

West Volusia-Daytona Beach  
Report to Merger Committee  
August 14, 2007

Sub-Committee: **Facility and Capital**

Date: 8/14/07

Benefits of Merger

The two Associations collectively have eight facilities that could be utilized by members and program participants. All of the facilities are in reasonably good condition. They are all heavily used and need additional space. Some are located on leased space while others are owned by the YMCA. It appears that a merger organization would benefit from the collective knowledge of the two Associations.

Areas the sub-committee reviewed.

The Sub-Committee has done extensive review of all of the facilities. They toured all facilities to familiarize themselves with the reality of the operations. They have discussed the differences of approaching the operations and the leasing and owning of property. Extensive time has been spent in discussing the branch maintenance reserves. They have done a matrix to determine the areas of investigation.

Key Issues

The Sub-Committee has determined that there are no deal breakers at this time.

Proposed "potential reasonable resolutions"

N/A.

Directions on other identified areas of concern.

The sub-committee does feel that the areas of: Reserves, culture of both associations and capital expansion/renovations plans within both associations needs to be discussed and resolved prior to any merger action.

Recommendation on Letter of Intent

The Sub-Committee feels that there are no deal breakers in the facilities or capital area but the above identified issues need to be resolved prior to any merger action.