,880)	2				■
Preschool Classes	$13,521	1		■		
Preschool Swim Lessons	$18,554	1		■		
Youth Swim Lessons	$15,422	1		■		
Private Swim Lessons	$6,416	2			■	
Out of Town Lessons	$669	1		■		
Itty Bitty Sports	$433	2			■	
Youth Instructional Basketball	($901)	2				■
Youth Basketball League	$30,696	1		■		
Flag Football	$4,279	2			■	
Tackle Football	$18,843	1		■		
Summer High School Basketball Leag	$3,541	1		■		
Basketball Camps	$1,960	2			■	
Adult 5 on 5 Basketball League	$697	1		■		
Adult Volleyball League	($251)	2				■
Racquetball League	($768)	2				■
Racquetball Tournament	$609	2			■	
Climbing Wall	($46,124)	2				■
Lifeguard Training Classes	$11,592	1		■		
Fitness Classes	($12,901)	1	■			
Aqua Aerobics Classes	($9,565)	1	■			
Silver Sneaker	$73,674	1		■		
Summer Day Camp	($5,304)	1	■			
Summer Kinder Camp	$1,590	1		■		
Mini Camp	($1,199)	1	■			
Resident Camp	$29,292	1		■		
Horse Masters Camp	($9,548)	1	■			
Adventure Camps	$20,983	1		■		
Camp Rentals	($18,855)	2				■
NW Bible Camp	$3,581	2			■	
ND School for the Deaf Camp	($5,884)	1	■			
Wednesday Religion Class	$0	1				
Halloween Fun Nite	$2,049	2			■	
Crush the Snow	($451)	2				■
Burn the Bird	$870	2			■	
CPR Classes	($400)	2				■
Rentals - Head Start	($938)	2				■
Pool Rental-Trinity	$780	1		■		
Youth Basketball Tournaments	$2,008	2			■	
Church League Basketball	($1,433)	2				■
Cycling Classes	($921)	2				■
Adult Lessons	($301)	1	■			
Autism Swims	($4,404)	1	■			
0	$0	0				
0	$0	0				
0	$0	0				
0	$0	0				

The Mission Matrix

This chart on the following page is based on the concept of the Dual Bottom-Line Matrix described in Strategic Planning for Nonprofit Organizations: A Practical Guide and Workbook by Michael Allison and Jude Kaye.

Here's how the authors describe the model and the strategies for dealing with programs in each of the 4 quadrants.

"When choosing priorities for programs and services, nonprofits can find themselves caught between two undesirable approaches. On the one hand it seems as if programs should be chosen based on which are the most important – which have the most mission impact. On the other hand, financial realities affect program priorities: Some programs bring in money, some break even, and some lose money. Thus, each program or business line should be assessed individually in terms of its financial profitability as well as mission impact"

"Some of the characteristics of programs with high mission impact are tangible results, visible progress toward the achievement of the organization's mission, and a high leverage potential – synergy with other programs. Some of the characteristics of high financial viability are: at the very least covers all costs (both direct and indirect), generates a surplus of revenue (profit), is projected to have financial sustainability for the future, and has a proven financially viable business model."

What is the recommended strategy for each quadrant?

Star = High Mission Impact / Financially Viable

Strategy - Invest

A Star program is one you want to keep and grow. To do so, we should invest in it – invest time, attention, and money.

Question Mark = Low Mission Impact / Not Financially Viable

Strategy - Discontinue or Give Away

If a program falls in this quadrant, the organization must make a decision: Can this program be changed to have greater mission impact and/or financial viability, or should the program be discontinued or given away

