



*22 Station Owners Association Board of Directors &
Palisades Tahoe Hospitality Management
October 9, 2021*

GUIDELINES

- All participants will be muted except for the Host, Board and presenting Staff.
- While we'd love to see your faces, you may choose to have your video on or off. You may also choose to call in.
- Please make sure we know you are participating by updating your full name. To do this click on the 3 dots in the upper right corner of your screen and select rename.
- All questions and/or comments shall be reserved for Open Forum.
- Use the Chat function to submit your comments and question(s) and you will be added to a queue for the Open Forum.
- In Open Forum, the Host will share your comment or questions and unmute you, if requested, however comments must be limited to 3 minutes.

AGENDA

10:15am – 11:00am

- Introductions
- HOA Financials
 - Dues Collection
 - Operating Funds
 - Reserve Funds
- Property Management (PTH)
- Commercial Update
- Open Forum

11:00am -11:15am

- Residential Director Board Election
- Arthur Chiang's board position is up for election

INTRODUCTIONS

22 STATION OWNERS ASSOCIATION

■ Physical Real Estate

- 151 Residential Units, 55 Commercial Units
- Common Area – Exterior Roofs, Walls and Windows, Walls between Units, Ceilings, and Floors, Hallways, Doors, Spa, Elevators, Lobbies, HVAC, Boilers, and Other PP&E

■ 151+ Homeowners and one Commercial Owner with 32 tenants

■ 22 Station HOA Board of Directors

- Arthur Chiang, President, Homeowner
- Jon Grant, Treasurer, Homeowner
- Mike DeGross, VP Palisades Tahoe Resort Services

INTRODUCTIONS

PROPERTY AND RENTAL MANAGEMENT

PALISADES TAHOE HOSPITALITY

- **Property Management for HOA**
 - Maintenance, Housekeeping, Front Desk Services and Management of HOA Common Area
 - Performed by Palisades Tahoe Hospitality as an agent of HOA
- **Rental Management Independent of HOA**
 - Rental Agent and Property Management of individual Homeowner Units
 - Individual Homeowners have a rental and individual unit property management agreement with Palisades Tahoe Hospitality
- **Additional Services Provided for a fee by Palisades Tahoe Hospitality for Individual Homeowners and their units with mutual consent**
 - Telephone
 - Wi-Fi
 - Maintenance

22 STATION HOA FINANCIAL UPDATE

- GOAL = Annual Break-even budgeting; prudent fiscal management and application of Reserve Funds
 - ❖ Where Do My Dues Go?
 - ❖ FY 2020-21 Budget and Actuals and FY 2021-22 Budget
 - ❖ Reserve Fund
 - ❖ Prior Period Financial Performance

