

Ironically,

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# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Mergers undermine Pottstown Y

In 2007, the Pottstown YMCA board voted unanimously to merge with the Phoenixville Area YMCA. The merger was supposed to strengthen both organizations.

"Phoenixville had a much larger operation than we did, including skilled marketing and fundraising departments," said James Konnick, who was president of the Pottstown YMCA board at the time.



Commentary by  
Thomas Hylton

"We thought we could increase our cost effectiveness and offer better programs by joining forces."

In doing so, however, Pottstown lost the ability to control its own destiny. Because Phoenixville had more than twice the assets of Pottstown, Phoenixville was allocated 21 board members to just 9 from Pottstown. Moreover, Pottstown also represented the Upper Perkiomen branch, which was raising funds to build its own facility.

Pottstown brought a \$2.8 million endowment fund to the newly merged non-profit, to be called the Freedom Valley YMCA. Of this, \$1 million was to be used for the Upper Perkiomen capital campaign, and \$1.8 million was to make improvements to the Pottstown branch, including technology upgrades, and to pay down existing mortgage obligations.

One item specifically mentioned on Pottstown's to-do list was fixing the boiler. "We thought it would be done right away," Konnick said, "but now, 10 years later, a failing boiler is cited as the most pressing reason to close the Pottstown Y."

Jay R. Schaeffer, president and CEO of the Phoenixville YMCA, be-

came head of the merged operation, which went into effect Jan. 1, 2008. "This is a very exciting time," Schaeffer told reporters. "We are looking forward to the future. We plan to build on the traditions and histories of both YMCAs."

Jo Ann Short, president of the Pottstown YMCA, became vice president of Strategic Initiatives for Freedom Valley and eventually left to manage a YMCA in Montclair, N.J.

How much the merger benefited Pottstown is questionable, but five years later, Schaeffer touted yet another merger, this time with the YMCA of Philadelphia and Vicinity.

Once again, Schaeffer said there would be no downsides to the merger, which would create a 140,000-member behemoth with 15 branches covering two states and four Pennsylvania counties. Philadelphia Freedom Valley started with a combined budget of \$60 million.

"It will still be a members' local YMCA," Schaeffer said. "This is not a takeover of Freedom Valley."

Schaeffer, who retired when the merger took effect on Jan. 1, 2013, said there would be even more participation and revenues with the amalgamated Ys.

But Pottstown lost all representation on the new combined board, which started with 36 members and has grown to more than 40. Both Phoenixville and Upper Perkiomen have directors on the board.

A lack of representation is one reason why the announcement of the Pottstown closure, effective June 29, was such a surprise. "We were never consulted," said Pottstown's Konnick. "We never would have merged if we knew this could happen."

*Thursday: The proud history of the Pottstown YMCA.*



**The Phoenixville Area YMCA completed this 50,000 square foot expansion, left, in 2006. It features huge tree-like interior trusses and vast expanses of glass. The facility is located on 51 acres in suburban Schuylkill Township.**