

Waterbury Inn Owners Association, Inc
Owners' Meeting Minutes
Saturday, April 9, 2022

Board Members

Board President:	Bill Niemiec	-112 & 215
Board Vice President:	Rose Masticola	-104
Board Treasurer:	Chuck Frain	-203
Board Secretary:	Mike Gadsby	-122
Board Position:	Dennis Kapustka	-213 (Absent)
Owners Rep:	Mary Binder	-107
Owners Rep:	Sheri Mastalish	-210
Owners Rep:	D'Ann Jackson	-G01
Waterbury Inn Innkeeper:	Chuck Naffier	

In attendance: Bob Olson-105, Mary Lou Lager & Peter Vlasis-118, Jane Harber-103, Betty Gadsby -122, Gail Kramer-202, Alex Bath - G04, Peter Jackson -G01, Tom Delahunt- 109, Nancy & Bill Fowle - 114, Steve & Lynette Stoffregen - 115, Karen Grosse - 116 & 117, Albert Stefan - 206, Cindy Bohrer- 212, Dan & Erika Lindstrom - 217, Inga Bacon, CPA

Call to Order and attendance:

9:07 call to order

Approval of the April 17, 2021 Minutes: A motion to approve the minutes of the April 17, 2021 meeting was made by Rose Masticola and seconded by Chuck Frain, and unanimously passed.

Approval of the January 15, 2022 Minutes of the Board of Directors: A motion to approve the minutes of the January 15, 2022 meeting was made by Rose Masticola, seconded by Mike Gadsby, and unanimously passed.

Approval of the March 12, 2022 Minutes of the Board of Directors: A motion to approve the minutes of the March 12, 2022 meeting was made by Rose Masticola, seconded by Mike Gadsby, and unanimously passed.

Approval of Agenda: A motion to approve the agenda made by Rose Masticola and seconded by Sherry Mastalish, unanimously passed.

Communications, if any: (Rose Masticola)

None

2022 General Manager's Property/Financial/Operations Report

Introduction:

Welcome to a recap of what turned out to be a record-setting year for revenue, guest satisfaction, continued improvements property-wide and setting the table for future growth and successes here at the Waterbury Inn!

We continue to build and develop a strong team with the employees, as well as creating an environment of openness with owner communication.

Our staff leaders have remained intact, with the maintenance team of Robby V and Nate M taking on extensive roles with repairs and upgrades throughout the property. Our front desk team of Jenna S and Ron S was supplemented nicely with some summer part time work by Leann R. Our head of Housekeeping, Dana M, took maternity leave at the end of November, and is a proud new mom. During her absence we promoted Jordan S to head up the Housekeeping Team. Together with full-timer Andrew D, and with some part time help from Nancy N during the winter months, we set up new routines and standards with the ordering processes, communication, and job assignments, as well as further defining what it means to "deep clean".

This past summer we also had some seasonal help with 3 full-time housekeepers, one of whom is local, while having two (2) J-1 students from Jamaica. We also hired 2 part-timers on housekeeping, also from Jamaica, who were brought in by the folks at Piggly Wiggly in Sister Bay.

With this marvelous team in place, we took on the challenges of 2021.

Major indoor/outdoor/office property improvements since our last Annual Meeting Include:

1. **Hallway** Lighting Makeover Complete: All spotlights were removed, and all dimmer yellow lighting was switched to 3000k long-life brighter 11-watt bulbs
2. **Exercise Room** Renovations Completed (painting, lighting, trimwork)
3. **Ping Pong Room** Renovations Completed (furniture and artwork)
4. Completed Installation of new **phone system** and upgraded high speed internet service (Quantum PC)
5. **New Signs** at front of property, and at front entryway to building (Ephraim Designs)
6. **New Logos** used on all printed materials, advertising and online
7. New **Credit Card reader** installed at front desk
8. **Hard Drive Backups** on front and back computers
9. Additional **27" monitors** installed at both front and back office computers
10. Removing poorly maintained/updated **Showcases** from hallways
11. **Indoor Pool Area:** Minor concrete repairs, new skimmers and drain grates installed to remain at code. All pool decking refinished/sealed. All walls painted. Timer switch for the hot tub repaired with backups now readily available. Refined the chemical processes for weekly draining/cleaning of the hot tub. New pool chairs and tables. (In House & Neuman Pools)
12. **Outdoor Pool Area** (otherwise known as the OMG project of the year): All entry gates were brought to code with child safety locks installed. All fencing was raised to counter some sinking

