PRESIDENT’S WELCOME

Keith Mobley
I. Election Results
II. Announcement of Board Officers
III. Board Service Recognition
IV. Treasurer’s Report
V. President’s Report
VI. General Manager’s Report
VII. Owners Forum
ELECTION RESULTS

Gary Bigham
2020 ELECTION RESULTS

Bill Burke

Scott Gillies

Clark Pederson
2020-2021 BOARD OFFICERS

President
Brad Skinner

Vice President
Mike Gocke

Secretary
Jackie Schmid

Treasurer
Gerhard Beenen
BOARD SERVICE RECOGNITION
BOARD SERVICE RECOGNITION

Gary Bigham  
Jim Fister  
Bob Nelson
## SUMMARY FINANCIALS

<table>
<thead>
<tr>
<th></th>
<th>12/31/2019</th>
<th>6/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$11,835,372</td>
<td>$4,714,230</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$11,636,993</td>
<td>$5,404,913</td>
</tr>
<tr>
<td>Operating Surplus/(Deficit)</td>
<td>$198,379</td>
<td>($690,683)</td>
</tr>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>$32,023,244</td>
<td>$33,991,203</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$3,608,883</td>
<td>$5,214,257</td>
</tr>
<tr>
<td>Retained Earnings &amp; Surplus/(Deficit)</td>
<td>$28,414,361</td>
<td>$28,776,946</td>
</tr>
<tr>
<td>Change in Retained Earnings</td>
<td>$8,780,993</td>
<td>$362,585</td>
</tr>
<tr>
<td><strong>Cash Balances</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted Cash</td>
<td>$3,843,087</td>
<td>$3,564,473</td>
</tr>
<tr>
<td>Restricted Cash</td>
<td>$11,059,113</td>
<td>$11,867,016</td>
</tr>
<tr>
<td>Total Cash</td>
<td>$14,902,200</td>
<td>$15,431,489</td>
</tr>
</tbody>
</table>
## INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>12/31/2017</th>
<th>12/31/2018</th>
<th>12/31/2019</th>
<th>6/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessments</strong></td>
<td>$6,376,852</td>
<td>$6,362,666</td>
<td>$6,636,100</td>
<td>$3,414,821</td>
</tr>
<tr>
<td><strong>Program Revenue</strong></td>
<td>$4,471,418</td>
<td>$4,487,063</td>
<td>$4,552,820</td>
<td>$1,168,732</td>
</tr>
<tr>
<td><strong>Other Revenue</strong></td>
<td>$118,145</td>
<td>$171,823</td>
<td>$646,452</td>
<td>$130,677</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$10,966,415</td>
<td>$11,021,552</td>
<td>$11,835,372</td>
<td>$4,714,230</td>
</tr>
<tr>
<td><strong>Total Department Expenses</strong></td>
<td>$6,955,897</td>
<td>$7,288,638</td>
<td>$7,626,405</td>
<td>$3,267,509</td>
</tr>
<tr>
<td><strong>Total Non-Department Expenses</strong></td>
<td>$3,502,200</td>
<td>$3,718,920</td>
<td>$4,010,589</td>
<td>$2,137,404</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$10,458,097</td>
<td>$11,007,558</td>
<td>$11,636,994</td>
<td>$5,404,913</td>
</tr>
<tr>
<td><strong>Operating Budget Surplus/(Deficit)</strong></td>
<td><strong>$508,318</strong></td>
<td><strong>$13,994</strong></td>
<td><strong>$198,379</strong></td>
<td><strong>($690,682)</strong></td>
</tr>
</tbody>
</table>

