

22 STATION OWNERS' ASSOCIATION - Annual Homeowner Meeting Minutes

October 10, 2026 9:00am

Palisades Conference Room, 1750 Village East Rd, Olympic Valley, CA and via Zoom

Meeting Participants:

Name	Title/Affiliation	Attendance
Arthur Chiang	Board President	Present
Mike DeGroff	Board Secretary	Present
Jon Grant	Board Treasurer	Present
Michelle Smith	PTH, General Manager	Present
Stacia Lange	PTH, Property Manager	Present
Judy Friedman	The Paper Trail	Present

- I. In addition to those listed above, five 22 Station owners and several guests were also present in the room and on Zoom.
- II. The 22 Station President, Arthur Chiang, presided over the meeting.
- III. The meeting was called to order.
- IV. Arthur Chaing presented a PowerPoint and hosted a Q&A. The Powerpoint will be incorporated into the minutes.
- V. Arthur Chaing moves on the following resolution: Resolved that 22 Station make an IRS revenue ruling 70-604 election which allows excess assessments, over and above the amounts used for the operation of the property, to be returned to the owners or applied to the following year's assessments. Jon Grant seconds and this is unanimously approved by the owners present.
- VI. Judy Friedman of the Tahoe Paper Trail was present to act as Inspector of Elections.
 - a. Out of 59 voting interests, 59 ballots were received, and quorum was met.
 - b. The ballots were tabulated by the Inspector.
 - c. Connor Donovan was the only candidate on the ballot, he received 55 votes and is elected as the Commercial Director.
- VII. Meeting adjourned at 10:15am



*22 Station Owners Association Board of Directors
October 10, 2026*

AGENDA

9:00am – 10:15am

- Open Meeting
- Annual Presentation
 - Overview
 - 22 Station Financials
 - ❖ Assessments
 - ❖ Operating Financial Planning
 - ❖ Reserve Funds
- Consideration of IRS Revenue Rule 70-604
- Open Forum
- Election

INTRODUCTIONS

22 STATION OWNERS ASSOCIATION

■ Physical and Legal Real Estate

- 151 Residential Units, 55 Commercial Units, Upper and Lower Parking Units (P1 /P2)
- Common Area – Exterior Roofs, Walls between Units, Ceilings, and Floors, Hallways, Spa, Elevators, Lobbies, HVAC, Boilers, and Other PP&E and Structural Components

■ 151+ Residential Homeowners, Owner(s) of Commercial Units (PTR with 14 tenants), Owner of Upper Parking Units (PVNC and P1), and Owner of Lower Parking Units (PTR and P2)

■ 22 Station HOA Board of Directors -- Two (2) Residential Directors and One (1) Commercial Director

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

PALISADES TAHOE HOSPITALITY (PTH) PROVIDES PROPERTY MANAGEMENT TO SUPPORT 22 STATION

- Property Management for 22 Station: Common Area and HOA Administration – **Stacia Lange and PTH Teams**

22 Station Roles and Responsibilities

- Manage and Maintain Common Area Infrastructure
- Procure Infrastructure Services
- Prudent Financial Management
- Conform to the Civil Code and CC&R's

Property Management Agreement (PMA)

- Monitor and Maintain/Clean Infrastructure and Common Area
- Manage A/R and A/P and Finance Support
- Administrative Support
- Field Owner Requests and Complaints
- www.22station.com/propertymanager

PALISADES TAHOE OPERATES FOR PROFIT HOSPITALITY BUSINESSES (PTH) ON 22 STATION PROPERTY INDEPENDENT OF THE HOA

- **Rental Management for Individual Owners Independent of 22 Station**
 - Rental Agent and Property Management of Individual Homeowner Units
 - Maintenance, Housekeeping, and Front Desk Services for these Homeowners
 - Individual Homeowners have a rental and individual unit property management agreement with Palisades Tahoe Hospitality
- **Independent Services Provided for a Fee by Palisades Tahoe Hospitality for Individual Homeowners and their Units with Mutual Consent**
 - Telephone/WiFi (WiFi is now complimentary)
 - Maintenance/Housecleaning of Individual Residential Units
 - Parking in P2

SPRINGBOARD HOSPITALITY PROVIDES ASSET MANAGEMENT AND ADVISORY SUPPORT

- Introduction: <https://www.springboardhospitality.com/>
 - Property Manager for 300+ properties
 - 215 properties are with Major Brands -- Top Performing Management Company/Marriott, Americas Hotel of the Year Award/IHG, Award of Excellence/Hilton
 - Industry Leading Properties – Reader Choice Award/Conde Nast, Michelin Key Winner, World's Best Award/Travel & Leisure, Americas Best Award/Outside Magazine
 - Operate Condo/Hotel HOA Properties Nationwide including Hawaii.
- Role and Responsibilities
 - Advise 22 Station Board on management of the property
 - Actively monitor and provide recommendations
 - Perform periodic physical inspections no less than each quarter
 - Advise on insurance claims affecting the property