Advance Deposits Comparison 2017 - 2022

Month '22	Revenue '22	Nights '22	ADR'22	Month '21	Revenue '21	Nights' 21	ADR'21	Month '20	Revenue '20	Nights '20	ADR'20
Apr-22	\$ 6,524.41	117	\$ 55.76	Apr-21	\$4,520.03	91	\$ 49.67	Apr-20	\$ -	0	\$ -
May-22	\$ 25,861.43	242	\$ 106.87	May-21	\$12,699.47	147	\$ 86.39	May-20	\$ -	0	\$ -
Jun-22	\$ 65,781.85	390	\$ 168.67	Jun-21	\$37,549.97	309	\$ 121.52	Jun-20	\$ 12,390.50	95	\$ 130.43
Jul-22	\$ 153,478.85	763	\$ 201.15	Jul-21	\$79,391.35	516	\$ 153.86	Jul-20	\$ 53,005.71	330	\$ 160.62
Aug-22	\$ 81,253.57	419	\$ 193.92	Aug-21	\$53,827.76	318	\$ 169.27	Aug-20	\$ 7,715.95	66	\$ 116.91
Sep-22	\$ 9,244.96	75	\$ 123.27	Sep-21	\$3,923.55	34	\$ 115.40	Sep-20	\$ 2,799.76	28	\$ 99.99
Oct-22	\$ 23,069.46	129	\$ 178.83	Oct-21	\$6,402.98	43	\$ 148.91	Oct-20	\$ 3,390.98	25	\$ 135.64
Nov-22	\$ -	0	\$ -	Nov-21	\$258.00	3	\$ 86.00	Nov-20	\$ 194.02	2	\$ 97.01
Dec-22	\$ 188.00	19	\$ 9.89	Dec-21	\$0.00	35	\$ -	Dec-20	\$ -	7	\$ -
	\$ 365,402.53	2,154	\$ 169.64		\$198,573.11	1,496	\$ 132.74		\$ 79,496.92	553	\$ 143.76

Month '19	Revenue '19	Nights '19	ADR'19	Month '18	Revenue '18	Nights '18	ADR'18	Month '17	Revenue '17	Nights '17	ADR'17
Apr-19	\$ 3,244.85	66	\$ 49.16	Apr-18	\$ -	7	\$ -	Apr-17	\$ 4,956.00	84	\$ 59.00
May-19	\$ 10,289.04	119	\$ 86.46	May-18	\$ 10,330.42	119	\$ 86.81	May-17	\$ 12,327.82	121	\$ 101.88
Jun-19	\$ 41,816.62	314	\$ 133.17	Jun-18	\$ 34,703.67	263	\$ 131.95	Jun-17	\$ 37,377.45	313	\$ 119.42
Jul-19	\$ 107,338.64	623	\$ 172.29	Jul-18	\$ 82,539.40	491	\$ 168.10	Jul-17	\$ 75,337.55	466	\$ 161.67
Aug-19	\$ 41,667.10	260	\$ 160.26	Aug-18	\$ 23,587.40	150	\$ 157.25	Aug-17	\$ 30,251.25	192	\$ 157.56
Sep-19	\$ 2,627.80	34	\$ 77.29	Sep-18	\$ 2,376.41	31	\$ 76.66	Sep-17	\$ 5,206.75	46	\$ 113.19
Oct-19	\$ 8,407.20	56	\$ 150.13	Oct-18	\$ 9,029.09	56	\$ 161.23	Oct-17	\$ 10,564.35	66	\$ 160.07
Nov-19	\$ -	6	\$ -	Nov-18	\$ -	13	\$ -	Nov-17	\$ -	21	\$ -
Dec-19	\$ -	14	\$ -	Dec-18	\$ -	7	\$ -	Dec-17	\$ -	9	\$ -
	\$ 215,391.25	1,492	\$ 144.36		\$ 162,566.39	1,137	\$ 142.98		\$ 176,021.17	1,318	\$ 133.55