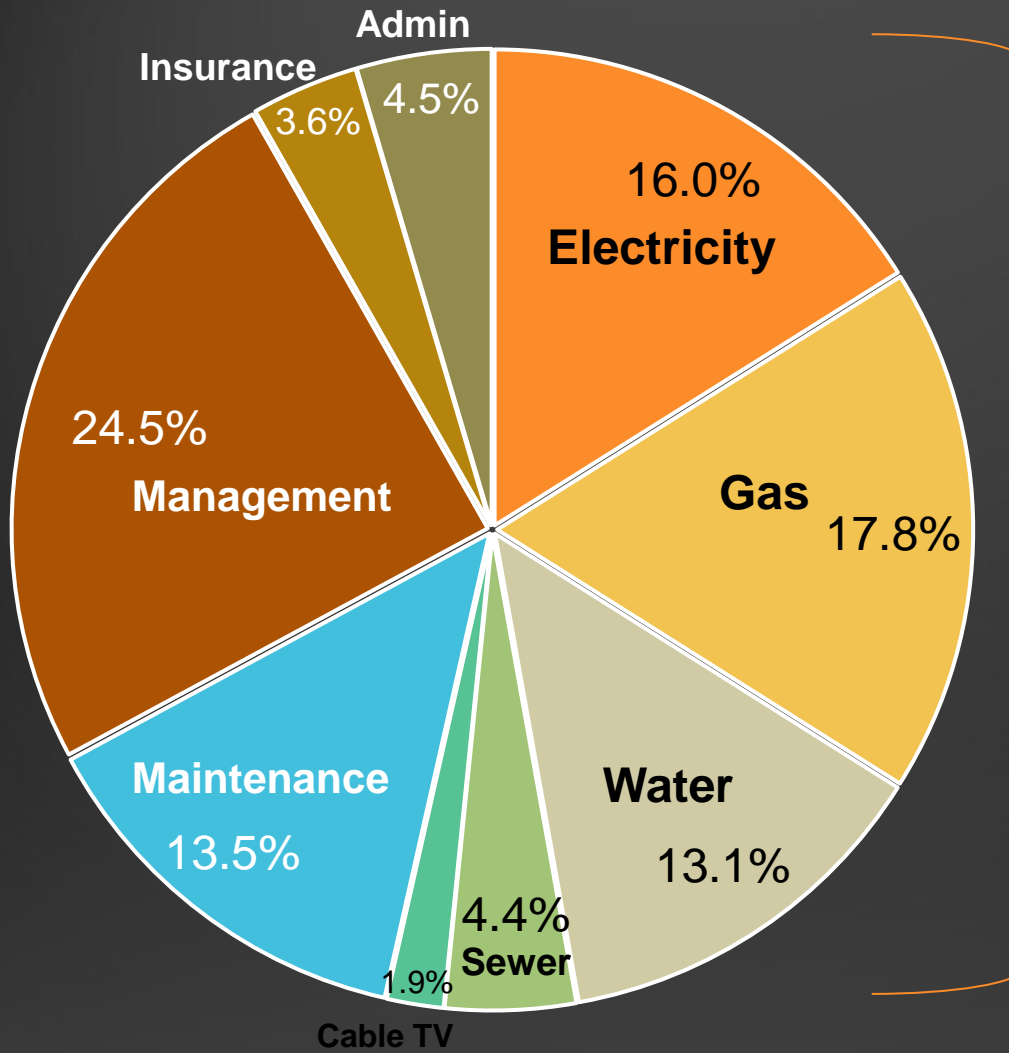
DUES COLLECTIONS

- Sole Source of Funding for HOA
- GOAL = Fulfill HOA obligations to collect dues & meet financial responsibilities
- Payable quarterly: Jul 31, Oct 31, Jan 31 & Apr 30
- Dues Collections & Enforcement Policy
 - ❖ Digital (“Paperless”) Statements
 - ❖ Online Payment and Mail-in Payment Options
 - ❖ Late fees assessed if dues not paid 15 days after due date
 - ❖ Finance charge assessed if dues not paid 30 days after due date
 - ❖ Account sent to collection when account is two quarters past due
 - ❖ Potentially Amenities Suspension after Board Hearing and Decision
- Allied Trustee Services provides collection services to Association
 - ❖ As of 10/8/21 there are no delinquent accounts