Heart = High Mission Impact / Not Financially Viable

Strategy – Contain Costs

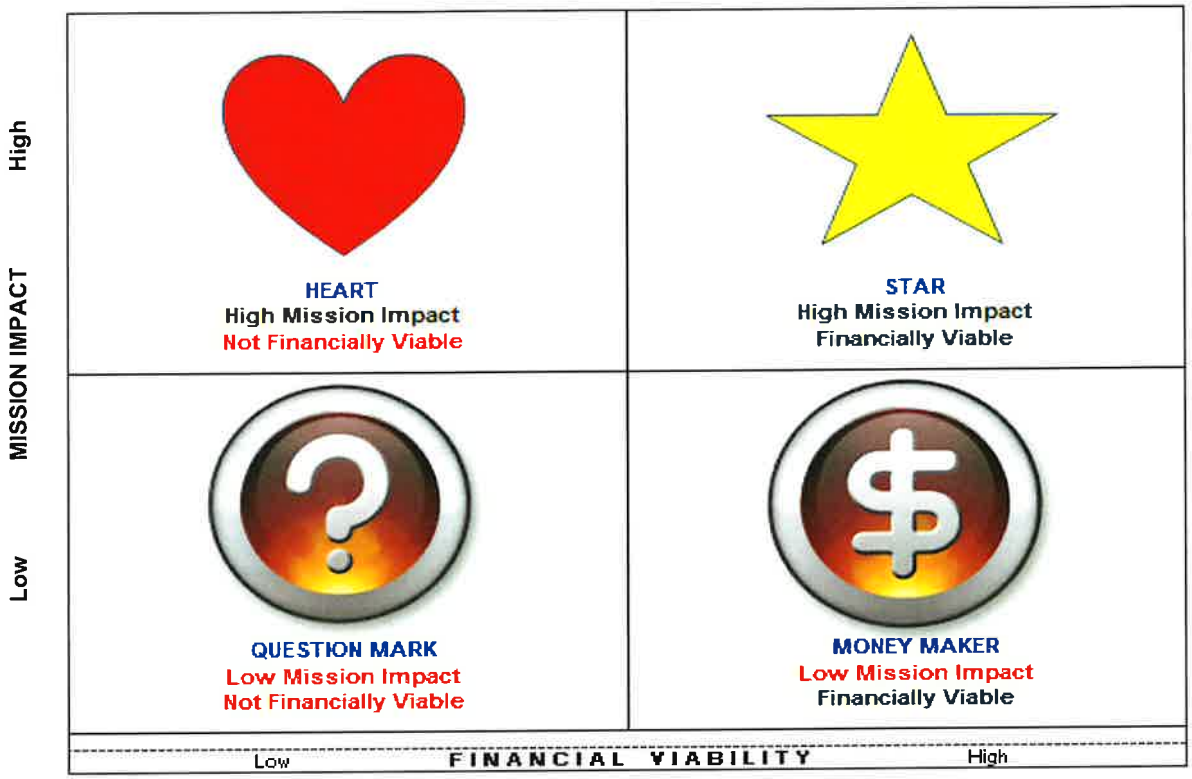
Most organizations have at least one program that has high impact, is closely associated with the organization, and is underfunded. Such a program is too important - in mission impact and organization identity – to close down, but at the same time, it's a drain on the organization's unrestricted assets that often cannot be maintained. The strategy for a Heart program is to keep it, but to contain the cost or see if there is any way of increasing revenue.

Money Maker = Low Mission Impact / Financially Viable

Strategy - Enhance Impact and/or Maximize Profits

Some programs or activities bring in money that support the organization but do not do much else to further the organization's mission. The recommended strategy for a Money Maker is to enhance mission impact.

Mission Impact vs. Financial Viability



Interest and Depreciation

Are you truly operating within your means?

The true measure of operating within your means is generating sufficient earnings to cover all current and future costs. That means answering yes to each of these questions.

1. Is the Y covering all current operating expenses.

2. Does the Y earn enough to make the interest payments on debt obligations.

3. Is the Y funding depreciation to ensure that it can replace equipment and property as it wears down.

Here are the answers to those questions based on the information entered in this cost analysis.