- of surrounding land due in part to underground leakage from the pool. New anchors put in concrete for the safety rails. Leaks in main drain repaired. Leaks in plumbing behind plaster walls repaired. New underwater lighting installed. New pool furniture (chaise loungers, poolside tables). Replaced old umbrellas and older black metal table/chair sets with hexagonal all-season/weather picnic tables that match our grilling area tables throughout the property.
13. **Outdoor Pool Closet and Filtering System:** Glass filtering installed for outdoor pool, replacing older sand system. GFI breakers installed for pool lighting. Met code on propane line piping. Ground the propane system to avoid potential explosive situation with lightning. (Pool Envy)
 14. All **outdoor pool perimeter** cleaned up and edged with river rock. (In House)
 15. **New Fencing Installed** around Manager Unit Yard, AC Condenser Units alongside indoor pool windows, and next to outdoor pool closet near Unit 102/202 (Custom Fence)
 16. **NE side of building:** Removed dying pine trees, removed all tree stumps from property (ProTree Services). Relandscaped with fresh topsoil and grass seed (In House).
 17. **Building Stained** and all trim work completed in Extra White. (Sparkle)
 18. **Leafguard Gutters and** Downspouts installed building-wide. (Leafguard)
 19. **Outdoor bike rack** pavilion now matches paint/stain of main building. (In House)
 20. All **electric breaker boxes now labeled** throughout property (Action Electric). This was a major project chasing every circuit on our property which had been either mislabeled or labeling was lost in a fire some years back.
 21. Installation of **Music Speakers and Security Cameras** in the following areas: Main Lobby Entryway, Indoor Pool, Great Room, Ping Pong Room. Video and motion can be reviewed back in time up to 30 days for guest safety as well as discouraging the occasional inappropriate “borrowing” of artwork or misuse of property. (Sonus and Google Nest) (In House)
 22. **Painting of all stairwell and hallway walls.** (In House)
 23. **Painting of all hallway/stairwell ceilings (white)** – most were formerly a dull yellow (In House)
 24. Installation of **3rd Dryer in Laundry Room** to match our 3 washers (In House)
 25. **Paver bricks removed** property-wide – giving a far more natural look to landscaping (In House)
 26. **Rock edging** around indoor pool window fencing (In House)
 27. **Top soil/grass seed** throughout property in sunken and eroded areas (In House)
 28. Removed/Grassed former **horseshoe pits** on front of property (In House)
 29. Designed/Created 2 new cornhole (**bags**) **games with Waterbury Logo** (Ephraim Designs)
 30. Removed several years of **yard waste** from back of property (Generations Landscaping)
 31. Cut down/removed dying pine trees from middle of parking lot area and trash area (In House)
 32. Painting and repair of Waterbury Owned Employee Housing **Units G03, 211** (In House)

In Room Projects Completed:

1. New winter blankets purchased to replace worn out waffle blankets
2. New summer light blankets purchased to replace worn out/stained blankets
3. All rooms now have 43” LG TV’s. The newest ones are “Smart” TV’s
4. All DVD Players now in owner closets for personal use
5. All wiring from TV’s/Cable are now in wire guides painted the same color as the walls
6. All new: Dinner Plates, Salad Plates, Cereal Bowls, Glassware, Flatware
7. Annual Deep Clean Completed – Including Steam Cleaning Upholstery and Carpets

8. All clutter announcements, information, etc. removed from walls. Holes patched/painted.
9. Where possible, moving trash, recycling and step stool under sink and/or to closet with water heater. Significantly opens up some kitchen space to cook instead of dodging plastic.
10. Moving the extra pillow/blanket/sheet for pullout sofa to queen bedroom closet. This is the first place guests look, and the most consistent question we get at the front desk all summer. Far more intuitive spot to find bedding.
11. Doorstops replaced
12. New Ice Trays in all rooms
13. Trash receptacles now white Rubbermaid for durability (old white cans were brittle and often cracked), and to avoid confusion of having two blue trash receptacles that both look like recycle bins.
14. All new TV guides (laminated) and Guest Satisfaction card with new logo.