USES OF DUES: OPERATING BUDGET 2020-2021

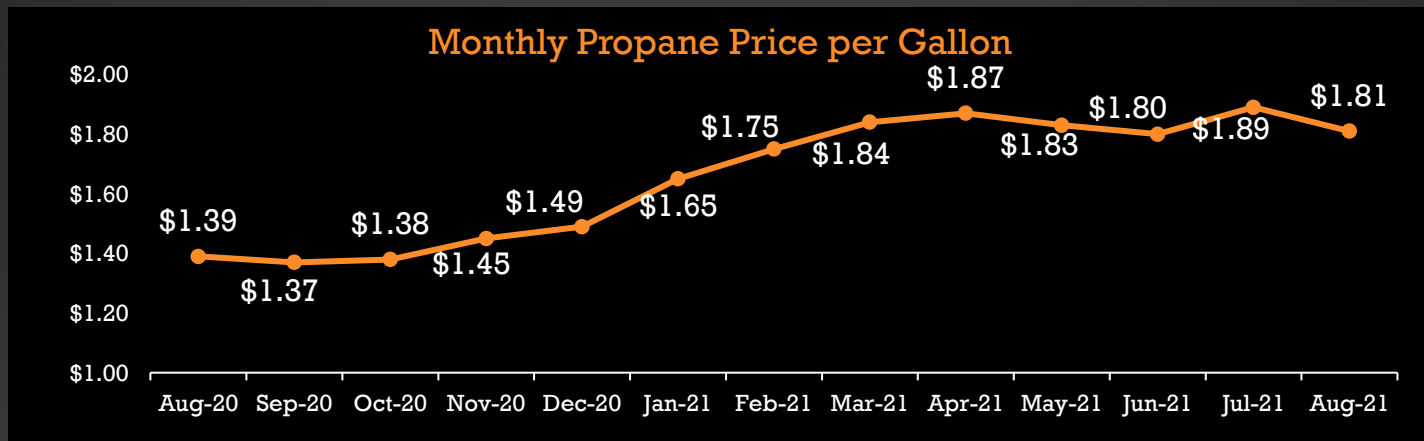
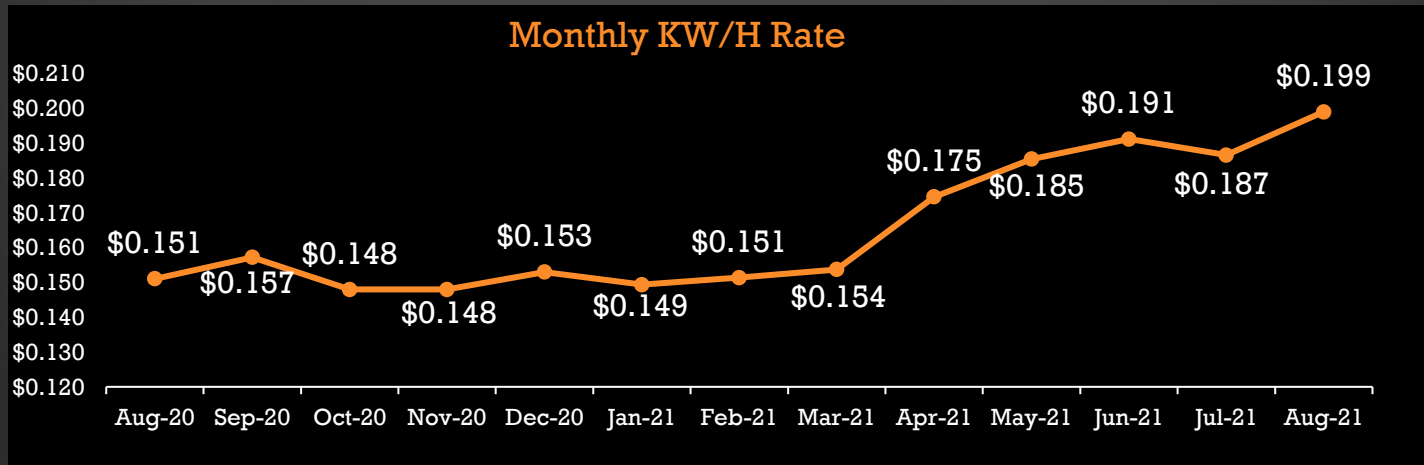
- Actual Revenues were **\$1,397,105** for year end 6/30/2021
(2021-2022 budget = **1,413,245**)
- Actual Expenses were **\$1,426,253** for year end 6/30/2021
(2021-2022 budget = **1,415,332**)
- No Special Assessment in 2020-2021
- Utility expenses comprised **54.1%** of total actual expenses in 2020-2021
- Budget anticipates increases in water and electricity rates

