

September 10, 2022

General Manager Report

Property: Property is in good shape after a busy summer tourist season. Some minor issues dealt with that will need some resolution in the long term:

- 1) Two water leaks in the summer months:
 - a. Water main outside 1st floor exercise room: repaired, but indicates that the plumbing throughout the building should be looked at to avoid unpleasant events like this in the future.
 - b. Drainage from AC condenser unit in upstairs furnace room caused leaks into the exercise room, requiring new dry wall ceilings and a look at our system by Synergy in the furnace room. Recommendations were made by Synergy. Judging by the water stains in the existing drywall when we took it down, this was not the first time water damage has occurred in this area of the building.
- 2) Minor leaking in the plumbing in our indoor pool room:
 - a. We've been given a 2 year plan by Neuman Pools for gradual replacements, repairs and upgrades for both the indoor and outdoor systems.
- 3) Landscaping:
 - a. Continues in-house with Chuck, Nate and Andrew taking turns in all outdoor areas. The front side of the building is almost complete, with grass and rocking completed. Fall décor/flowers being planted this week. We turn our attention to the back of the property this fall.
- 4) Electric:
 - a. Still waiting for Action Electric to finish a couple areas of downlighting on the main A Frame of the building, and removing some older lighting by back grill area that has long-since fallen into disuse.
 - b. Will be replacing older light fixtures on outside poles as well as indoor lighting in stairwells and Front Desk entry area. Being held together with tape at this time. Sockets will hold regular long-life bulbs vs. the old incandescent candelabra style bulbs.
 - c. Waiting on Itemized List from Action for ways to create a better environment in the indoor Pool maintenance closet.
- 5) Estimate/Quote process in place for:
 - a. Electric Vehicle Charging Stations in future
 - b. HVAC upgrades (received)
 - c. Plumbing evaluations (including hot water heater in laundry)
 - d. Pool Upgrades/Repairs (received)
- 6) Items still on the agenda from past meetings:
 - a. Parking Lots/Walkways/Front Entry Concrete
 - b. Hallway upgrades: Carpet, Wood Trim, Room Numbers, Signage, Owner Doors
 - c. Fire Pit/Grill Area Expansion
 - d. Window Replacement in rooms (Pella and Tielen Construction)
 - e. Outdoor patio carpeting (FloorMart)
- 7) Fall inspections from Wisconsin Dept of Agriculture for pools and rooms were completed August 24th. This is an annual inspection. Minor flagged are proper documentation of past pool work

(prior to 2020) and updating room pricing information on the small card on the back of the owner doors. There may be future requirements with the spacing of the picketing/posts on patio fencing and lofts of 2 bed units. Overall, passed with flying colors.

- 8) Water room currently undergoing some minor repairs: Solenoids have gone out on 2 of our UV units. New parts have been ordered through Culligan.

Financials/Employment/Operations:

- 1) Financials (bottom line) are remarkably close to budget at this time. We're over and under in certain areas, but the bottom line shows we were fairly accurate with overall for 2022. While occupancy was down relative to 2021, we are still far ahead of the occupancy rates prior to 2021. The price point of the rooms have put us a little further into the black than last year despite the lack of ERC and PPP loans we received during the course of the 2021 season.
- 2) Financials have been provided to the Board through August 31st, 2022.
- 3) Employee Pay/Benefits:
 - a. Summer help (5 college students) all made \$18.00/hr with no benefits taken. All completed the season as of September 1st.
 - b. Currently operating on winter staffing levels, and are seeking another front desk person after Ron Stone left his position on July 11th for medical reasons. Pay raises have been made for current staffing. 4 of our 5 employees are currently taking advantage of the Simple IRA program. 1 new hire starting September 11th.
 - c. We've reached out to INTRAX (based in California and Washington) for J-1 information for the 2023 season
- 4) Advertising: Looking into electronic billboards in 3 markets for the months of November and December in Naperville, IL (I-88), Milwaukee (I-43) and Green Bay. Radio ads being considered for Appleton/Oshkosh/Green Bay area. Print is quickly losing steam nationally.
- 5) Online updates: New virtual 360 degree tours of the property and each room type will be posted this week online. This should be a major upgrade in our presence out there, since all third party booking sites harvest our website information/photos. We continue to attempt to take down/update out-of-date photos at various online locations.
- 6) Outdoor Pool will be closing on October 3rd. Neuman Pools will complete closing on October 10th.
- 7) 2023 Room Pricing will be completed in late October after reviewing fall financials. Most likely we anticipate a 5-7% increase in rates to cover the costs of materials/supplies and staffing.
- 8) In Room Directories have been proofed, and final products will be placed in the rooms after printing is completed (Brown County Graphics in Sturgeon Bay).
- 9) In Room Replacement Items continue: We've been doing this in phases to avoid maxing out our credit card in case of emergency spending needs. Next items will be the larger ticket items of pots/pans/lids. The overwhelming response from return guests is that the upgrades have been appreciated.