22 STATION FINANCIAL UPDATE

- GOAL = Annual Break-even budgeting, prudent fiscal management and application of Reserve Funds
 - ❖ FY 2025-26 Budget and Actuals and FY 2026-27 Budget
 - ❖ Assessments Match Projected/Actual Expenses
 - ❖ Reserve Fund
 - ❖ Prior Period Financial Statements

OPERATING RESULTS FY 2025-2026

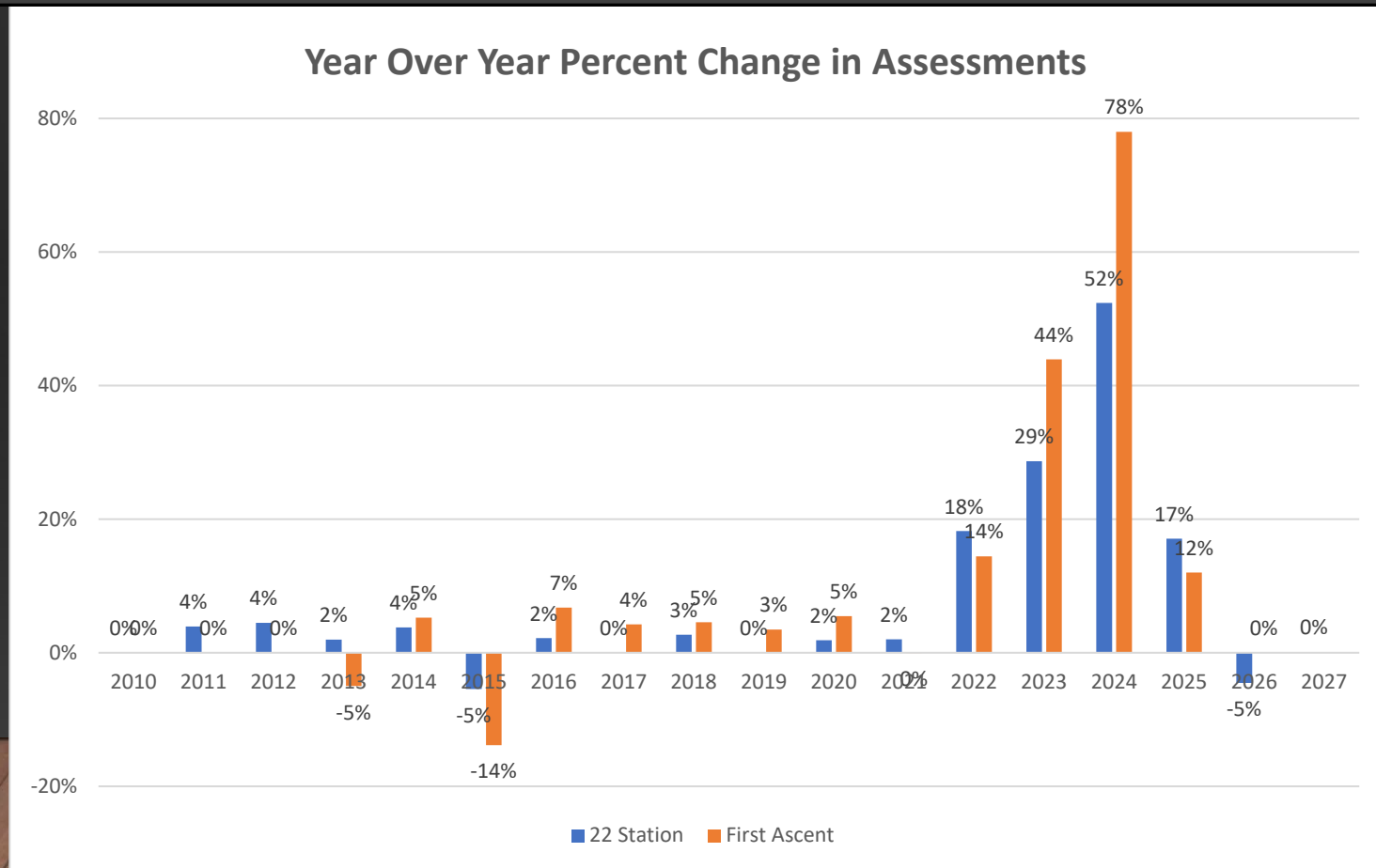
- Actual Revenues were **\$3,029,746** for year end 6/30/2026
(FY2025-2026 budget = **\$2,973,476**)
- Actual Expenses were **\$2,993,285** for year end 6/30/20256
(FY2025-2026 budget = **\$3,293,631**)
- Actual Surplus for year end 6/30/2026 was **\$36,461**
- Utility expenses comprised **39%** of total actual expenses in FY2025-2026
- FY2026-2027 Budget anticipates increases in electricity rates, water and sewage, some maintenance items, and general inflation

