SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
SROA BOARD ROOM
November 16, 2019

DIRECTORS PRESENT: Bob Nelson, Jim Fister, Keith Mobley, Jackie Schmid, Gerhard Beenen, Gary Bigham, Brad Skinner & Mark Burford via telephone

DIRECTOR ABSENT: Mandy Gray

STAFF: Hugh Palcic & Susan Berger

OWNERS IN ATTENDANCE: 5

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

Owners Forum: Dave Legg, 17 Topflite Lane, sought to have the information regarding the recycling center proposal posted in a timely manner. Additionally, Mr. Legg requested that questions posed by him and others, along with answers to those questions be posted to the website so owners could make an informed decision relative to the ballot measure.

ACTION ITEM
SUSPENSION OF SPECIAL ELECTION
PROPOSED RECYCLING CENTER

President Mobley moved this item up in the agenda order to accommodate and provide Ed Pitera, 25 Quelah Lane, an answer regarding the proposed recycle center upgrades and allow him to get on the road back to California in a timely manner.

Due to the need to address a number of significant unplanned matters of importance to SROA, including the need to provide additional member engagement and outreach in advance of the recycle center ballot measure; I, Director Fister, move to postpone the proposed ballot measure timeframe in accordance with SROA’s Bylaws to the following election schedule: February 18, 2020 election commencement, March 25, 2020, election close. Seconded by Director Skinner, motion passed unanimously.

OWNER FORUM FOLLOW-UP FROM PREVIOUS MONTH’S MEETING

Vice President Nelson reported that Ed Pitera, 25 Quelah Lane, addressed the SROA Board regarding the proposed recycling center and outlined a number of questions and concerns relative to the proposed measure. Mr. Pitera also noted that the recent Scene coverage did not fully characterize the measure and suggested that the Scene address these matters in future editions of the paper. The Scene has addressed the correction requested as well as posting questions with answers, with more information to follow.

Michael Patron, representing Sunriver Resort, provided the SROA Board with a letter requesting approval of the use of fireworks behind the main lodge of the Resort during the Traditions holiday celebration. Subsequently, SROA has processed the request per its Special Event Permit Application.

Cindy McCabe, 13 River Village Condos, requested an update on SROA welcome banners. In addition, she urged the Board to consider improvements for Mary McCallum Park within the 2020 budget cycle. Director Fister provided an update on the welcome banners. The Board referred comments relative to improving Mary McCallum Park to the IAMP Task-Force for follow-up.
RECAP OF NOVEMBER 15TH BOARD WORK SESSION

President Mobley reported that the Board had a good session yesterday. Sandra Henderson, 10 Big Sky Lane, addressed the Board relative to the need for dog parks within Sunriver. Tom Kelly, 7 Forest Lane, addressed the Board regarding the need for pathway connectors throughout the Meadow Village area. The Board had a most illuminating presentation from our representatives at Hays Companies Insurance. Nominating Committee Chair Laurence MacLaren was in attendance to make a recommendation on behalf of the committee to recommend John Ralston to Position 6 of the Sunriver Service District Managing Board. The Board held discussion on the 2020 maintenance fees and 2020 fees for services both of which are on the budget for approval today. Assistant GM Keith Kessaris provided an update on recreation statistics for the past month. An update was provided on the North Pool and an executive session was held to discuss a personnel matter.

ACTION ITEM
MINUTES

President Mobley asked for a motion to approve the minutes of the October 18, 2019 SROA Board Work Session.

Director Fister moved to approve the minutes of the October 18th Board Work Session as corrected. Seconded by Director Skinner, the motion passed unanimously.

President Mobley asked for a motion to approve the minutes of the October 19, 2019 SROA regular Board Meeting.

Director Fister moved to approve the minutes of the October 19th Regular Board Meeting as corrected. Seconded by Director Schmid, the motion passed unanimously.

FINANCIAL

Treasurer Beenen reported for the month ended October 31, 2019 that total revenues were over budget by $27,351 due to the Recreation Plus Plan (RPP), Member Preference Plan (MPP), SHARC Bite café and facility rental income all exceeding their monthly budgets. There was, as of October 31, 2019, a net operating deficit of $73,720 which was $2,493 better than budget. Labor burden was under budget by $24,322 due to the receipt of a SAIF (Savings Accident Insurance Fund) dividend in the amount of $21,763. Legal and insurance costs were over budget by $50,837 for the month. This figure does not include October’s legal invoice.

For the ten months ended October 31, 2019, there was a net operating surplus of $497,721 which was $386,840 better than budget. Total revenue was over budget by $391,154 mainly due to the LUBA settlement payment, insurance proceeds from winter storm events and above-mentioned revenue items.