Does the Y produce enough earnings to cover....	Yes	No	Amount Required
current obligations?	X		
current obligations plus interest expense?	X		
current obligations plus depreciation?		X	$42,282
current obligations plus interest **and** depreciation?		X	$42,862

Earnings Before Interest and Depreciation (EBID)	$412,648
Interest	$580
Depreciation	$454,930
Interest and Depreciation	$455,510

Area of Focus Report

This report consolidates financial information from individual program centers into the three areas of focus from the Y's brand architecture. Doing this helps a Y complete the section of the IRS Form 990 that requires that organizations "describe the exempt purpose achievements for each of the organization's three largest program services by expenses".

	Total Association	Youth Development	Healthy Living	Social Responsibility
Earned Revenue	$2,444,813	$148,175	$2,296,638	$0
Financial Assistance	$0	$0	$0	$0
Government Funding	$0	$0	$0	$0
Contributions - Restricted	$52,722	$2,722	$50,000	$0
Total Direct Revenue	**$2,497,535**	**$150,897**	**$2,346,638**	**$0**
Direct Personnel Cost	$446,399	$110,715	$335,683	$0
Other Direct Expense	$168,470	$10,480	$157,990	$0
Total Direct Expense	**$614,869**	**$121,195**	**$493,673**	**$0**
NET BEFORE OVERHEAD	**$1,882,666**	**$29,702**	**$1,852,965**	**$0**
Indirect Personnel Cost	$127,084	$31,304	$95,781	$0
Occupancy Allocation	$1,312,099	$32,344	$1,279,755	$0
Administration and Fundraising allocatior	$326,403	$32,451	$293,952	$0
TOTAL EXPENSE	**$2,380,456**	**$217,294**	**$2,163,161**	**$0**
NET INCOME AFTER OVERHEAD	**$117,079**	**-$66,397**	**$183,477**	**$0**

© Copyright 2009 YMCA of the USA

the

Productivity Ratio

This report shows your Y's productivity ratio and shows how it compares to other YMCAs of a similar budget size.

The productivity ratio shows how much of every dollar of revenue the Y brings in is spent on personnel. It is calculated by dividing total personnel costs (salaries, wages, employer taxes and employee benefits) by total operating revenue.

Your Ys productivity ratio is:
51.79%
Compare your result to Ys of a similar budget size using the chart to the right.

Operating Budget Range	Average for Peer Group	Number of Ys in Peer Group
< $1,000,000	58.50%	166
$1,000,000 - $3,000,000	57.37%	327
$3,000,000 - $5,000,000	59.21%	117
$5,000,000 - $10,000,000	56.82%	97
$10,000,000 - $20,000,000	57.27%	66
> $20,000,000	57.00%	71

© Copyright 2009 YMCA of the USA

Contributions as a % of operating revenue

This report calculates contributed revenue as a % of the Y's total revenue and compares the result to the recommended standard of 15%. The report also calculates the additional amount of contributions the Y would need to generate to meet the 15% standard if it isn't doing so already.

Only by building our charitable heritage will Ys achieve the mission impact they are truly capable of. All encouraged to set and achieve the goal of raising a minimum of 15 percent of their annual operating bu sources of annual charitable revenue. This includes the sum of annual campaign contributions, United W foundation grants, general contributions, special events, and payouts from the endowment fund.

Your Ys contributed income is:	**$276,066**
Your Ys annual operating revenue is:	**$3,357,826**
Contributed revenue as a % of your YMCA's annual revenue is:	**8.2%**
To achieve 15% of your revenue from contributed revenue your YMCA would have to raise:	**$503,674**
This represents an increase of:	**$227,608**

Your Y-USA Resource Director can connect you with resources and expertise in the financial developmei your Y grow its annual campaign and other sources of contributed income to achieve the 15% goal.