IRS REVENUE RULE 70-604

- Prudent Financial Management during the Fiscal Year
 - Revenues Match Expenses to break-even
 - Minimizing Expenses including Taxes
- “Resolved that 22 Station make an IRS revenue ruling 70-604 election which allows excess assessments, over and above the amounts used for the operation of the property, to be returned to the owners or applied to the following year's assessments”

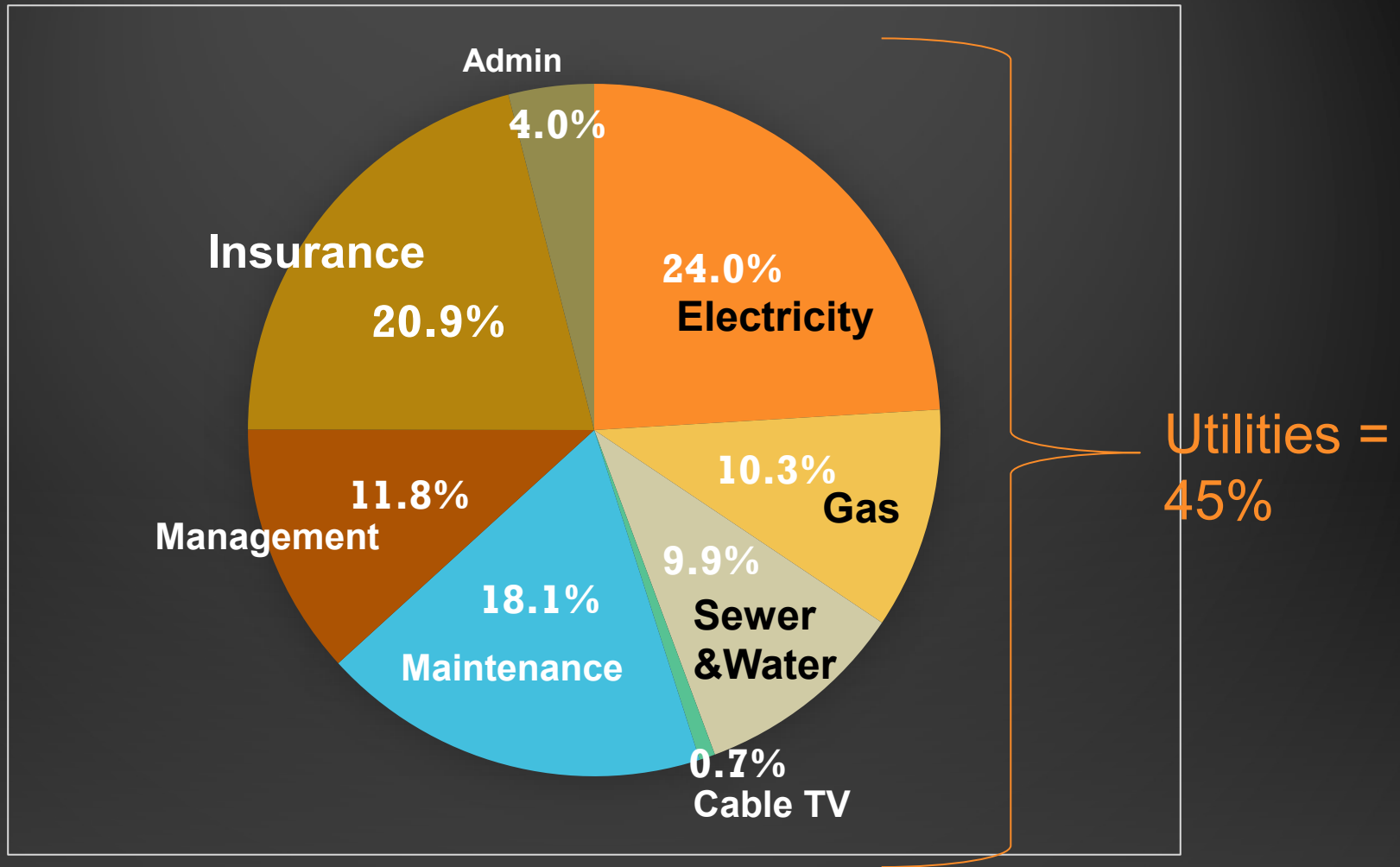
ASSESSMENTS

- Primary and Nearly Sole Source of Operating and Reserves Funding for 22 Station
- Payable and due quarterly: Jul 31, Oct 31, Jan 31 & Apr 30