BUDGET: OPERATING FUND 2021/2022 USES



Utilities = 53.2%

GAS /ELECTRICITY PRICE HIKES SINCE MARCH 2021 AND PROSPECTIVE RATE HIKES NOT REFLECTED IN FY2021-22 BUDGET



ENERGY MANAGEMENT

- Expected changes in energy expense
 - Re-negotiated propane contract for better terms
 - Liberty Utilities increased rates 30% in 2021 and projects another 30% in 2022
 - Actions to lower energy usage
 - Lower thermostats after departure
 - Fireplace pilot light management
 - Maintenance of air conditioning units
 - Encourage LED light bulbs replacement
 - Monthly tracking of:
 - Occupied Rooms
 - Snowfall
 - Electric Expense, KWH used and Cost per KWH
 - Propane Expense, Cu Ft used, Gallons delivered and Cost per Gallon
- *Information available at every meeting as handouts or via email upon request.

INSURANCE POLICIES

- Property and Casualty Insurance -- \$68,500,000 of coverage, annual premium of ~\$63,000, \$5,000 deductible per event
 - Primary Insurance Coverage for Buildings 4 and 5
 - Depending upon nature of event, HOA, Homeowners(s), and/or Commercial Owner, can be responsible for non covered expenses because of the deductible/negligence
 - Homeowners may consider having HO6 insurance
- No Earthquake Insurance Policy in Effect

USES OF DUES: FUND RESERVES

- ❖ Reserves used to fund long-term capital projects only
- ❖ Per CA state law, these funds cannot be used for operating expenses
- ❖ Monies invested in money market funds, U.S. Treasuries, interest bearing bank accounts, and Certificates of Deposit – no principal at risk
- ❖ Current balance of \$2,670,725 (as of 6/30/21)

RESERVE FUNDS

- Roofing repairs, spa repairs, hot water system, snow melt, HVAC, structural repairs. Annual inspection of reserve study items.
- Annual review of reserve study, funding, and replacement schedule
- FY 2020-2021 major projects completed:
 - Garage Doors (project ongoing)
 - Building 4 front door
- FY 2021-2022, Potential PP&E Repairs and Capital Improvements:
 - ❖ Spa replastering
 - ❖ Replacement of failed window panes
 - ❖ Snow slide mitigation
 - ❖ Ethernet/Internet Access
 - ❖ Other

RESERVE STUDY

22 Station Owners Association
 Thirty-Year Cash Flow/Capital Budget Summary
 July 1, 2021
 Financial Exhibit

Number of Units, 7/1/2021	206
Annual capital assessment, 7/1/2021	\$ 177,806
Average CY assessment/Interval	\$ 863
Average increase/Interval	-
Inflation rate	3.00%
Interest rate on investments	0.50%
Tax rate on investment income	0.00%
Capital contingency rate	0.00%