© Copyright 2009 YMCA of the USA

Ys are
idget from
Vay support,

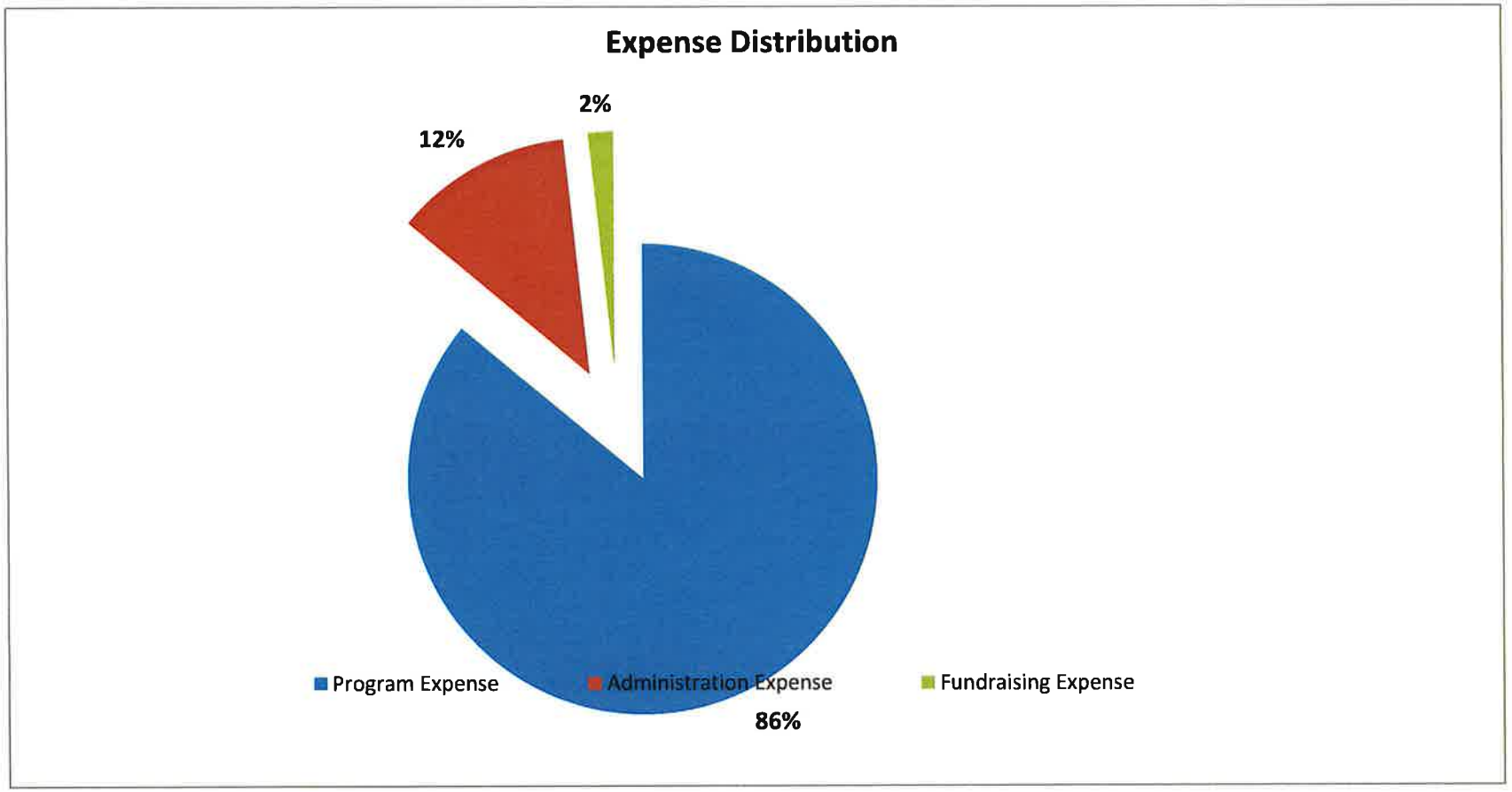
nt field to help

Expense Distribution Report

This report shows how much of each dollar spent is applied to program service delivery as opposed to overhead (administration - also called management & general - and fundraising expense).

Various charity watchdog groups scrutinize the percent of expenses that are directed to program services. Y's would be wise to pursue a number in the range of 80-85% (80–85 cents of every dollar spent), or even higher for large associations that benefit from efficiencies afforded by economy of scale.