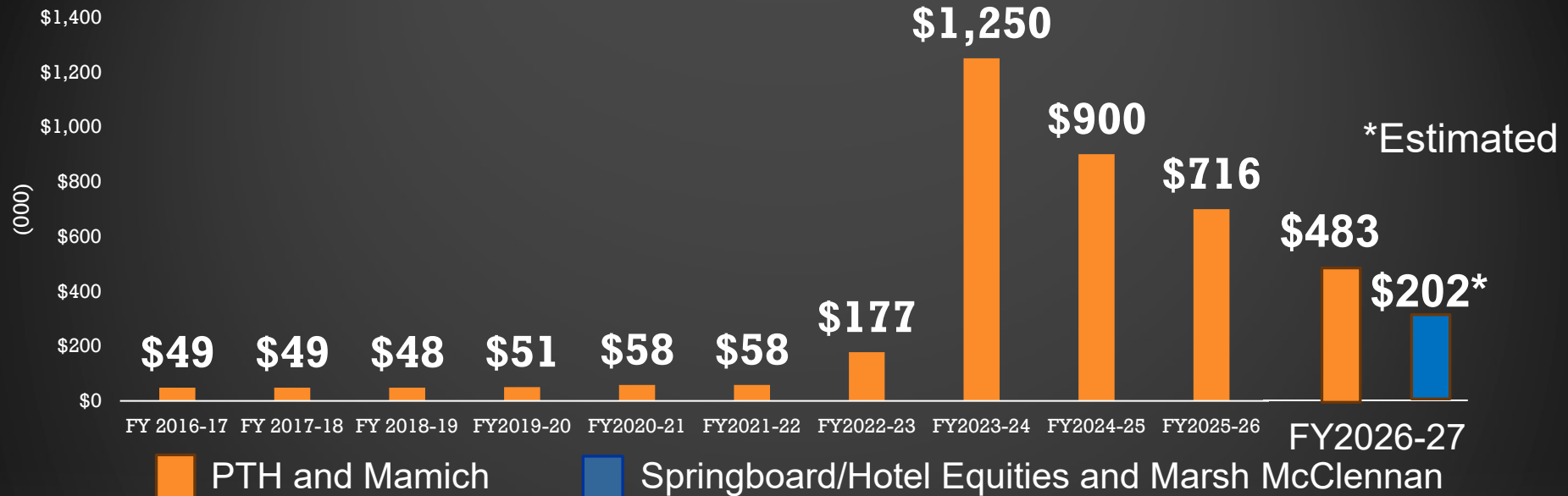
BUDGET: OPERATING FUND

2026/2027 USES



MAJOR EXPENSE -- INSURANCE

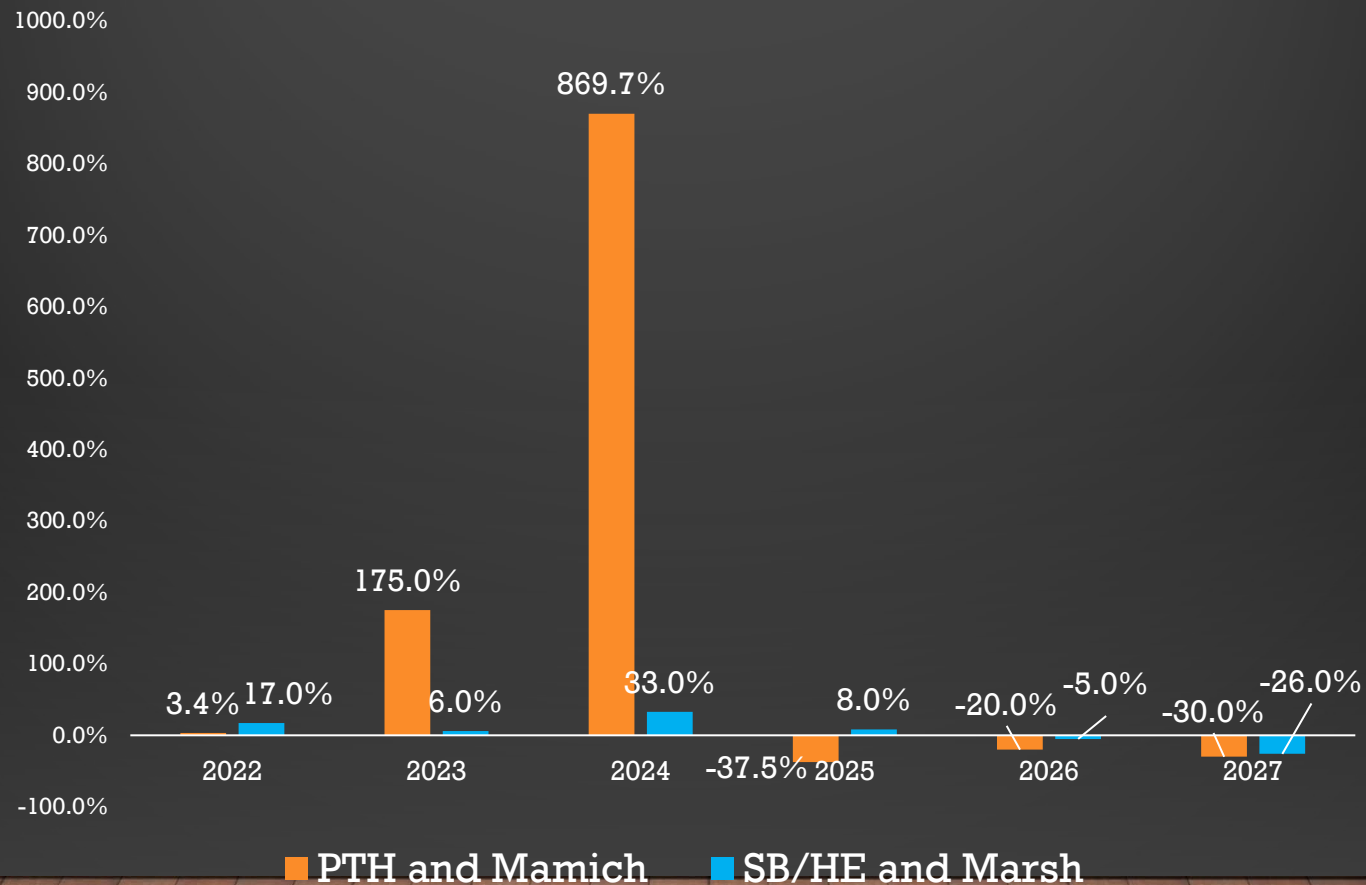
Annual Insurance Expense



- For FY 2026-2027, P&C Policy with Springboard/Hotel Equities and Marsh McClennan Agency
 - Full Value Coverage; \$215,000 annual premium (\$0.8 million in prior year with different broker and carrier)
