

January 13 2024 GM Property/Financial/Operations Report

Introduction:

This is a summary of the activities of the past two months since the last report in November 2023. January brings snow and winter upgrades and deep cleaning to the Waterbury Inn. We were 72% filled over New Year's Weekend with New Year's Eve being a Sunday night this year and no snow on the ground. Once again the Waterbury Inn lit up the area with spectacular holiday lights, which garnered wonderful compliments from guests and area residents alike.

Indoor/Outdoor/Property Updates since the November Owners Meeting Include:

1. **Water Room/Well:** Quotes have been received from Anschutz Plumbing, Custom Fence and Neuman Pools for the well project that's been presented. Diggers Hotline has been out to mark the property. Door County Coop (propane) and Action Electric (buried cables) have been contacted. We've been informed that the water system will fail – it's just a matter of time in the very near future without repairs/replacement. Initially we were trying to find a wellhead replacement through the Euclide Well Drilling company – but they cannot find the required wellhead anywhere. It is an uncommon item and no longer in use. The solution seems to be a replacement of the system which would require 7 different companies to be involved in some excavation and relocation/reinstallation of existing infrastructure outside of Unit 102. This is a developing situation as more quotes come in. This upgrade would eliminate the need for the older water tanks in the room, which have been problematic. The Board is aware of the situation.
2. **Indoor Pool Seasonal Shutdown Scheduled:** The indoor pool and hot tub will be drained, and the maintenance staff will conduct needed repairs and cleaning of all systems. We are trying a new cleaning solution to combat the challenge of the concrete stamped floor that holds dirt like a magnet. **Close Date: February 18th Re-opening: February 29th**
3. **Projects Approved By Board:**
 - a. HVAC Replacement (Furnace/AC 1st and 2nd floors)
 - i. Begins on January 15th 2024
 - b. Replacement of outdoor playset
 - c. Replacement/Upgrades of lobby furniture
 - d. Replacement/Upgrade of carpet in lobby great room
 - e. Replacement of Door Knob Hardware for owner main entry doors. (Currently pricing and looking for local installers).
4. Room Numbers and Property Directions with wall placards are going up.
5. Room Directories will be printed in a more durable format once our cable package is finalized this winter.
6. Spectrum Cable is replacing our coax cable systems with fiber. The quality of signal, available channel packages and the speed will improve overall performance, much to our guests' delight. This is scheduled to happen by April 2024. The pricing change is minimal.
7. Replacement of current linens in Owner Rooms. The current bedding is 7 years old and shows signs of wear (Standard Textile). *We continue to look at options for platform beds, eliminating*

the need for cleaning under the beds, and quicker turnaround time for housekeeping, while providing better support for the mattresses.

8. Replacement of Patio Carpeting for Units that have patios (Carpet One Flooring).
9. Replacement of Building Fire Panel with call-in capability to Fire Station. Currently our system requires manually dialing 911 even if fire alarms go off.

In Room Progress:

In Unit Bathrooms: The Board has decided to replace the bathroom venting fans with the same model as currently exists on an individual basis, with the same capacity as we currently have.

Appliances: We continue to replace individual appliances (microwaves, dishwashers, refrigerators, etc.) as necessary on an individual basis in the absence of a replacement program building-wide.

Garden Level Units: We still need a long term plan for the mustiness and humidity in the units and in the hallways for the Garden Level. Until we see the condition of the subfloor and concrete slabs, we won't truly know the conditions that need to be addressed.

In Room Flooring: Quotes have been submitted by Carpet One with options for flooring upgrades in Owner Units. Options for plans include having only carpet in bed and stairwell areas, while another option is to just replace all carpet with new carpet and keep the same configuration. Board is reviewing options.

Deep Clean & In Room Inventory: Ongoing

Current Projects To Be Completed:

1. **Replacement of Public Restroom Mirrors (to be completed after season)**
2. **Manager's Unit:** The BOD and the GM have agreed that there are upgrades and quality of life repairs that are necessary in the Manager's Unit. These include carpet replacement, flooring repair/replacement (as needed), baseboard/trim replacement, wall painting, baseboard heating replacement, main entry door and patio door replacement and interior doors throughout the unit. Action Electric (baseboard heaters), Carpet One (carpeting/flooring) and Home Depot (doors and trim) have been contacted to date.
3. **Chimney Cleaning**
4. **Removal of 3 dead trees** on front rock wall near play area. (Dave's Tree Service scheduled)

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.
- Additional Fire Pit/Grill Area
- Interior Insulation Building Wide
- Replacement of building windows as necessary (many are in need of replacement)
- Cutting New Closet Areas for potential storage in empty wall spaces

- Indoor Pool Fan Replacement
- Redesign of entire Front Lobby Area
- Updating Fire Place
- Sealing existing asphalt walkways for season
- Replastering Indoor Pool & Decking Resurfacing (Should be 2025)
- Replacement of Pool Water Boilers
- Replastering Outdoor Pool (should be 2025).
- Replacement of Patio Furniture for Deluxe I & II Units
- Replacement of Window/Patio Screens Throughout Building
- Upgrading/Redesign of main stairwell woodwork/handrails

Operations:

1. **Reservations** for 2024 are currently ahead of last year's pace with return guests booking early. Pricing has been set with a 7% hike in room prices from Memorial Day Weekend through the end of October. We have budgeted with the projection of a downturn in tourism in Door County after 2 peak seasons in a row.
2. **Waterburyinn.com Upgrade:** We've requested TravelSolutions to come up with next level website presence. We await pricing information.
3. **Staffing:**
 - a. Front Desk Nights/Weekends is currently fully staffed.
 - b. J-1 Visa Students: InterExchange is the company we are working with at this time. We currently have filled our 5 vacancies for the summer. All female to accommodate living in the same 2 bed unit (Room 211).
 - c. Houskeeping is currently fully staffed for winter.
 - d. Maintenance is currently fully staffed.

Business/Financial

1. The Preliminary Budget has been completed and sent to the BOD for discussion.
2. At a previous meeting, the subject was brought up about how to protect the WBI bank accounts with FDIC Insurance only covering so much at a single institution. *While there seemed to be agreement that some action should be taken, to date this is still on the table.*
3. Secura Insurance has provided 2024 rates.
4. 2024 Quarterly Maintenance Fees have been set by the Board.
5. Number of **Units Sold Since November 2023:** 0
6. Number of **Units For Sale** Currently: 8

RCI Future Bank Dates: (Specific November Dates are being considered for 2024 moving forward)

- 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.
7. Plan on photo shoots in rooms or have Realtors planning visits.

FOR ALL OWNER INFORMATION PLEASE VISIT:

www.waterburyinn.com

OWNER PORTAL PASSWORD: h1mXZb5B