The Board of Directors meeting was called to order at 9:00 am by President Nelson.

**Owners Forum:** No owners addressed the Board.

**Owner Forum follow-up from previous month’s meeting**
Vice President Wharton reported there is no follow-up necessary from last month’s meetings.

**ReCap of June 14th Board Work Session**
President Nelson reported the Board held its monthly work session yesterday and heard the 2018 audit report from Candy Fronk of Price, Fronk & Company. The Association received a clean report again this year. The Board heard updates on the Admissions Model work-group, the North Pool and IAMP (Infrastructure and Amenities Master Plan) task-forces and the Telecommunications Work-Group. The Board held an Executive Session to discuss a legal matter.

**Action Item**

**Minutes**
President Nelson asked for a motion to approve the minutes of the May 17, 2019 SROA Board Work Session.

Director Wharton moved to approve the minutes of the May 17th Board Work Session as written. Seconded by Director Gocke, motion passed unanimously.

President Nelson asked for a motion to approve the minutes of the May 18, 2019 SROA regular Board Meeting.

Director Gocke moved to approve the minutes of the May 18th Regular Board Meeting as written. Seconded by Director Mobley motion passed unanimously.

**Financial**
Treasurer Gocke reported that for the month ending May 31, 2019, there was a net operating surplus of $66,206 which was $75,858 better than budget. Total revenues were over budget by $29,699 due to insurance proceeds reimbursing SROA for snow removal on the fire station building plus, event sponsorship payments and interest income. Salaries and wages were over budget by $4,701 mainly due to an increase in accrued vacation and labor on the Abbot/Beaver and other road projects. Materials and
services were under budget by $47,559 due to timing of invoices received. Anticipated cash flows for the next twelve months were also explained.

For the five months ended May 31, 2019, there was a net operating surplus of $124,648, which was $204,712 better than budget. Total revenues were over budget by $163,744 due to the above-mentioned items along with both Recreation Plus Program and Member Preference trending ahead of budget goals. Recreation Plus revenues have already exceeded budget for 2019. Salaries and wages were over budget by $53,966 due to additional overtime in Public Works, from the wind event in January and the snow event in February along with additional vacation accrual. Materials and services were under budget by $118,023 through the first five months of 2019.

Total assets as of May 31, 2019 were $32,333,566. Cash and investments totaled $15,235,496, a decrease of $285,793 from April. As of May 31, 2019, there was a total of $11,537,000 invested in short-term Treasury Bills. $90,942 was received in May towards Recreation Plus Payment plans.

<table>
<thead>
<tr>
<th>May 31, 2019 (Unaudited)</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL REVENUE</td>
<td>$4,513,494</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>$4,388,846</td>
</tr>
<tr>
<td>OPERATING FUND SURPLUS</td>
<td>$124,648</td>
</tr>
</tbody>
</table>

Director Wharton moved to approve the unaudited financial statements for May 2019. Seconded by Director Fister, motion passed unanimously.

**GENERAL MANAGER’S REPORT**

GM Palcic discussed his General Manager’s May 2019 Activity report. He reported that negotiations regarding the Caldera Springs expansion appeal are complete. Staff hosted/conducted a second Pacific Crest Triathlon event preparation meeting and met with representatives of LaPine, Sunriver stakeholders and event promoters of the Pacific Crest Triathlon to explore a future home for post 2020.

The Accounting Department went live with the new Jonas software conversion on May 1st. All is going well, but there is still a lot of detail work to complete. Controller Joe Healy assisted the SSD (Sunriver Service District) with their 2019/20 budget for presentation to the Deschutes County Commissioners. Controller Healy and his staff also assisted representatives from Price, Fronk and Company with the 2018 SROA audit process.

The IT staff has scheduled a contractor for a fiber run next spring that will extend from the SROA Administration building to Fort Rock Park. IT staff assisted with the emergency broadcast tower testing and identified one siren, the one located on top of the fire station building, which needed maintenance. Staff continues their meetings with Bend Broadband on the four-year technology plan.

In Communications, advertising revenue for the June Scene was $24,008, an increase of $1,600 from the year prior.

In May, the SROA website was visited by 14,025 users, an average of 468 people per day. The most popular pages: weather, resource center, tree markings/flagging, calendar and SROA pool/boat launch.

The SHARC website was visited by 7,500 users with the most popular pages being rates, admission, outdoor pool and hours. 63% of users viewed the site on a mobile device.
The Sunriver Style website was visited by 1,700 users with the most popular pages being what’s going on and river adventures. 50% viewed the site from a mobile device and 39% viewed on a desktop.

The Sunriver Tennis website was visited by 620 users with the most popular pages being Sunriver Solstice, events, clinics/lessons and facilities.

The new Sunriver Emergency website, www.sunriveremergencyinfo.com, was visited by 271 users with a spike of 67 on the day the sirens were tested. Most popular pages were evacuation levels, emergency and non-emergency pages.

The Sunriver Navigator realized 1,200 users last month, 612 of whom were new users. Most popular features were maps, events, eats/treats, activity planner and weather.