Recreation Plus Plan (RPP) and Member Preference Plan (MPP) revenues are over their combined annual goal by $93,523. Material and services expenses were under budget by $84,355 through the first nine months due to timing of expenditures. There was $241,296 in total interest income earned through the first ten months of 2019. $1,931,156 has been spent on the Abbot/Beaver Circle and road projects through the first ten months of 2019.

Treasurer Beenen noted that while we are currently showing an operating surplus of $497,721, there will be less revenue coming in for the remainder of the year and several significant invoices for ladder fuel reduction work, legal, road work, etc. However, we should still end the year with a surplus.

Total assets as of October 31, 2019, were $30,267,433. Cash and investments totaled $13,495,484, a
decrease of $508,567 from September. As of October 31, 2019, a total of $13,114,695 was invested with First Interstate Wealth Management.

October 31, 2019 (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL REVENUE</td>
<td>$10,100,814</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>$ 9,603,093</td>
</tr>
<tr>
<td>OPERATING FUND SURPLUS</td>
<td>$ 497,721</td>
</tr>
</tbody>
</table>

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

GENERAL MANAGER’S REPORT

GM Palcic discussed his General Manager’s October 2019 Activity report noting that all SROA staff members recently attended the annual Employee Health & Safety event. SAIF attends this event along with various other vendors including both the fire and police departments. GM Palcic thanked HR employees Leslie Knight & Kellie Allen for their hard work in putting on this yearly event that is both educational and enjoyable for staff.

HR Director Leslie Knight & GM Palcic have been assisting with the GM search as members of that candidate search task-force.

The Accounting Department is busy preparing invoices for 2020 maintenance fees for mailing. Those invoices are scheduled to go out the first week of December. Controller Healy assisted with the Sunriver Service District (SSD) audit.

The IT Department has been busy with a number of projects and tasks including installing SSD hard drives and memory into the accounting computer, working with Verizon on connection issues, upgrading the document scanning software and meeting with Bend Broadband regarding telecommunications planning. Staff also met with Midstate Electric representatives to discuss shared benefits of running future conduit and fiber. IT Director Brad Olson recently attended the Oregon Telecommunications Conference in Southern Oregon.

The Communications Department has been busy working on updating and ordering 2020 printed materials for SHARC and Natural Resources. The 2020 Sunriver calendar is back from the printer and is available at the Admin office for $3 per calendar. The owner directory/guide has been redesigned to include a wealth of information about Sunriver and SROA. It is at the printer now and should be available by the first week of December if not sooner. Staff is also working on a Good Neighbor brochure that outlines in bullet form the key items that renters and guests need to be aware of. The goal is to eventually have a copy of the brochure in every nightly rental in Sunriver.

There were 412 reads of the digital October Scene with an average read time of 6:07 minutes.

There were 11,632 user visits to the SROA website in October, an average of 388 per day. Most popular pages were weather, parks, tree markings/flagging and Resource Center. There are 2,625 active and 1,434 that remain inactivated.

The SHARC website was visited by 3,000 users in October. Popular pages included admission, hours and winter tubing. 58% viewed the site on a mobile device and 37% were on a desktop.
The Sunriver Style website was visited by 813 users with the most popular pages being what’s going on, pathways and weather. 48% viewed the site from a mobile device and 46% viewed on a desktop.

The Sunriver Tennis website was visited by 219 users with the most popular pages being clinics/lessons and facilities.

The new Sunriver Emergency website, www.sunriveremergencyinfo.com, was visited by 36 users. The most popular pages were emergency, evacuation and family preparedness.

Submittal and construction activity in the Community Development Department has leveled a bit but remains strong. Application forms for 2020 contractor registrations have been sent out and are being returned at a brisk pace. Contractors are required to register with the Association on a yearly basis.

Natural Resources Director Patti Gentiluomo has been designated as a Firewise Mentor and along with Communications Director Susan Berger recently provided guidance to the Awbrey Park HOA. Staff continued annual fall ladder fuel reduction inspections on private property and continued flagging property lines and marking trees for the 2020 ladder fuel reduction contract.

The Public Works Department crews have completed winterization efforts throughout the property. Additionally, fleet services employees have prepped all vehicles and equipment for the winter months.

Retaining wall blocks for cinder storage are in place and will make retrieval somewhat easier than in the past. New picnic tables have been received and are being installed at Fort Rock Park. Over 200 tree stumps left from the January wind event have been removed. An inventory and list of all damaged utility boxes has been compiled and staff is addressing those with the various utility companies involved.

