

June 10 2023 GM Property/Financial/Operations Report

Introduction:

This will be a brief summary of the activities of the past two months since the last report in April.

Season is upon us and we are ready.

Major indoor/outdoor/office property improvements since our April Owners Meeting Include:

1. **Duncan Flooring** completed the installation of all new common area carpeting. This includes protective nosing for the stairs. The project was completed on June 7th with minimal disruptions to the business, and only minor inconveniences to a small number of guests. I reached out individually to any guests who experienced any difficulty during their stays.
2. Part of the contracted requirement of having Duncan doing work here was to supply a 20-yard dumpster for carpet remnants and installation trash. We needed two dumpsters, which we rented from Going Garbage here in Door County at the cost of \$500.00 each.
3. **Outdoor Pool Area:** New water heater installed just prior to pool opening on May 18. This was in conjunction with reconnecting the propane lines to the new heater (Door County Co-op & Neuman Pools). The second half of the auto-chemical feeder installation took place at the same time.
4. **Outdoor Pool Fencing:** Fresh white Rustoleam Paint applied to most fencing. All umbrella-stand concrete weights repainted black.
5. **Electrical:** We've had three different electric repair companies do some work for us since contractors here are notoriously unable to meet scheduling commitments. We've completed the installation of the downlighting on the main A-frame of the building. We've installed separate receptacles in the indoor pool maintenance closet for power to the auto-chemical feeder system. We've installed or repaired missing or damaged power receptacles on two of the parking lot light towers.
6. **Cold air return and venting fan:** Installed in indoor pool maintenance closet to keep temps lower in our chemical storage area.
7. **Fire Alarm Panel:** Fire alarm panel burned out at 3:15 am on May 22. Alarms sounded around the building and even the fire department couldn't get them turned off. Turns out the end-of-life on that panel was 2010. We went on fire-watch (which means walking the hallways every 2 hours 24 hrs/day). CEC (our fire alarm system company) was able to do an emergency installation on May 26th before the Memorial Day Weekend.
8. **Plumbing:** Reinhard Plumbing came out to repair several major leaks in our plumbing related to the outdoor water spigots and the outdoor pool drinking fountain (bubbler) when we turned on the outdoor systems on May 11th. We're looking into having a more easily accessible system since currently we have to crawl under original construction dirt under the building to reach the shut-off valves (a skinny, young person's job I wouldn't wish on anyone!).
9. **Children's Play Set:** This is nearing the end of life and can be replaced using Rental Accounts in the future. Some reinforcement of joints and bolts was completed to get us through season.
10. **All front landscaping/gardening is completed for season.** Planting of new perennial garden in the front of building, reseeding of new grass from last season, leveling of rocky area next to

outdoor pool/parking lot. Rear landscaping in progress on retaining wall and clearing Garden Level rock/shrub areas.

- 11. Potholes in Parking Lot:** All have been filled with cold patch asphalt. This is a temporary fix, but adequate for the season.

In Room Projects:

At this time of the season we maintain the rooms. Occasional replacement of a bad appliance may occur from time to time along with the “cost of doing business” damage to smaller items like coffee makers, or carpet stains and scuffs in paint, replacement of HDMI cables, etc. When it comes to larger ticket items like appliances, I will always reach out to owners to inform them of any significant upcoming charge.

The **In Room Directories** have been a big hit with guests, and we will be upgrading them to more durable 3-ring binder padded folders with our logo and contact information clearly visible in gold print on a dark blue background. These will be placed on the TV stands next to the cable guides and guest satisfaction cards to avoid clutter in the rooms.

Current Projects To Be Completed:

1. **Hallway/Unit/Closet Signage** (logo-oriented design – install after completion of carpeting)
2. **Owner Room Doors:** Upgraded key-lock knobs, hinges, spyglasses, thresholds, safety locks, paint style (this is on hold for financial reasons).
3. **Replacement of Public Restroom Mirrors**
4. **Hot Tub Pool Jets:** The electric motor driving the air through the jets has burned out. We have received and accepted a quote from Neuman Pools for replacement of the motor – potentially as soon as June 27th.