### SROA Operating Results

- **Total Revenues**
- **Total Expenses**
- **Operating Surplus/(Deficit)**
<table>
<thead>
<tr>
<th></th>
<th>12/31/2017</th>
<th>12/31/2018</th>
<th>12/31/2019</th>
<th>6/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash and Investment</td>
<td>$13,111,210</td>
<td>$13,396,252</td>
<td>$14,902,200</td>
<td>$15,431,489</td>
</tr>
<tr>
<td>Total Receivables/Inventory/Other Assets</td>
<td>$389,592</td>
<td>$336,358</td>
<td>$358,893</td>
<td>$592,614</td>
</tr>
<tr>
<td>Fixed Assets w/o Depreciation</td>
<td>$27,147,410</td>
<td>$27,830,969</td>
<td>$28,689,223</td>
<td>$30,469,049</td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>($9,512,407)</td>
<td>($10,734,233)</td>
<td>($11,927,072)</td>
<td>($12,501,949)</td>
</tr>
<tr>
<td>Total Fixed Assets</td>
<td>$17,635,003</td>
<td>$17,096,735</td>
<td>$16,762,151</td>
<td>$17,967,100</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$31,135,805</strong></td>
<td><strong>$30,829,345</strong></td>
<td><strong>$32,023,244</strong></td>
<td><strong>$33,991,203</strong></td>
</tr>
<tr>
<td><strong>Liabilities and Retained Earnings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Accrued Liabilities and Deposits</td>
<td>$797,177</td>
<td>$509,544</td>
<td>$839,453</td>
<td>$1,336,806</td>
</tr>
<tr>
<td>SHARC Construction Loan</td>
<td>$1,786,281</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total Deferred Revenue</td>
<td>$10,175,041</td>
<td>$10,686,433</td>
<td>$2,769,429</td>
<td>$3,877,450</td>
</tr>
<tr>
<td>Retained Earnings - Beginning of Year</td>
<td>$15,751,030</td>
<td>$18,377,306</td>
<td>$19,633,368</td>
<td>$28,414,362</td>
</tr>
<tr>
<td>Change in Retained Earnings</td>
<td>$2,626,276</td>
<td>$1,256,062</td>
<td>$8,780,994</td>
<td>$362,585</td>
</tr>
<tr>
<td>Retained Earnings - End of Year</td>
<td>$18,377,306</td>
<td>$19,633,368</td>
<td>$28,414,362</td>
<td>$28,776,947</td>
</tr>
<tr>
<td><strong>Total Liabilities and Retained Earnings</strong></td>
<td><strong>$31,135,805</strong></td>
<td><strong>$30,829,345</strong></td>
<td><strong>$32,023,244</strong></td>
<td><strong>$33,991,203</strong></td>
</tr>
</tbody>
</table>
# CASH BALANCES

<table>
<thead>
<tr>
<th>Fund</th>
<th>12/31/2017</th>
<th>12/31/2018</th>
<th>12/31/2019</th>
<th>6/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Fund</td>
<td>$3,038,452</td>
<td>$3,303,290</td>
<td>$3,843,087</td>
<td>$3,564,473</td>
</tr>
<tr>
<td>Reserve Replacement/New Capital Fund</td>
<td>$7,583,234</td>
<td>$8,647,382</td>
<td>$9,480,773</td>
<td>$10,180,802</td>
</tr>
<tr>
<td>Operating Reserve Fund &quot;Rainy Day&quot;</td>
<td>$1,258,415</td>
<td>$1,275,878</td>
<td>$1,300,051</td>
<td>$1,307,704</td>
</tr>
<tr>
<td>SHARC Reserve Fund</td>
<td>$1,231,109</td>
<td>$169,702</td>
<td>$278,289</td>
<td>$378,509</td>
</tr>
<tr>
<td><strong>Total Cash</strong></td>
<td><strong>$13,111,210</strong></td>
<td><strong>$13,396,252</strong></td>
<td><strong>$14,902,200</strong></td>
<td><strong>$15,431,488</strong></td>
</tr>
</tbody>
</table>

**Cash Balances - 06/30/20**

- Operating Fund: 23%
- Reserve Replacement/New Capital Fund: 66%
- Operating Reserve Fund "Rainy Day": 9%
- SHARC Reserve Fund: 2%