Current Projects To Be Completed Before “Season” (June 2022):

1. **Public Restrooms Remodel** on 1st and 2nd Floor: Toilet, Countertops, Sink/Faucets, Toilet Paper Dispenser, Mirror, Flooring (faux wood vinyl), Painting, Trim Work, Tiled Baseboards (Reinhard and Floor Mart)
2. **Indoor Pool Shower** Stall/Door (Reinhard)
3. **Main Entryway** between double doors: replacing flooring with perimeter tile and sunken all-weather carpeting which is exchangeable with a second clean carpet inlay to avoid doors being stuck open and to keep our entryway salt/dirt/leaf-free year round. (Floor Mart)
4. **Laundry Room:** replacing original discolored and cracking linoleum flooring with faux wood vinyl to complete the renovation of that room. Painting of walls as final step while appliances are removed for flooring installation. (Floor Mart)
5. **Main inner stairwell and fireplace mantel:** sanding deteriorated blonde stained wood and restaining to match color of great room interior window trim. (In House)
6. **Outdoor Pool Fence:** Spray paint white to finished job the sanders started last fall (Sparkle)
7. **Uplighting Front Of Building:** One spot on sign at front entry, while having two spots highlight the “A” frame of the pool windows (Action Electric)
8. Finding and repairing **outdoor power outlets** at front and rear of building. (Action Electric)
9. Continued landscaping cleanup/shrub planting around building perimeter
10. Replacement of three (3) indoor pool windows with cracked seals
11. Supplying In Unit: **Waterbury Inn Guest Directories**
12. **Paint touchups** (white) on current black-framed hallway lighting
13. Continued upgrades/replacements of **Kitchen Items In Units**
14. **Hallway/Unit/Closet Signage** (logo-oriented design)

Potential Future Projects Contemplated but not currently scheduled:

- Parking Lot
- Additional Fire Pit/Grill Area
- Interior Insulation Building Wide
- Cutting New Closet Areas for potential storage in empty wall spaces
- Bathroom Fan/Light Kits in most bathrooms
- Indoor Pool Fan Replacement
- Unit Door Upgrades: Spy glass, paint, hardware, thresholds
- All hallway trim/baseboards/window casings/flooring
- Taking a hard look at next steps for In Unit Improvements (including windows, flooring, patio carpet)
- Redesign of entire Front Lobby Area
- Updating Great Room/Fire Place
- Sealing existing asphalt walkways for season

Operations:

1. **(See Advanced Reservation Report attached)** We are far ahead of the pace for reservations and advanced deposits compared to any previous year. While we can never be sure until a guest actually checks in, we are seeing positive trends in occupancy for the coming season. Additionally, we've raised our rates not only as a result of keeping pace with our local competitors, but also taking into account rising employee wages, cost of goods, and inflation as well as taking into account the improvements property-wide.
2. **Employment/Hiring:** At this time we've got 8 housekeepers hired for the season. Most are full-time, with 5 to be living on site in our G03 and 211 Units. We will cross train on front desk for those with a desire to learn. None of our hires are J-1's this year. All hires are college students from Green Bay and Milwaukee. Additionally, one young man will be working closely with me as an intern jack-of-all-trades to learn the business as well as be another high energy evening person who can cover a variety of jobs. We have a surplus of applicants at this time – a happy circumstance, but not something we take for granted. The goal is to remove all barriers to having rooms sit empty for lack of housekeeping. Employees will be starting between May 18th – May 25th for their training shifts with most staying on until the first week of September.
3. Jordan Sauve is our head of Housekeeping this year. Dana Metoxen, our former head of Housekeeping, will be returning in a part-time role. Jordan and I have already outlined a **training program and manual for Housekeeping**, which we will use this year.
4. We have started our **Simple IRA program**, and to date we have 4 full time employees participating. This has been a wonderful retention tool for employees.
5. We are currently developing an **Employee Handbook** through Gusto (our payroll service). They've sponsored a webinar which we've been reviewing as a guide for what should be, and what should not be in an Employee Handbook.