Expense Category		Amount		%
Program Expense		$2,927,424		86%
Administration Expense		$414,084		12%
Fundraising Expense		$59,180		2%
Total Expense		**$3,400,688**		100%


Expense Distribution
2%
12%
86%
Program Expense
Administration Expense
Fundraising Expense

Revenue and Expense Ratio Comparison

This report compares key operating revenue and expense ratios for your Y to the averages for Ys of a similar size. Comparing your results to those of similarly sized associations helps identify the strengths of your operation as well as areas that may need attention.

Total revenue for YMCA =	$3,644,392
Year	2016

REVENUE RATIOS	Peer Group	Minot, North Dakota YMCA
General contributions	1.5%	7.5%
Special events	1.2%	0.0%
United Way	1.5%	0.1%
Annual campaign	2.5%	0.9%
Foundation grants	1.1%	3.0%
Endowment Transfers	0.0%	0.0%
Total Contributed Revenue	**7.9%**	**11.6%**
Membership dues	38.2%	68.3%
Program fees	12.1%	9.8%
Child care fees	18.0%	0.8%
Day camp fees	4.9%	0.9%
Residence revenue	0.7%	0.0%
Resident camp revenue	4.8%	6.7%
Sales of supplies and services	1.8%	0.0%
Total Earned Revenue	**80.6%**	**86.6%**
Government contracts	9.1%	0.0%
Realized and unrealized gains and losses on investments	-3.5%	0.9%
Investment revenue	1.0%	0.9%
Miscellaneous revenue	1.1%	0.9%
Total Other Revenue	**7.6%**	**2.7%**

EXPENSE RATIOS	Peer Group	Minot, North Dakota YMCA
Salaries	48.1%	39.9%
Personnel costs	9.6%	6.9%
Total insurance	2.3%	2.1%
Occupancy	10.7%	0.0%
Supplies	7.3%	8.9%
Professional fees	3.3%	0.0%
Contributed volunteer services	0.0%	
Equipment purchase, rental, and maintenance	1.8%	0.0%
Depreciation	6.2%	14.7%
Media and publicity	1.5%	0.8%
International expenditure	0.0%	0.0%
Percentage support	1.5%	0.0%
Financing costs	3.0%	6.9%
Other expenses	4.7%	19.8%

the YMCA

FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

THE Y BRAND ARCHITECTURE

Masterbrand: the Y

Areas of focus

FOR YOUTH DEVELOPMENT
Nurturing the potential of every child and teen.

FOR HEALTHY LIVING
Improving the nation's health and well-being.

FOR SOCIAL RESPONSIBILITY
Giving back and providing support to our neighbors.

Offering categories / Programs & services

CHILD CARE

- Afterschool Care
- Child Watch
- Corporate
- Child Care
- Extended
- Child Care (+/- 5am-6pm w/ weekend)
- Kid's Club
- School-age Child Care (5 days/week)

EDUCATION & LEADERSHIP

- Academic Enrichment
- Afterschool Academic Enrichment Programs
- Early Learning
- Head Start
- Homeschool Enrichment Classes
- Preschool
- School Readiness Programs
- Tutoring
- Arts & Humanities
- Financing
- Leadership Development
- Campus Y's
- Mentoring Youth/Teens
- Leaders Club
- Youth on Board
- Post-secondary Education Prep
- Advocacy
- College Bowl Sunday
- College Preparation Programs
- Youth Employment Services
- Youth Civic Engagement
- Model UN
- Teen Council/Youth Advisory Boards
- Youth & Government

SWIM, SPORTS & PLAY

- Competitive Swimming & Sports
- Gymnastics
- Swimming/Diving Under 18
- Recreation
- Dances
- Sidebearing
- Teen Clubs
- Y-Teen Zone
- Youth Sports Programs
- Adaptive/Inclusive Youth Sports
- Youth Baseball
- Youth Basketball
- Youth Bikes n Exercise
- Youth Flag Football
- Youth Gymnastics
- Youth Judo
- Youth Karate
- Youth Lacrosse
- Youth Soccer
- Youth Softball
- Youth Tennis
- Youth Track/Field
- Youth Swim Lessons
- Adapted Swim Lessons—Children w/ Disabilities
- Child/Parent Classes
- Sports
- Youth Leagues