 - In prior years, 22 Station relied on PTH as the property manager and Mamich as the broker
 - For Fiscal Year 2026-27, 22 Station relies on SB/HE as the asset manager, Marsh McClennan as the broker, and PTH as the property manager

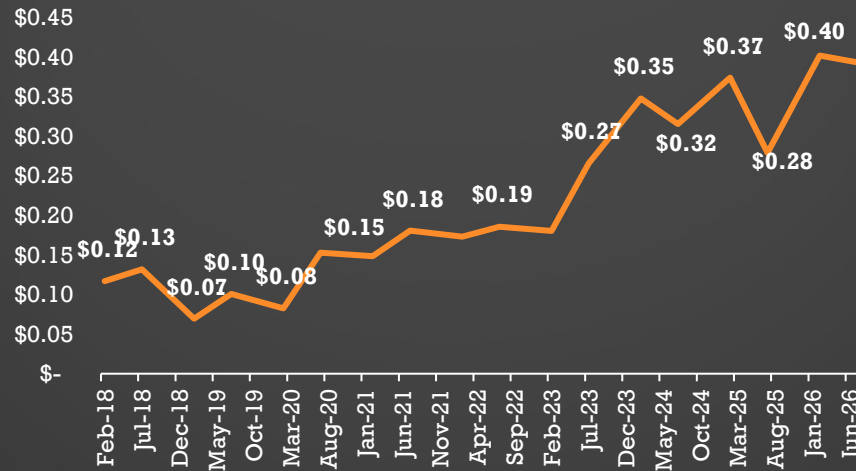
POTENTIAL PROSPECTIVE INSURANCE ADVANTAGE

