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Pottstown YMCA

The YMCA is committed to continuing to serve the Pottstown community. In November 2017, due to the condition of the building and on-going operating deficit, the Y Board of Directors made the decision to close the Pottstown Y building and move programming to alternate locations within the community.

The YMCA will maintain the existing School Age Enrichment Program and Child Care Services (full day childcare). The Y has already signed a 10-year lease for a new center, relocating 2 miles from the existing building. The Y is committed to providing licensed afterschool childcare and Summer Camp for youth. The Y is also willing to continue the additional services of Wellness programs and Individual/Group exercise through a suitable leased location. And, as always, the Y subsidizes individuals who would otherwise be unable to afford these programs.

As part of its commitment, the Y formed a community task force to identify ways and means to deliver services outside of the existing building. There are 20 individuals and Pottstown community leaders on the committee and a number of meetings have taken place. Some members of the committee wish to focus on keeping the building open. The Y appreciates and respects all points of view. The Y's conclusion is that it must focus on alternative ways to deliver its important services.

Since the announcement, the Y has received media coverage in various news outlets, reflecting the facts and situation. There have been advertisements taken out by an individual(s) advocating for the Y to keep the building open. There is a circulating petition to keep the building open. The Pottstown School District has passed a resolution to keep the Y open and two state representatives have asked us through the media to keep the building open.

The challenge is as follows:

- This is not a new problem. In 2004, The Pottstown Y had an operating deficit of \$137,000. In 2005, \$350,000 was taken from an endowment fund to cover operating losses and in 2006; the operations were at break even. This meant the Pottstown Y was unable to fund any needed capital work.
- A decade ago, in 2007, the Phoenixville Area YMCA and the Family YMCAs of Pottstown & Upper Perkiomen Valley merged and became the Freedom Valley YMCA
- At the time of the merger, the Pottstown Y had an endowment fund of \$2.8 million. As per the endowment donor's wishes, \$1 million went to the construction of the Upper Perkiomen Branch (constructed when it was part of the Philadelphia Freedom Valley YMCA). The remaining \$1,800,000 million went into branch renovations. A number of member-facing improvements were prioritized and made to attract new membership and some of the underlying infrastructure challenges could not be addressed.
- Operational deficits continued at the Branch as part of the Freedom Valley YMCA, including \$241,000 in 2011 and \$253,000 in 2012.
- Five years ago, the Freedom Valley YMCA merged with the Philadelphia and Vicinity YMCA.
- Over the last 5 years, the total operational deficit for the Pottstown branch has been \$3,499,000. Additionally, the Philadelphia Freedom Valley has put in \$1,027,000 into capital for the building. This totals a \$4,527,000 subsidy over the past 5-year period (2013-2017). As part of its annual fundraising campaign, \$1,190,000 was raised over this 5-year period and is included in the operating revenues. Without those donations, the total operating deficit would have been \$5,700,000.
- The funding that the Pottstown YMCA receives from the Pottstown School district to fund the PEAK classrooms and Pre-K counts is included in the annual operating revenue of the Pottstown YMCA.

- The Pottstown Branch YMCA operating deficits have been covered from the other Philadelphia Freedom Valley branches.
- A recent assessment and report by an expert outside facilities company, identified that more sizable repairs are required, specifically \$11.5 million dollars over the next 10 years, including \$3.6 million immediately to fix the aging building. This includes critical infrastructure just to keep the facility open, heated and cooled. This audit was shared with the community task force and other interested community members. Combined with the ongoing operating deficit, the building cannot be sustained.
- A recent survey of current Pottstown YMCA members conducted by Pottstown Area Health and Wellness Foundation revealed that 63% of current members intended to transfer their membership to another YMCA in the general area (Spring Valley, Boyertown, Phoenixville and Upper Perkiomen).
- The same survey revealed the most utilized services at the current Pottstown YMCA were Exercise Classes, Wellness Center and Child Watch. The Philadelphia Freedom Valley YMCA is open to exploring a way to offer these same services through a leased facility, a concept previously modeled in Upper Perkiomen prior to the new branch construction.
- On May 1, 2018, the Y will open the newly leased YMCA Early Learning Center, a 10,000 square foot building with a 4,000-foot outdoor playground, eight classrooms, a kitchen and indoor play area. It has the potential to house 125 students. By comparison, the current childcare center at the Pottstown YMCA is 7580 square feet and is able to house up to 113 students. This larger center is a considerable improvement from the current branch facility.
- Closing a building is never easy. The YMCA has prioritized service delivery to children, families and individuals over the building itself. The building is simply not sustainable.