

As stated earlier, as a temporary guardian of your finances, my role as a fiduciary is a primary responsibility. Before meeting with the WWBC leadership, Jennifer and Bonnie last week, I reviewed the financials they provided me. The WWBC does not make money. Possibly their membership fees are too low, their expenses are too high, and of course, the facilities need improvement or all the above.

Regarding improvements, for all their efforts, they have never produced profit to pay for enhancements or offer us a lease payment that covers Tuxedo Park's annual maintenance costs of the property and facility. Instead, the Village taxpayers shoulder the burden. A further burden on the Village taxpayers is that WWBC paid one dollar (\$1) per year to lease the property over the last five years (last year they collected \$30,000 in membership fees), and this year, their total offer to lease the property is \$1000. The WWBC's demand that the Village taxpayer lives with below-market licensing fees needs to change. As your fiduciary, I recommend we optimize the property's value for the benefit of the Village taxpayers.

As an example, it would be enticing if: the WWBC committed to a licensing fee of \$5,000 with a commitment of another \$2,000 annually in infrastructure and improvements.

During the same meeting with Jennifer and Bonnie, I shared a new idea that I view as a win-win for both parties. The idea is for the Village to take out the health permit, incur all costs, collect all membership fees and other payments, and control the finances and facilities. There is a greater chance to make a profit under this scenario because we have a lower overhead from the start. We already have insurance, for example, a cost the WWBC incurs annually. We also have the means to invest \$5,000 in improvements before the season starts if we add it to the current budget. With the right balance of setting membership fees, improving the grounds, and paring down expenses, the Village can make money.

The next challenge is how the Village will deal with the day-to-day management of the club. During and after I met with Jennifer and Bonnie, several possibilities have been discussed and suggested - from the Village running the club; the WWBC running the club; or a hybrid of the two sharing responsibilities.

I favor the Village running the finances and facilities management and the WWBC running the seasonal day-to-day operations.

In the meeting, Bonnie expressed her concerns that this might be an elaborate scheme to end Hamlet memberships. I offered her a 5 to a 10-year term of guaranteed hamlet membership in a show of good faith, which should dispel those concerns immediately. And there is no additional risk to Hamlet memberships under this new scenario. Under the current arrangement, any Board present and future could cancel Hamlet memberships with three votes. Second, the WWBC/Village lease has always contained a clause that allows three members of the Board to cancel the lease at will, at any time during the season.

The 5 to 10-year term I offered included the WWBC management's request to keep the same season and hours of operation it has always enjoyed. Again, I believe my proposal is a win-win situation balancing the financial responsibilities I have to the taxpayers and to the tradition of Hamlet membership.