

Merger Committee Report to the Corporate Boards of the Greater Daytona Beach Area and West Volusia Family YMCAs

January 8, 2008

Executive Summary

The Merger Committee is pleased to report to the members of the Corporate Boards of the Greater Daytona Beach Area YMCA and the West Volusia Family YMCA that it has concluded the process of Due Diligence and is recommending that the two Corporate Boards vote to merge our two Associations.

We believe that all YMCA Board members and employees want to provide the best and most comprehensive YMCA services to our members and the community. We further believe that, in order to achieve that objective, we should combine the resources of the two YMCAs.

We reached this conclusion after involving many different individuals, seven Sub-Committees and Branch Board members. We spent many hours investigating and reviewing the merits and concerns of the idea of merging. Our work led us to recognize the following benefits of merging our Associations:

- Ability to serve all of Volusia and Flagler Counties in a more coordinated manner
- Members' ability to have the services and programs of eight branches available to them
- Better training opportunities and employee benefits for staff members
- The opportunity for more comprehensive, better-quality and coordinated marketing that maximizes the limited resources dedicated to marketing
- Enhanced fundraising opportunities through improved fundraising skills and schedules and the ability to more effectively approach the cross-county companies that have given in the past
- Better leadership decision making through an enhanced information pool

- Better and broader use of Camp Winona
- Economy of scale achieved by maintaining only one corporate office and purchasing supplies, equipment, vehicles and other necessities in greater bulk

At the conclusion of the Due Diligence phase, we remain convinced that these benefits outweigh the drawbacks of a merger and that a merged Association will serve our community better and more effectively.

In our work as a Committee we have attempted in every way to be transparent in our efforts and communications. The documents contained in this notebook reflect that attempt and our desire to provide all relevant information to the members of the Corporate Boards. In this section you will see the following:

- The Merger Committee's recommendation to the Corporate Boards
- A brief history of the work of the Merger Committee, along with a list of our Committee members and e-mail addresses
- A proposed calendar of remaining Phase Two activities and a timetable of suggested Phase Three (Implementation) tasks

The remainder of the notebook contains an overview of the work of each Sub-Committee, along with documents used or produced by the Committee and Sub-Committees.

Although some of the information included may seem redundant, we believe it will be helpful as you consider this important decision. Because the final decision is that of the Corporate Boards of the two individual Associations, we believe it is important for you to have all relevant information so that you have the opportunity to review it prior to the vote on the issue of merging.

Committee Members

Co-Chair, Kathy Ambachtsheer
Chair, West Volusia Board

Co-Chair, Rand Spiwak
Chair, Daytona Beach Board

West Volusia Members

George Flack
Dennis Stark
Eddie Sanders
Phillip Stephens

Daytona Beach Members

Bob Ludlow
Bruce Teeters
John Bostwick
Ivan Cosimi