Year	Annual Percent Change to Capital / Reserve Assessment	Capital / Reserve Account Beginning Balance	Expired Useful Life of Components Expressed in Dollars aka "Fully Funded"	Percent Ratio of Fully Funded Value to Capital / Reserve Balance	Annual Dollar Change to Capital / Reserve Assessments	Annual Member Capital / Reserve Assessment	Annual Avg. Capital / Reserve Assessment / Interval	Change in Avg. Annual Capital / Reserve Assessment / Interval	Monthly Avg. Capital / Reserve Assessment / Interval	Change in Avg. Monthly Capital / Reserve Assessment / Interval	Estimated Interest, Net of Tax	Annual Expenditures	Capital Contingency	Ending Balance
7/1/2021	0.00%	2,547,000	2,604,868	97.78%	-	177,806	863	-	72	-	11,868	(524,737)	-	2,211,937
7/1/2022	2.00%	2,211,937	2,978,364	74.27%	3,556	181,362	880	17	73	1	10,437	(430,249)	-	1,973,488
7/1/2023	5.00%	1,973,488	2,955,117	66.78%	9,068	190,430	924	44	77	4	9,372	(388,653)	-	1,784,637
7/1/2024	5.00%	1,784,637	2,987,956	59.73%	9,522	199,952	971	46	81	4	9,113	(124,153)	-	1,869,548
7/1/2025	10.00%	1,869,548	3,285,016	56.91%	19,995	219,947	1,068	97	89	8	9,670	(91,031)	-	2,008,134
7/1/2026	12.00%	2,008,134	3,617,266	55.52%	26,394	246,341	1,196	128	100	11	9,344	(524,927)	-	1,738,892
7/1/2027	12.00%	1,738,892	3,436,640	50.60%	29,561	275,901	1,339	143	112	12	8,210	(469,507)	-	1,553,496
7/1/2028	12.00%	1,553,496	3,387,596	45.86%	33,108	309,010	1,500	161	125	13	7,544	(398,521)	-	1,471,529
7/1/2029	12.00%	1,471,529	3,352,281	43.90%	37,081	346,091	1,680	180	140	15	7,544	(271,457)	-	1,553,707
7/1/2030	12.00%	1,553,707	3,524,645	44.08%	41,531	387,622	1,882	202	157	17	8,515	(89,185)	-	1,860,658
7/1/2031	12.00%	1,860,658	3,921,021	47.45%	46,515	434,136	2,107	226	176	19	8,501	(755,024)	-	1,548,272
7/1/2032	12.00%	1,548,272	3,667,641	42.21%	52,096	486,233	2,360	253	197	21	7,282	(670,123)	-	1,371,662
7/1/2033	12.00%	1,371,662	3,550,075	38.64%	58,348	544,580	2,644	283	220	24	6,159	(824,299)	-	1,098,103
7/1/2034	5.00%	1,098,103	3,316,483	33.11%	27,229	571,809	2,776	132	231	11	5,873	(418,855)	-	1,256,930
7/1/2035	5.00%	1,256,930	3,497,463	35.94%	28,590	600,400	2,915	139	243	12	7,087	(279,365)	-	1,585,052
7/1/2036	0.00%	1,585,052	3,813,446	41.56%	-	600,400	2,915	-	243	-	8,445	(392,526)	-	1,801,370
7/1/2037	0.00%	1,801,370	3,991,920	45.13%	-	600,400	2,915	-	243	-	9,762	(298,446)	-	2,113,086
7/1/2038	0.00%	2,113,086	4,311,607	49.01%	-	600,400	2,915	-	243	-	10,709	(542,793)	-	2,181,402
7/1/2039	0.00%	2,181,402	4,418,402	49.37%	-	600,400	2,915	-	243	-	10,968	(575,833)	-	2,216,938
7/1/2040	0.00%	2,216,938	4,500,404	49.26%	-	600,400	2,915	-	243	-	11,453	(453,124)	-	2,375,667
7/1/2041	0.00%	2,375,667	4,721,604	50.31%	-	600,400	2,915	-	243	-	11,420	(783,623)	-	2,203,864
7/1/2042	0.00%	2,203,864	4,608,325	47.82%	-	600,400	2,915	-	243	-	10,795	(689,975)	-	2,125,084
7/1/2043	0.00%	2,125,084	4,650,585	45.69%	-	600,400	2,915	-	243	-	10,082	(817,686)	-	1,917,881
7/1/2044	0.00%	1,917,881	4,596,211	41.73%	-	600,400	2,915	-	243	-	8,930	(864,200)	-	1,663,011
7/1/2045	0.00%	1,663,011	4,525,368	36.75%	-	600,400	2,915	-	243	-	9,002	(325,596)	-	1,946,817
7/1/2046	0.00%	1,946,817	5,003,536	38.91%	-	600,400	2,915	-	243	-	9,771	(585,467)	-	1,971,521
7/1/2047	0.00%	1,971,521	5,240,903	37.62%	-	600,400	2,915	-	243	-	10,984	(149,793)	-	2,433,112
7/1/2048	0.00%	2,433,112	5,918,601	41.11%	-	600,400	2,915	-	243	-	12,405	(504,628)	-	2,541,290
7/1/2049	0.00%	2,541,290	6,259,792	40.60%	-	600,400	2,915	-	243	-	12,892	(526,349)	-	2,628,233
7/1/2050	0.00%	2,628,233	6,596,698	39.84%	-	600,400	2,915	-	243	-	12,962	(671,993)	-	2,569,602

