

Recommendation of the Merger Committee
Of the Greater Daytona Beach Area
and West Volusia Family YMCAs
September 11, 2007

In an effort to provide quality YMCA services to the entire Volusia County-Flagler County community in an efficient and prudent manner, we, the Merger Committee of the Greater Daytona Beach Area YMCA and the West Volusia Family YMCA, recommend that the Associations' Corporate Boards issue a Letter of Intent authorizing us to enter Phase Two, "Due Diligence," in the process of investigating the possibility of merging our Associations.

In June 2007 our Merger Committee was formed through the authority of the two Associations' Corporate Boards and given the task of investigating and reporting our findings to their Boards. Through the assistance of the Y-USA and a local consultant, a three-phase process is being pursued.

The task of Phase One was to determine the similarities and benefits of merging as well as identifying and discussing any obstacles. Over the past ninety days we have worked with sub-committees composed of twenty-four individuals and have reviewed seven areas of investigation: Human Resources; Governance; Finances; Communications; Facilities and Capital Projects; Membership and Programs; and Information Technology.

Through this process, we have identified and reviewed the key issues related to the delivery of YMCA services and have discovered that the two Associations are very similar. We believe that it would be prudent to enhance the use of resources by eliminating duplication of services and costs while providing excellent and coordinated programs and services, and that the larger YMCA would have a broader and stronger positive impact on the entire community. We have concluded that the benefits of merging our two Associations are compelling.

We believe it is appropriate to enter Phase Two of the merger process, "Due Diligence," a process designed to discover whether or not deeper issues exist that may change the course of this proposed merger. We expect to complete this process and make a formal recommendation by December 31, 2007, so that the Corporate Boards can make a final determination on merging our Associations.

Therefore, we recommend that the two Corporate Boards authorize us to initiate Phase Two and that it issue a Letter of Intent expressing its intention to continue pursuing a merger of our Associations.

Kathy Ambachtsheer, Co-Chair

Rand Spiwak, Co-Chair

Dennis Stark

John Bostwick

Phillip Stephens

Bob Ludlow

George Flack

Ivan Cosimi

Eddie Sanders

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