Potential Future Projects Contemplated but not currently scheduled:

- Parking Lot – if not a complete teardown/rebuild, consider paving from street to front entryway of building and installing grates at front for drainage down hill on front property.
- Removal of 3 dead trees on front rock wall near play area.
- 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
- Taking a hard look at next steps for In Unit Improvements (including windows, Bed frames, flooring, patio carpet)
- Redesign of entire Front Lobby Area
- Updating Great Room/Fire Place
- Sealing existing asphalt walkways for season

- The plumbing system in the building is original, and we should expect that certain water systems will begin to fail in the next couple of years. Additionally, we had several water main leaks that caused ceiling damage last summer (2022). At some point an inspection and plan would be a good idea to put in place for replacement.
- Replastering Indoor Pool (On immediate table for 2024)
- Replastering Outdoor Pool (should be 2025).
- Replacement of Patio Furniture
- Replacement of Window/Patio Screens Throughout Building

Operations:

1. **(See Advanced Reservation Report attached)** We continue to be ahead of last year's record-setting pace. We will continue to monitor pricing and are opening 1 bedroom units for 1-night stays M/T/W/Th through Sept 1 with the exception of the week of July 4th.
2. **Staffing:** New Hires:
 - a. Front Desk Nights/Weekends (Full Time) – Filled by year-round person.
 - b. J-1 Visa Students: 3 of our 4 have arrived, with the 4th arriving on June 17. (2 from China, 1 from Turkey, 1 from Khazakstan)
 - c. Part Timers: We've hired 4 additional part-timers housekeepers (two local, two J-1's from Mongolia working at Pine Grove Resort in Ephraim)
3. **Year-Round Staffing:** We've retained our one full-time person (Andrew) and our Maintenance/Housekeeping Backup Ron H. We are currently looking to replace our Head of Housekeeping as she walked off shift in the middle of Day 2 of her 2 week notice period. Frankly, we are more efficient after the departure than we were before. We wish her the best.
4. Tru-Green Lawn Services and Mosquito Squad have been out for regular visits to keep the property pleasant for guests.
5. **Linens:** We're in the process of removing older linens from our inventory, and Linen Press has been adding new ones to our supplies. This will take some time to complete the turnover but the process has begun
6. **Summer Supplies:** We have over-stocked all cleaning and pool supplies in anticipation of any supply-line shortages. We are well-covered at this time. Our suppliers are Warner-Wexel and Northwoods.
7. **Front Desk and Amenity Hours** have been set for the summer and will be posted online, in the Lobby area and in each room. Front Desk currently is open 8:00 am – 8:00 pm M-F, and 9:00 am – 7:00 pm Sat/Sun. These are hours that include phone operations. We are, of course, still open property-wide until dark for outdoor pool, and 10:00 pm for indoor amenities. We do have

front desk available for in-house calls and emergencies until 9:30 pm on M/T/W, while the GM covers emergency overnight calls.

Business/Financial

1. All owners have been notified by Board President Bill Niemiec of the additional assessments being applied to the July and October Quarterly Maintenance Fees.
2. We may need to borrow from our Reserve Fund in the short term to cover budget shortfalls in Maintenance. Funds would be put back into the Reserve Fund as QMF's come into our accounts in July and October 2023.
3. Number of **Units Sold Since April 2023:** 1

RCI Future Bank Dates:

- 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
- 2025: Jan 12-18 Feb 9-15 Mar 9-15 April 13-19 Dec 7-13

Owners: Please communicate with us if you:

1. Plan on selling
2. Plan on becoming part of the RCI Program
3. Have new artwork for your Unit
4. Change Bank Account Information
5. Change any contact information (if you move)
6. Please make Owner Stay Reservations by calling our Front Desk. Emailing GM may slow down your reservation process if I'm out of town or busy with other projects.
4. Change Bank Account Information
5. Change any contact information
6. Please make Owner Stay

FOR ALL OWNER INFORMATION PLEASE VISIT:

www.waterburyinn.com

OWNER PORTAL PASSWORD: h1mXZb5B