6. **Summer Souvenir Sales:** We are in the process of designing our shirts/hats and coffee mugs. Better quality without trying to be all things to all people.
7. Annual and Semi-Annual **inspections** for pest control, Bryant Units (heating/cooling in rooms) to be ready for Season are in the works. As well, we've re-upped our contract with Tru-Green who have made our property look exceptionally healthy all summer long.
8. **Linen cleaning** from "Linen Press" has notified us that prices are going up. We expected this and in many areas of the budget we've already added that inflation rate of 7% knowing this might happen. Many other vendors are following suit.
9. We are beginning to order larger quantities sooner with all supplies as **supply shortages** will again hit us this summer/fall. Already a typical 3 day wait for shampoo is now stretching to 5 weeks. We will be proactive with our ordering procedures.
10. **Pricing of all units** has gone up for Season. This should result in better cash flow for the Waterbury Inn, and better revenue for owners. We continue to monitor specials, competitive rates and the potential to raise prices even more without discouraging occupancy.
11. **Winter occupancy** was not as busy as anticipated, and to that end we are looking at our pricing and other advertising opportunities in the Northern Wisconsin area on radio. Print is quickly going out of style, but radio and tv are strong regionally, and we get most of our winter traffic from areas around Appleton, Oshkosh, Green Bay, Manitowoc, Milwaukee and areas north of Milwaukee. The Christkindl Market did not draw expected numbers, perhaps due to it being the first year. We will monitor that event as it develops, and also look at rates during that time and make competitive adjustments.
12. We continue to accept **minimum 2-night stays** from June 8th – October 31st. This can be adjusted based on training time and efficiency of housekeeping as well as forecasting occupancy trends daily during the summer, but for now, 1-night "Season" stays are on the back burner.
13. **Front Desk and Amenity Hours** have been set for the summer and will be posted online, in the Lobby area and in each room.
14. **Advertising:** We continue to advertise in local print, the Wisconsin Hotel & Lodging Association, seasonally with 106.9 The Lodge, Destination Door County, Ephraim Business Council, our Website, Facebook and sponsorship of several Ephraim events including Fyr Ball, and Music in the Park. As well we're helping sponsor the Door County Half-Marathon. Areas to look in the future are Green Bay/Appleton radio stations, Trip Advisor (online) as well as updating all photos/information currently out there.

Business/Financial

1. We have renewed our business relationship with Bacon CPA, LLC and are thrilled with the attention to detail as well as the guidance we've received to date. From accounting to payroll, record-keeping and bill payment systems, to advice and help with IRS matters, this continues to be a good decision.
2. All banking transactions with owners are now 100% ACH.
3. Vendors/Contractors we said goodbye to in 2021:
 - a. Frontier Communications → Quantum PC Services
 - b. Door County Broadband → Quantum PC Services
 - c. Pool Envy → Neuman Pools
 - d. Merchant Services (credit card processing) → Wind River Financial
 - e. Bay Lakes Information Systems → Zucchetti North
 - f. Henkel Flooring → Floor Mart
 - g. Humanity (Employee Sign In/Out) → Gusto Payroll Services
 - h. Associated Bank → Nicolet Bank
 - i. GoDaddy → In House
 - j. Added → Clear Perspective Advisors, Aurora, IL for Simple IRA
4. Number of **Units Sold in 2021/2022** To Date: 12

RCI Bank Dates:

- 2022: Jan 9-16 Feb 6-13 Mar 13-20 April 10-17 Dec 4-11
- 2023: Jan 8-14 Feb 12-18 Mar 5-11 April 9-15 Dec 10-16
- 2024: Jan 7-13 Feb 11-17 Mar 10-16 April 7-13 Dec 8-14