YEAR to YEAR PERCENT CHANGE IN PROPERTY INSURANCE PREMIUMS

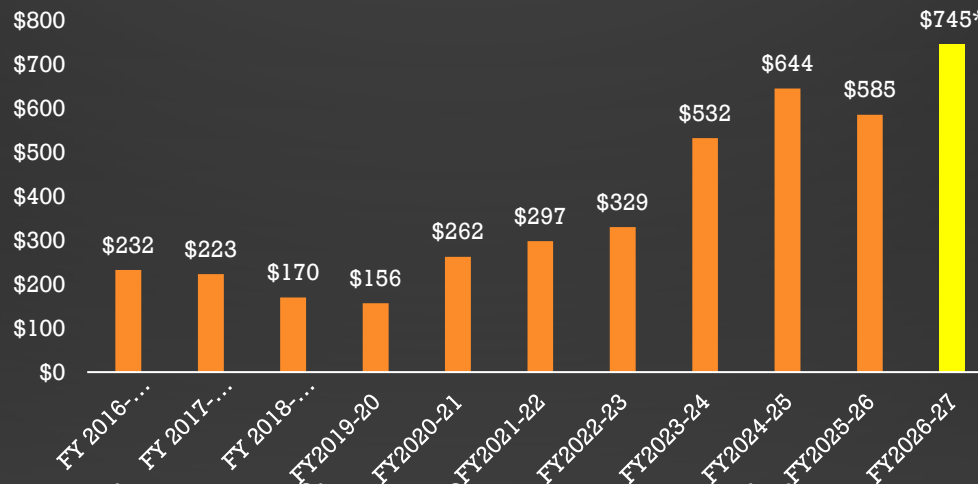


MAJOR EXPENSE -- ELECTRICITY

Price Per KWH



Annual Electricity Expense

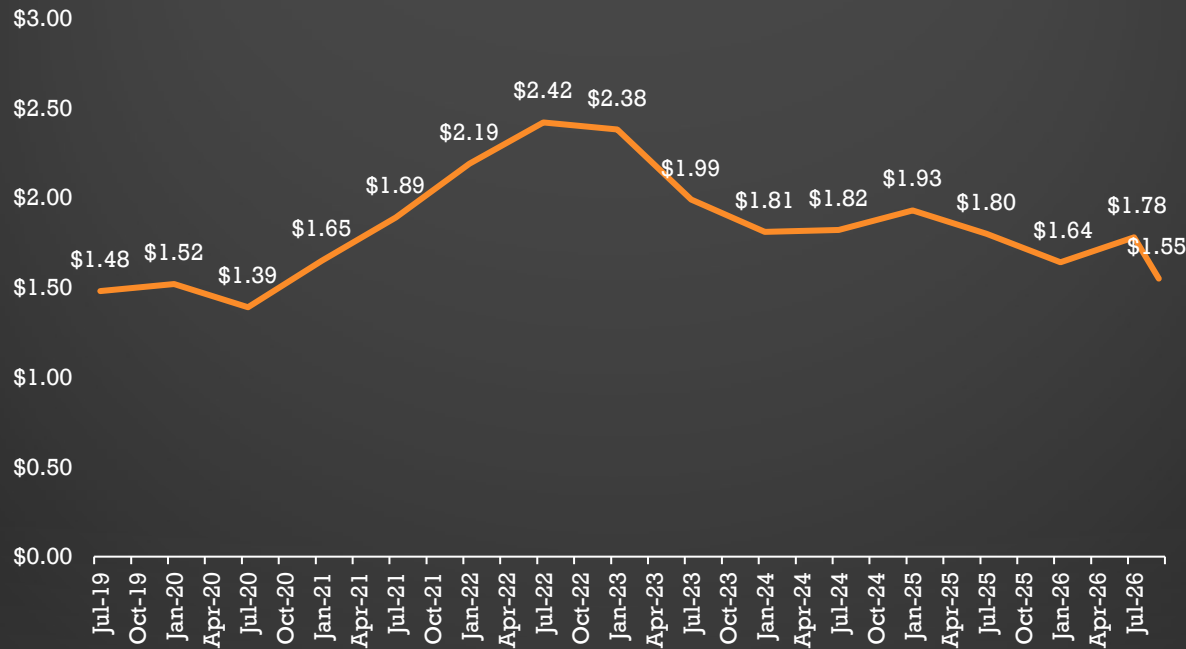


*Estimate

- Liberty Electric has filed for an additional 13% rate increase

MAJOR EXPENSE -- PROPANE

Propane Gas Prices Per Gallon

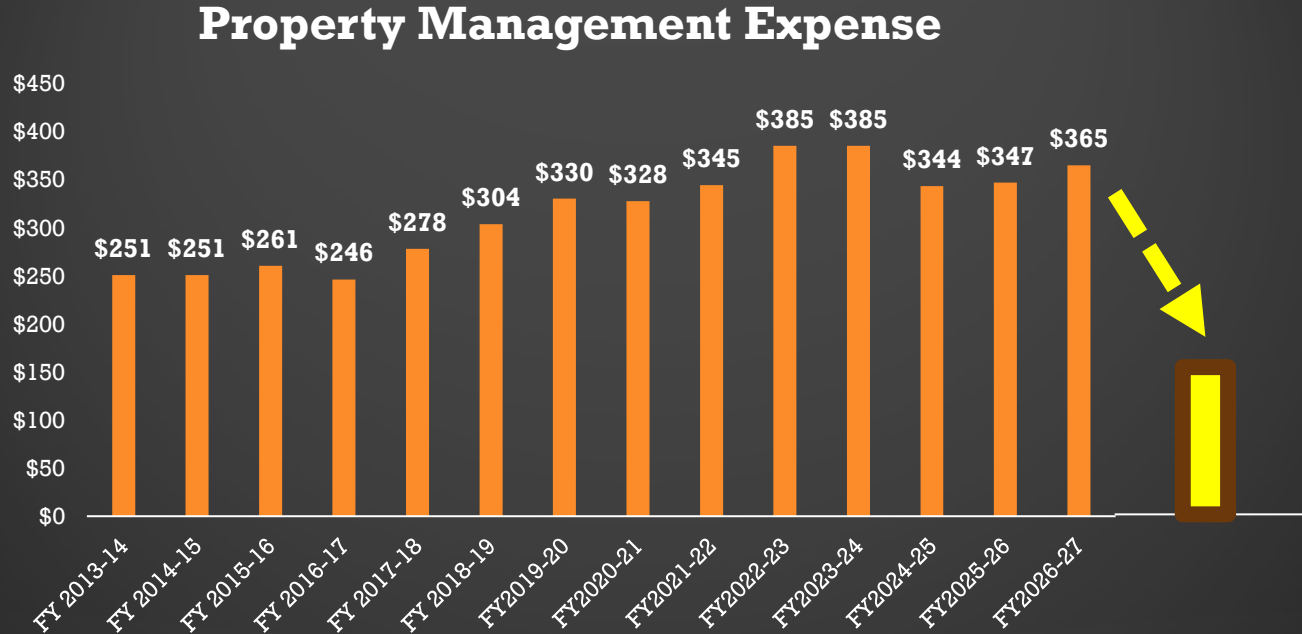


- Historically, Propane Gas Vendors added a margin of \$0.30 - \$0.50.
- Recent Negotiations and Change of Suppliers Lowering Effective Margins from about \$0.36 to \$0.10 for a Net Benefit of \$0.26 or roughly 15% decrease in the per gallon price of propane.

MAJOR EXPENSE – MAINTENANCE

- Non-Discretionary Operating Expenses
 - Snow removal
 - Proactive mission critical maintenance – e.g., Elevators
 - Recurring, minor repairs -- e.g., cleaning
 - Unanticipated minor/major repairs
- Prospective Major Reserve Expenses
 - Hallway Improvements
 - Building 4 and 5 roof repair/ replacement

MAJOR EXPENSE – PROPERTY MANAGEMENT



- RFP Process with four (4) property management companies in 2024
- Revised PMA with Palisades Tahoe: www.22station.com/disclosures-pma
- Information about Property Manager Roles, Responsibilities, and Team: www.22station.com/propertymanager
- Ongoing effort to assess other alternatives and lower PM expense

REVENUE AND EXPENSE REDUCTION BENEFITS REALIZED AND POTENTIAL

