



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

FOR IMMEDIATE RELEASE:

YMCA of Metropolitan Milwaukee

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YMCA of Metropolitan Milwaukee Plan of Reorganization Approved
Organization Emerges from Chapter 11 Bankruptcy Debt Free and Refocused

Milwaukee – January 30, 2015 – The YMCA of Metropolitan Milwaukee (the “Milwaukee Y”) announced today that the United States Bankruptcy Court for the Eastern District of Wisconsin has confirmed the Milwaukee Y’s plan of reorganization. The organization voluntarily filed for Chapter 11 in June 2014 in order to have a protective forum in which to finalize and implement its restructuring plan, including the resolution of its remaining debts. Its formal plan of reorganization, which was filed with the court on November 30, 2014 and amended on December 17th, 2014, received the full consensual support from all of the organization’s major creditors. Today’s confirmation effectively clears the way for the Milwaukee Y to emerge from Chapter 11 immediately.

“Since announcing our plans to restructure the Milwaukee Y in June, we have made substantial progress towards our goal of establishing a stronger, more focused, more sustainable non-profit organization,” said Julie Tolan, President and Chief Executive Officer of the YMCA of Metropolitan Milwaukee. “Throughout the restructuring process, we have taken the necessary – albeit at times difficult – actions to address our financial and operating challenges, including reducing the size and scope of our organization, establishing a more rationalized revenue model, realigning our staffing and negotiating the repayment of as much debt as possible. As a result, we are emerging from Chapter 11 a stronger, more focused, debt-free organization that is now realigned for greater community impact.”

Among other things, the Milwaukee Y’s restructuring process included:

- The sale or eventual sale of over 70% of the Y’s owned properties
- The regrettable closing of the South Shore Y after no buyer could be found
- The sale of the Milwaukee Y’s former charter school, the Young Leaders Academy
- Transferring select programs to organizations better-equipped to run them long-term
- Finalizing the difficult process of reducing staff by 55% to better align with its smaller footprint

- Beginning to selectively rebuild the leadership team to help drive future revenue growth, especially in the areas of sales and development/donor relations
- Negotiating the distribution of available sale proceeds, cash and assets to repay as much debt as possible, while preserving a viable go-forward financial and operating model

As announced in June, the Milwaukee Y's smaller, more sustainable go-forward footprint includes:

- Downtown YMCA, located at 161 W. Wisconsin Ave.
- Northside YMCA, located at 1350 W. North Ave.
- Northwest YMCA (formerly the John C. Cudahy YMCA), located at 9050 N. Swan Rd.
- Parklawn YMCA, located at 4340 N. 46th St.
- Rite-Hite Family YMCA, located at 9250 N. Green Bay Rd.
- Camp Minikani, located on the shores of Lake Amy Belle in Hubertus, Wis.

“All of us at the Y are very grateful for the incredible support and sacrifice made by so many to ensure the Y's survival,” continued Tolan. “While there is no doubt the path to this moment was paved with a number of challenges, we are keenly aware that our creditors, employees, members, benefactors, partners and others throughout the community truly stepped up in order to help us save this 150-year-old institution. We pledge to be effective stewards of that goodwill as we now focus our work to champion families in their efforts to lead healthy, productive lives.”

Moving forward, the Milwaukee Y will employ more of a traditional non-profit model with smaller margins and a larger reliance on program revenue, philanthropy and support, versus primarily relying on revenue from membership fees. The organization will be transitioning away from programs and services not core to its mission, and instead refocusing its work in the areas of health and wellness and non-academic youth development, including:

- Swim education, including identifying ways to bring swim education into existing pool facilities in the community so more young people and their families learn this critical skill;
- Corporate and community wellness that benefits businesses and other community organizations through a dedicated emphasis on healthy eating, group exercise, LiveSTRONG, and other programming that improves healthy outcomes and aids in the prevention of chronic disease;
- Programming, such as Silver Sneakers, that enriches the lives of our seniors through exercise and vital social connections;
- Before and after school education both at the Y's existing facilities but also expanded through new partnerships with public and private schools in order to benefit more working families;

- Early childhood education, so more infants and toddlers throughout Milwaukee can benefit from the social and emotional development, self-discovery and experiential learning so vital to life-long learning;
- Camps, including expanding the number and reach of day camps throughout the Milwaukee area as well as bringing the rich traditions of Camp Minikani out into the community.

Fundamentally, the Milwaukee Y will be a champion for healthy living and support families in their efforts to lead healthy lives. And the Y will do that in partnership with many others, including the City, the County, schools, other non-profits and other community leaders in order to increase effectiveness and have a greater impact.

For more information about the Milwaukee Y, please visit www.ymcamke.org

About the YMCA of Metropolitan Milwaukee

The YMCA of Metropolitan Milwaukee is a powerful association of men, women and children of all ages and from all walks of life joined together by a shared passion to strengthen the foundations of community through youth development, healthy living and social responsibility. Since 1858, Milwaukee YMCAs have helped kids and families live healthy lives in spirit, mind and body. Supported in part through contributions to the Annual Campaign, the Y provides membership assistance and scholarships to programs like summer camp, child care and teen activities, to make sure that everyone, regardless of age, income or background, has the opportunity to be healthy, confident, connected and secure. <http://www.ymcamke.org>

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