FINANCIAL REPORTS

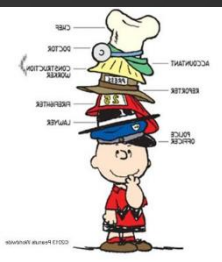
- 2020- 2021 Year End Income Statement
- 2020- 2021 Year End Balance Sheet
- 2020- 2021 Performance Against Budget

Who is Palisades Tahoe Hospitality (PTH)?

- Palisades Tahoe Hospitality was formed in 2001 when the Village was first built to serve as the on-site manager.
- Today Palisades Tahoe Hospitality is the hospitality division of Palisades Tahoe Resort that is responsible for Property Management, Rental Management, and Owner Services.
- Palisades Tahoe Hospitality works to create a symbiotic relationship between the HOA, owners, rental guests and amenities.

Functions of Palisades Tahoe Hospitality:

- **Property Management**
 - PTH is hired by the HOA to be the on-site property manager
 - 22 Station and PTH are engaged in a contract called the Property Management Agreement
 - Administrative, Accounting, Maintenance, Housekeeping, Owner Services, and more
- **Rental Management**
 - Optional on-site rental manager
 - Owners and PTH are engaged in a contract called the Rental Management Agreement
 - Marketing, Sales, Reservations, Guest Relations, Administrative, Accounting, Maintenance, Housekeeping, Owner Services, and more
- **Owner Services**
 - Homeowner Accounting
 - Phone & Internet
 - In-unit non-HOA related maintenance
 - Mail & Deliveries



Property Management

Palisades Tahoe Hospitality

Palisades Tahoe Hospitality - Department Structure

- Christy Beck, General Manager
 - Michelle Smith, Assistant General Manager
 - Gabe Perez, Front Desk Manager
 - Joe Farkas, Front Desk Supervisor
 - Julia Bennett, Front Desk Supervisor
 - Stacia Lange, Owner Experience Manager
 - Adrienne Derry, Lodging Administrative Assistant
 - JC Goldrup, Housekeeping Director
 - Beatrice Serabia, Housekeeping Assistant Manager
 - Ronnie Whitelaw, Chief Engineer
 - Andy McGuidwin, Assistant Chief Engineer
 - Morgan Farrell, Director of Marketing
 - Marlena Freitas, Director of Sales
 - Steffan Vigano, Director of IT

Property Management

Palisades Tahoe Hospitality

Property Management

- On-Site 24/7
- Front Desk Services for Homeowners
- Administration
 - Liaison between Accounting firm and HOA/owners
 - Meeting Prep, Agendas, Board Packets, Minutes
 - Association Information/Projects
 - Reserve Study
 - Insurance
 - Escrow assistance
 - Compliance with governing docs and laws
 - Utility and maintenance billing
- Maintenance
 - Common Area Maintenance
 - Spas & Fitness Areas
 - Routine/Preventative
 - Boilers
 - HVAC
 - Village Public Spaces
 - In-room maintenance on HOA owned property (ex: entry doors, windows)
 - Mitigation of losses
- Housekeeping
 - Interior public space and common area
 - Hallways, restrooms, lobbies

Rental Management

- Oversee rentals of units on the PTH rental program.