Source	Description	Benefits Realized	Potential Benefits
Alternative Primary Rental and Property Management	Investigating Capabilities and Offerings of Alternative Companies	\$300,000 (net \$150,000) for Annual Property Insurance	- For Owners in Primary Rental Program Larger Share of Revenue than 50%-60% - Lower Net Expense for Property Management
Parking	- Daily Fee for 3rd Party Visitors who stay overnight at the Village - PTH Acts As Agent Collects Revenue for First Ascent, 22 Station, and PVNC	~\$350,000 to \$400,000 annually to PVNC in previous two years	Additional \$50,000-\$100,000 annually
WiFi and Telecom	Reduce Residential Owner Payments to PTH for WiFi and Telecom	\$140,000 annually and collectively. (\$42/month per Owner for WiFi)	\$65,000 annually and collectively. (\$35/month per Owner for Telecom)

ASSESSMENTS ALSO FUND RESERVES

- ❖ Reserves used to fund major capital expenditures 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 \$3.6 million (as of 6/30/26)

UISE OF RESERVE FUNDS

- Major capital items: Roofing repairs, spa repairs, hot water system, snow melt, HVAC, structural repairs. Annual inspection of reserve study items.
- Annual review of reserve study items, replacement schedule, and funding
- FY 2025-2026 major projects completed:
 - ❖ Boilers Replacement
 - ❖ Gutters
- FY 2026-2027 and future years, Potential PP&E Repairs and Capital Improvements:
 - ❖ Spa Repairs
 - ❖ Hallways
 - ❖ Roof(s)