Owners: Please communicate with us if you:

- | | |
|---|------------------------------------|
| 1. Plan on selling | 4. Change Bank Account Information |
| 2. Plan on becoming part of the RCI Program | 5. Change any contact information |
| 3. Have new artwork for your Unit | |

FOR ALL OWNER INFORMATION PLEASE VISIT: www.waterburyinn.com

OWNER PORTAL PASSWORD: h1mXZb5B

Operation/Innkeeper's Report (past, present, future): Operations, Buildings and Grounds, Replacement Schedule, Projects, Sales Review and Fiscal Report (Chuck Naffier)

- a. The details of the General Manager's report is included with the minutes as Attachment A.
- b. The Advance Deposits Comparison from 2017 – 2022 is also included as Attachment B.
- c. In addition, a brief discussion was brought up about possible insurance options that could be obtained for our employees that management and the board will investigate.
- d. Tom Delahunt also asked for clarification on the rotation system and Rose Mastricola indicated that the rotation system is now based on revenue rather than nights' stays as in the past.
- e. A brief discussion was made about the maintenance costs versus each unit style which may be considered for a review/evaluation in the near future.

Questions/Concerns:

- a. Discussion followed on the need for review of our unit descriptions, incorrect on-line resource information and the appropriate services to use. Emphasis was made to encourage owners to post comments and any photos to Facebook or other sites to show improvements.

Approval of the annual budget: A motion to approve the annual budget was made by Rose Mastricola, seconded by Chuck Frain, and unanimously passed.

Old Business: None

Election for vacant board positions by acclamation: All incumbents, Bill Niemiec, Dennis Kapustka, and Chuck Frain ran unopposed. A motion to approve all of the vacant board positions by acclamation was made by Rose, seconded by Steve Stoffregen, and passed unanimously.

Election for owners' representative positions by acclamation: The sole incumbent running for a owners' representative position was Sheri Mastalish. A motion to approve her as an owners' representative by acclamation was made by Bill Niemiec seconded by Rose Mastricola, and passed unanimously.

New Business:

- a. Rose Mastricola indicated that she had reviewed with an attorney the viability of changing our By-Laws and learned that the By-Laws can be changed and new By-Laws can be implemented with 2/3's of the owners' approval.
- b. A committee was formed to review and revise the current By-Laws in accordance with the state statues and final review by an attorney to be submitted to the owners for a vote.
- c. By-Law changes will enable Waterbury to properly assess charges for such costs as the window replacements in the units which have been determined to be a newly-evaluated cost factor for several of our units.
- d. These and any other changes needed in our By-Laws will be reviewed and updated by the committee.
- e. A final discussion was brought up about the need to review and make changes to our website information that needs to be re-organized and cleaned up which Chuck Naffier indicated he will be handling and updating.

Meeting adjourned at 11:08 am

Board Meeting respectfully followed the Owners' meeting:

Upcoming year board meeting dates (dates subject to change), all meetings will start at 9:00 am.
Owners are always welcome to attend any meeting,

The new positions are as follows:

Board President	Bill Niemiec – 112 & 215
Board Vice President	Rose Masticola – 104
Board Treasurer	Chuck Frain -203
Board Secretary	Mike Gadsby – 122
Board Position	Dennis Kapustka -213
Owner's Rep:	Mary Binder – 107 -
Owner's Rep:	Sheri Mastalish -210
Owner's Rep:	D'Ann Jackson – G01

The board then selected the upcoming year board meeting dates as follows:

June 11, 2022 - (Zoom Only)
September 10, 2022 – (Zoom and in Door County)
November 12, 2011 – (Zoom and in Door County)
January 14, 2023 – (Zoom and in Door County)
March 11, 2023 – (Zoom only – preliminary budget meeting)
April 15, 2023 – (Zoom and in Door County)

Attachments:

Attachment A: General Manager's Report

Attachment B: Advance Deposits Comparison 2017-2022

Respectfully Submitted

Mike Gadsby

Board Secretary

Unit 122