Includes:

- Sales and marketing
- Revenue management
- Upkeep of units
- Inventory of units
- Front desk services
- Daily housekeeping
- Monthly statements
- Concierge services
- Replacement of inventory at no charge (specific items)

Property Management

Palisades Tahoe Hospitality

Key Procedure (valid May 2022)

- Keys distributed each year in May
- Keys programmed for two years June 1st to May 31st
- 20 Keys distributed to each owner
- Owners that have misplaced/lost a key can purchase additional keys at the Front Desk for \$5 each
- Owners (not on the rental program) are responsible to distribute keys to their guests, family members
- PTH can distribute/make keys, and reservations for your guests for a fee of \$22 per night
- Short term keys will override long term owner keys. If short term keys are provided for your guests and/or service professionals, such as an interior designer or contractor, these will wipe out your long-term owner keys. Come by the FD to have your owner keys re-made at no charge.

Property Management

Palisades Tahoe Hospitality

COVID-19-

- Property Closed mid-March -June 19th, 2020
 - PTH staffed the property 24 hours per day during shut down to assist owners, clean, and maintain buildings with both Front Desk and Maintenance on-site daily
 - PTH performed room inspections on all rooms who consented to our entry during shut down to ensure there were no leaks in rooms, windows and doors were secure
- Maintained spa reservation system to limit users to one group at a time

Ongoing

- Increased cleaning of high frequency touch points such as door handles and elevator buttons
- Plexiglass at front desk
- Signage of rules: mask wearing, social distancing
- Hand sanitizing stations in lobbies
- Electro-static sprayers to increase efficiency of disinfection
- Air purifiers with HEPA filters in gyms

Owner Services

Palisades Tahoe Hospitality

Maintenance

- **Rental-\$66 an hour plus parts**
- **Non-Rental-\$132 an hour plus parts**
- **Services Available:**
 - Painting and staining unit-interior
 - Installing flat-screen TV
 - Light carpentry
 - Installing air conditioning unit
 - Installing lighting
 - Hanging pictures
 - Assembling furniture
 - Installing owner locks and closets in unit

Telephone and High-Speed Internet

- **\$63/mo phone and internet**
- **\$30/mo internet only – UPDATED PRICING**

Front Desk Services

- **Hospitality Services for owners renting on their own: \$22/nt**
 - Reservations, Check-in/Key Issuance, Parking permit distribution, Guest Inquiries
- **Mail & Package Deliveries**
- **Parking permits**

COMMERCIAL UPDATE

Mike DeGross, SVP Resort Services – Palisades Tahoe

PT Commercial Mission:

Cultivate experiential shopping and dining that enhances the guest journey

- Optimize each premises and position for development
- Diversify offerings to best serve customer demographic and demand
- Create competitive differentiation – EPIC v IKON
- Maximize Occupancy and Revenue Per Square Foot (PSF)

Objective # 1 - Monetize IKON skier visitation for tenants

Objective # 2 - Raise annual PSF of Village Commercial Tenants

Objective # 3 – Rebuild from Covid impact and add tenancy

COMMERCIAL PROFILE – *October 2021*

Commercial Sq.Ft. -133,868

F&B - 44,686 Sq.Ft.

SV -	21,636	48%
Tenant -	23,050	52%

Retail - 29,133 Sq.Ft.

SV -	19,625	74%
Tenant -	6,970	26%

Services - 59,267 Sq.Ft.

SV -	50,014	84%
Tenant -	7,420	16%

Vacant - 5,153 Sq.Ft.



 **F&B**  **RETAIL**  **SERVICES**  **VACANT**

CONTACT INFORMATION

■ Board Members:

- Arthur Chiang: almchia@gmail.com
- Jon Grant: jon@jongrant.in
- Mike DeGroff: mdegroff@palisadestahoe.com

■ Property Manager:

- Stacia Lange: stacialange@palisadestahoe.com

■ Palisades Tahoe Hospitality:

- Christy Beck: cbeck@palisadestahoe.com