RESERVE STUDY

22 Station Owners Association
Thirty-Year Cash Flow/Capital Budget Summary
July 1, 2026
Financial Exhibit

Update fiscal year beginning	7/1/2026
Number of owners, 7/1/2026	206
Annual capital assessments, 7/1/2026	\$ 837,713
Average CY assessment/owner	\$ 4,067
Average increase/owners	1,054.30
Inflation rate	3.50%
Interest rate on investments	0.50%
Tax rate on investment income	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
7/1/2026	35.00%	3,000,000	7,356,589	40.78%	217,185	837,713	4,067	1,054	339	88	12,481	(1,845,426)	-	2,004,768
7/1/2027	25.00%	2,004,768	7,878,760	25.45%	209,428	1,047,141	5,083	1,017	424	85	10,519	(848,993)	-	2,213,434
7/1/2028	25.00%	2,213,434	7,741,052	28.59%	261,785	1,308,926	6,354	1,271	530	106	12,387	(780,823)	-	2,753,925
7/1/2029	0.00%	2,753,925	7,704,876	35.74%	-	1,308,926	6,354	-	530	-	14,973	(827,430)	-	3,250,394
7/1/2030	0.00%	3,250,394	7,644,551	42.52%	-	1,308,926	6,354	-	530	-	19,198	(130,404)	-	4,448,115
7/1/2031	0.00%	4,448,115	8,262,373	53.84%	-	1,308,926	6,354	-	530	-	16,244	(3,707,530)	-	2,065,755
7/1/2032	0.00%	2,065,755	5,551,680	37.21%	-	1,308,926	6,354	-	530	-	12,382	(487,626)	-	2,899,438
7/1/2033	0.00%	2,899,438	6,082,030	47.67%	-	1,308,926	6,354	-	530	-	16,173	(638,624)	-	3,585,914
7/1/2034	0.00%	3,585,914	6,494,850	55.21%	-	1,308,926	6,354	-	530	-	20,247	(381,772)	-	4,533,315
7/1/2035	0.00%	4,533,315	7,174,452	63.19%	-	1,308,926	6,354	-	530	-	25,181	(303,024)	-	5,564,398
7/1/2036	-10.00%	5,564,398	7,937,024	70.11%	(130,893)	1,178,034	5,719	(635)	477	(53)	29,536	(492,449)	-	6,279,518
7/1/2037	-10.00%	6,279,518	8,455,764	74.26%	(117,803)	1,060,230	5,147	(572)	429	(48)	33,778	(108,145)	-	7,265,382
7/1/2038	-10.00%	7,265,382	9,431,898	77.03%	(106,023)	954,207	4,632	(515)	386	(43)	38,321	(156,625)	-	8,101,285
7/1/2039	0.00%	8,101,285	10,365,526	78.16%	-	954,207	4,632	-	386	-	42,693	(79,390)	-	9,018,796
7/1/2040	0.00%	9,018,796	11,379,016	79.26%	-	954,207	4,632	-	386	-	47,008	(188,774)	-	9,831,236
7/1/2041	0.00%	9,831,236	12,292,463	79.98%	-	954,207	4,632	-	386	-	49,023	(1,007,373)	-	9,827,093
7/1/2042	0.00%	9,827,093	12,174,943	80.72%	-	954,207	4,632	-	386	-	50,339	(472,744)	-	10,358,896
7/1/2043	0.00%	10,358,896	12,878,668	80.43%	-	954,207	4,632	-	386	-	52,502	(671,159)	-	10,694,445
7/1/2044	0.00%	10,694,445	13,420,600	79.69%	-	954,207	4,632	-	386	-	55,152	(282,346)	-	11,421,458
7/1/2045	0.00%	11,421,458	14,348,226	79.60%	-	954,207	4,632	-	386	-	58,390	(441,143)	-	11,992,912
7/1/2046	0.00%	11,992,912	15,134,694	79.24%	-	954,207	4,632	-	386	-	54,792	(3,023,203)	-	9,978,708
7/1/2047	0.00%	9,978,708	12,461,583	80.08%	-	954,207	4,632	-	386	-	48,546	(1,493,364)	-	9,488,097
7/1/2048	0.00%	9,488,097	12,408,437	76.46%	-	954,207	4,632	-	386	-	48,318	(603,252)	-	9,887,371
7/1/2049	0.00%	9,887,371	13,272,268	74.50%	-	954,207	4,632	-	386	-	48,088	(1,493,763)	-	9,395,903
7/1/2050	0.00%	9,395,903	13,317,577	70.55%	-	954,207	4,632	-	386	-	48,757	(243,207)	-	10,155,660
7/1/2051	0.00%	10,155,660	14,622,941	69.45%	-	954,207	4,632	-	386	-	50,573	(1,036,304)	-	10,124,136
7/1/2052	0.00%	10,124,136	15,107,582	67.01%	-	954,207	4,632	-	386	-	52,185	(328,672)	-	10,801,856
7/1/2053	0.00%	10,801,856	16,386,560	65.92%	-	954,207	4,632	-	386	-	51,339	(2,022,344)	-	9,785,058
7/1/2054	0.00%	9,785,058	16,075,143	60.87%	-	954,207	4,632	-	386	-	49,639	(668,641)	-	10,120,264
7/1/2055	0.00%	10,120,264	17,148,246	59.02%	-	954,207	4,632	-	386	-	51,309	(671,152)	-	10,454,628

FINANCIAL STATEMENTS

Available at www.22station.com/financials

- 2025- 2026 Year End Income Statement
- 2025- 2026 Year End Balance Sheet
- 2025- 2026 Performance Against Budget

CONTACT INFORMATION

■ Board Members:

- Arthur Chiang: almchia@gmail.com
- Jon Grant: jon@jongrant.in
- Commercial Director (pending election outcome)

■ Property Manager:

- Stacia Lange: stacialange@palisadestahoe.com