The Recreation Department completed and submitted their 2020 budget. Seasonal outlets were closed and winterized. Staff is working on earthquake evacuation procedures as part of the Recreation Department’s safety training program. The new storage shed which received SROA Design Committee approval has been installed and the fence rebuild in that area is complete.

The owner excursion to Fort Rock and the Cowboy Dinner Trees was a sold-out event that was enjoyed by all who attended.

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

LIAISON AND COMMITTEE REPORTS
Copies of the minutes received from committees that met last month were included in the Board binders.

SUNRIVER SERVICE DISTRICT (SSD) REPORT
Director Fister reported that Police Officer Emma Paranto has been sworn in. She is currently doing orientation and will leave for the police academy in early December and will be back and working in revised field training in April 2020. The SSD Board received a very well thought out presentation on fire staffing at their meeting on Thursday. The Fire Department does not currently meet National Fire Protection Association (NFPA) standards for coverage but there is also a very tight budget to work with. Fire Department staff presented different options for increasing staffing in a budget friendly way which will be incorporated into the next fiscal budget. Director Fister thanked SROA Controller Joe Healy for his assistance with the recent SSD audit process for which the SSD received a clean report.
There was a significant drug bust of a Meadow House owner earlier this month. The Sunriver Police and Deschutes County Sheriff’s Department worked together and collaborated very closely on this situation. Sunriver police officers have been doing some in-service training with the Bend Police Department.

Representative Jack Zika and former Representative Gene Whisnant recently held a fairly well attended open forum on fire safety. Additionally, Deschutes County Sheriff Shane Nelson recently held a Coffee with the Sheriff session in Sunriver that was quite well attended.

SROA GM Palcic expressed his appreciation to Police Chief Darling for his assistance in the recent arrest of a former SROA employee.

Copies of the approved minutes from the September 19, 2019 SSD Board meeting were included in the Board binders.

**BOARD ACTION**

**COMMITTEE APPOINTMENTS**

Director Fister moved to accept the roster of names presented for resignation and appointments and further moved to thank these individuals for their willingness to serve the Sunriver community.

**Resignation**

Jim Thorpe, Finance

**Appointments**

Kathleen Peters, Election Committee
Brad Banta, Finance Committee
Luis Bayol, Finance Committee
Brian Dunham, Finance Committee

**Chair Person Appointments**

Mark Feirier, Design Committee
Curt Wolfe, Vice Chair Design Committee
Patty Smith, Election Committee
Laurence MacLaren, Nominating Committee
Dave Rhodes, Owner Enrichment Committee

Seconded by Director Beenen, the motion passed unanimously.

**BOARD ACTION**

**ADOPT 2020 SROA OPERATING FUND BUDGET**

Director Beenen moved to approve adoption of the 2020 SROA operating fund and capital expenditure budget as presented and approved by the SROA Finance Committee. Seconded by Director Schmid, the motion passed unanimously.

**BOARD ACTION**

**2020 MAINTENANCE FEES**

Director Beenen moved to approve the 2020 Maintenance Fund assessment of $132.20 per month, an increase of 3% or $3.85 per property per month. He further moved to approve a discount of $47.59 resulting in an annual payment of $1,538.81 to owners who pay their regular maintenance fees, excluding special purpose assessments, in full by the 25th of January 2020. Seconded by Director Bigham, the motion passed unanimously.

Sunriver Owners Association
Board of Directors Meeting
11/16/19
BOARD ACTION  
2020 SKYPARK FUND ASSESSMENT
Director Fister moved to approve the 2020 Skypark Fund assessment of $57.18 per month, an increase of 3% or $1.67 per property, per month. Seconded by Director Beenen, the motion passed unanimously.

BOARD ACTION  
2020 FEES FOR SERVICES
Director Schmid moved to approve the fees for services and goods provided by SROA for the 2020 calendar year as submitted by staff. Seconded by Director Fister, the motion passed unanimously.

BOARD ACTION  
RESOLUTION 2019-007 RECOMMENDATION TO POSITION 6 OF THE SUNRIVER SERVICE DISTRICT (SSD) MANAGING BOARD
Director Fister moved to approve Resolution 2019-007 to the Deschutes County Commissioners recommending John Ralston to fill the remaining term of Position 6 of the Sunriver Service District Managing Board, vacated by the resignation of Joe Huseonica, with a term beginning December 1, 2019 and ending August 31, 2022. Seconded by Director Bigham, the motion passed unanimously.

There being no other business, President Mobley asked for a motion to adjourn the meeting.

Director Nelson moved to adjourn the meeting. Seconded by Director Beenen, the motion passed unanimously.

The meeting adjourned at 10:24 A.M.

Respectfully Submitted,

Gary Bigham, SROA Secretary