CAMP

- Day & Residential Camps
- Day Camp
- Overnight Camp
- Summer Camp
- Specialty Camps
- Diabetes Camp
- Cancer Camp
- Arthritis Camp

FAMILY TIME

- Adventure Guides
- Family Camp
- Family Challenge
- Family Fitness
- Family Nights
- Family Wellness Programs
- Parent/Child Dance
- Fitness Time Family

HEALTH, WELL-BEING & FITNESS

- Group Classes
- Active Older Adults
- Aerobics/Dance
- Group Training Classes
- Indoor Cycling
- Martial Arts
- Strength Training
- Women's Only Fitness Programs
- Yoga
- Healthy Lifestyles
- Cardiac Rehabilitation Programs
- CPR/First Aid
- Diabetes Prevention & Self-management
- Healthier Communities
- Health Screenings/ Lifestyle Approaches
- Healthy Family Homes
- HIV/AIDS Prevention
- Injury Rehabilitation
- Lifeguard Training
- Obesity Programs
- Pre/post-natal Fitness Classes
- Stress Management/ Educational Programs
- Personal Fitness
- Personal Training
- Mobile Fitness Programs
- Senior Activities
- Adult Swim Lessons
- Aqua Step
- Adaptive for Adults with Disabilities

SPORTS & RECREATION

- Adult Team Sports
- Adult Recreational Leagues
- Adult Competitive Swimming (18 & Over)
- Adult Golf
- Adult Hockey
- Adult Soccer Leagues
- Adult Softball Leagues
- Adult Tennis
- Adult Volleyball Leagues
- Recreation
- Cycling/Mountain Biking
- Hiking
- Running Clubs
- Skiing
- Snowboarding
- Walking Groups
- Wall Climbing

GROUP INTERESTS

- Life-long Learning
- Adult Arts & Humanities
- Healthy Cooking
- Sign Language Classes
- Spanish Classes
- Social Groups
- Book Clubs
- Group Trips (travel)
- Knitting
- Ladies Night Out
- Spiritual Development
- Bible Study
- Community Prayer Breakfast

SOCIAL SERVICES

- Child Welfare
- Foster Care
- Gang Prevention/ Intervention
- Housing for Runaway/ Homeless Youth
- Programs for Suspended & Drop-out Youth
- Community Health
- Military Outreach Initiative
- Urban Arts (outreach jobs safety assistance)
- Employment/ Vocational Training
- Work Development Services
- Adult Literacy Programs
- Computer Training
- GED Preparation
- Environmental Education
- Earth Service Corps
- iCare
- Healthy Families & Skills Development
- Housing Programs
- Family Resource Center
- Financial Education
- Transitional housing for families
- Quality of Life
- Food Banks
- Housing
- Permanent Low-income housing
- Substance Abuse Programs

GLOBAL SERVICES

- Global Education
- Events, Forums & Conferences
- Exchanges of Volunteers & Staff
- Global Leadership Development
- Service Learning
- Global Network
- Global Partners
- Hosting International Visitors
- International Youth Relationships
- Immigrants
- English as a Second Language
- Citizenship Preparation
- Legal Services
- Resettlement Services
- World Service
- Disaster Response
- Global Programming
- World Service Campaign
- World Week of Prayer

VOLUNTEERISM & GIVING

- Financial Support
- Annual Support Campaign
- Youth Sponsorships
- Volunteers
- Volunteer Opportunities
- Police Volunteers
- Program Volunteers

ADVOCACY

- Grassroots/ Community Organizing
- Civic Engagement
- Public Policy
- Legislative
- Action Center
- State Alliances

1112181 12/12