Communications Department staff members Susan Berger and Linda Donahue are working on the final installation of the historical display and timeline at SHARC. Susan has spent a good deal of time pulling all the pieces for the election mailing together and getting those off to the printer. Ballots will go out on July 11th and are due back no later than noon on Saturday, August 10th. Staff continues to refine and add additional emergency information to the emergency website as well as create handout materials to share with owners, visitors and property managers. Staff has been meeting with some printing companies to review possible alternatives to printing the Scene, which is currently printed at the Bend Bulletin.

The Community Development Department staff spent much of their time facilitating brisk construction activity and responding to owner concerns. The RFP (Request for Proposal) for a consulting architect is underway. The paint survey is progressing well with many owners submitting to repaint their homes. Owners who received a notice to paint have until October 31, 2019 to complete the work.

The Natural Resources Department staff assisted in the coordination of continued cleanup on commons related to the January wind event. There are three outside contractors assisting in that effort. It was noted that limbs and branches will all be removed from downed trees first and crews will come back later this summer or fall to cut logs up into rounds. The first priority is to get the highly flammable materials removed. Staff responded to phone calls and performed numerous site visits for private ladder fuels reduction and tree removal permits. Additionally, staff continued Oregon spotted frog spring monitoring and bullfrog eradication.

The Public Works Department continues working on windstorm cleanup with one full crew dedicated solely to chipping of roadside branches, limbs and bitter brush. The contract for the paving of some areas at Mary McCallum park has been executed. The Spring River/Meadow Road emergency access road has been widened with new gates, paving and new culvert pipe installed.

The Abbot/Beaver project is winding down with the new tunnel having been successfully installed. Finish work and landscaping will occur in the coming weeks. One of SROA’s three mechanics has tendered his resignation to start his own trucking company. HR has been notified and a search for a new hire is underway.

The Recreation Department is extremely busy with summer visitors to SROA operated facilities. Staff conducted their first “onboarding” employee training event for summer hires. Staff hosted the high school girls district tennis tournament on the North Courts in May. Regular swim lessons continue to be full. Over 900 tickets have been sold to the July 24th Melissa Etheridge concert and over 30 tickets were sold for the Farm to Table Dinner at Rainshadow Organics Farm which was held last night. Director Adams, who attended the event said the feedback he heard was all tremendous, in a positive way. Everyone really
enjoyed themselves and look forward to more events of this nature.

Copies of GM Palcic’s entire report were included in the Board binders.

**LIAISON AND COMMITTEE REPORTS**

Copies of the minutes received from committees who met last month were included in the Board binders.

**SUNRIVER SERVICE DISTRICT (SSD) REPORT**

Director Fister noted the SSD Budget Committee approved the 2019/20 fiscal year budget and it has been submitted to the Deschutes County Commissioners for their approval. Tax assessments will remain at $3.31 per $1,000 assessed value for the next fiscal year. The maximum it can be raised without a vote of owners is $3.45 per $1,000 assessed value. PERS and insurance currently account for 40% of the overall salaries budget and that is expected to rise to as much as 60% over the next five years.

Director Fister reported on the gas leak from a couple weeks ago that was the result of a contractor digging with a backhoe who hit a two-and-a-half-inch gas line due to incorrect locates. Staff did an excellent job in handling the situation and SR Alerts did send out a text. One house was evacuated, and surrounding homes were asked to shelter in place until the situation could be remedied. Director Fister again encouraged everyone to sign up for emergency alerts for Sunriver by simply texting sralerts to 888777 which will hook one up to Deschutes 911. This is a great tool for both owners and visitors.

The Police Department is now reaccredited, a process that takes place every three years. Staffing needs are being addressed with a new sergeant, Scott Vincent who comes to us from the Bend Police Department, scheduled to start work on July 1, 2019. There is still an officer position open and Chief Darling is working to get that position filled as soon as possible.

Copies of the approved minutes from the April 17th SSD Board meeting were included in the Board binders.

**BOARD ACTION**

**ACCEPTANCE OF 2018 SROA AUDIT**

Director Gocke moved to accept the 2018 audit of financial statements as presented. Seconded by Director Mobley, motion passed unanimously.

**BOARD ACTION**

**ELECTION OF 2019/20 SROA BOARD OFFICERS**

Vice President Wharton reported he has had dialogue with all the existing Board members except for Director Schmid, who is traveling and does not have reliable access to email regarding who will hold officer positions for 2019/20 on the SROA Board.

Director Wharton moved the selection of the following Board members as officers for 2019/20:

- President: Keith Mobley
- Vice President: Bob Nelson
- Secretary: Gary Bigham

The choice of treasurer will be determined after the election in August. Seconded by Director Fister, motion passed unanimously.

There being no other business, President Nelson asked for a motion to adjourn the public meeting.
Director Fister moved to adjourn the meeting. Seconded by Director Wharton, motion passed unanimously.

The meeting adjourned at 10:23 a.m.

Respectfully Submitted,

Gary Bigham, SROA Secretary