**Unrestricted and Restricted Funds - 06/30/20**

- 76% - Restricted Funds
- 24% - Unrestricted Funds
<table>
<thead>
<tr>
<th>Description</th>
<th>Current Estimate</th>
<th>Budget</th>
<th>Variance</th>
<th>Paid Through 06/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design fees</td>
<td>$510,800</td>
<td>$481,350</td>
<td>$29,450</td>
<td>$451,823</td>
</tr>
<tr>
<td>Permits &amp; Review Fees</td>
<td>$50,000</td>
<td>$160,000</td>
<td>($110,000)</td>
<td>$45,304</td>
</tr>
<tr>
<td>Construction, including utility connections</td>
<td>$5,095,862</td>
<td>$4,802,049</td>
<td>$293,813</td>
<td>$1,196,472</td>
</tr>
<tr>
<td>Inspection and Testing</td>
<td>$55,200</td>
<td>$84,200</td>
<td>($29,000)</td>
<td>$19,558</td>
</tr>
<tr>
<td>Furnishings, Fixtures and Equipment</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Subtotal (Not-to-exceed per vote of owners)</strong></td>
<td>$5,761,862</td>
<td>$5,577,599</td>
<td>$184,263</td>
<td>$1,713,157</td>
</tr>
<tr>
<td>Contingency Used to date</td>
<td>$184,263</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Est Contingency for remainder of project</td>
<td>$50,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Est Contingency to be used</td>
<td>$234,263</td>
<td>$285,723</td>
<td>($51,460)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$5,811,862</td>
<td>$5,863,322</td>
<td>($51,460)</td>
<td>$1,713,157</td>
</tr>
</tbody>
</table>
SROA MISSION

“Maintaining Sunriver as a premier residential and resort community, protecting and enhancing its quality of life, natural environment and property values.”
COVID - 19

Governor & County Restrictions

- Social Distancing
- Masks
- Short-term Rental Prohibition
COVID - 19

- **SROA Impacts**
  - Office and Facilities Closures/Restrictions
  - Board and Committee Meetings
  - Public Access to Facilities
  - Sunriver as a refuge
COVID - 19

SROA Response

- Open for Business
- Facility Openings
- Board and Committee Meetings
- As Fully Functional as Possible
Current full-time staff accounts for 389 years of experience

*Employees who have served 10 years or longer:*

- Perry Thatcher – 27 years
- Leslie Knight – 25 years
- Becki Sylvester – 25 years
- Torry Berger – 22 years
- Hugh Palcic – 22 years
- Sam Bieber – 21 years
- Chad Dlouhy – 17 years
- Susan Berger – 15 years
- Jacki Bue – 15 years
- Michael Manley – 15 years
- Patti Gentiluomo – 14 years
- Amanda Harter – 14 years
- Corina Seamons – 13 years
- Brad Olson – 12 years
- Mark Smith – 12 years
ENGAGED EMPLOYEES

- **Value Employment**
  - Culture fosters trust - employees share their ideas and communicate more effectively.
  - Employees stay longer, lowering recruitment and training costs.

- **Create a Workforce with Heart**
  - Respect and care are paramount in setting the tone of a workplace - employees provide great service to each other and the community they serve.
  - Sustainability Committee was established to encourage sustainable practices in our workplace and community.
  - Met with community partners, the Village and SR Resort, to coordinate efforts.

- **Work Safely**
  - Health & Safety initiatives reduce workers compensation experience mod each year for the past five years - generating dividends from SAIF of over $70k over the last 3 years.
  - SROA selected by SAIF Corporation to be featured in a video highlighting employee engagement in the workplace.
Finished 2019 with a budget surplus

Completed Abbot/Beaver Roundabout

New restroom completed at Fort Rock Park

North Pool constructed using reserve funds – no owner assessment

SROA Capital Reserve Fund
  - Fund continues to grow – assets replaced on schedule
  - Onsite reserve study completed in 2020
  - Built to cover future capital projects
**RECREATION UPDATE**

- **SHARC**
  - Limitations on access due to COVID
  - 5 daily sessions = 1,000 owners and visitors
  - Fitness facility open
  - All events cancelled

- **North Pool**
  - Construction in process – October completion
Tennis & Pickleball

- By reservation
- Very popular and booked consistently
- Limited court access
- Growing Pickleball Club
**RECREATION UPDATE**

- **Boat Launch**
  - Extremely busy
  - Limited access to water
  - Challenges on river access and takeout
MEMBER PREFERENCE / RECREATION PLUS PROGRAMS

- **Member Preference**
  - 76% of previous year participation
  - No change to fee from previous year - $55 / year
  - Increased owner use of boat launch, tennis/pickleball and disc golf

- **Recreation Plus**
  - Board recognized reduced availability
  - Two refund options
    - Full refund by June 30
    - 25% - 50% - September Board Meeting
    - Cash or credit to 2021
  - 95% retention in the program
COMMUNITY DEVELOPMENT UPDATE

- **Refined Review Process**
  - Electronic Plan Submittals
  - External Paint Color Boards
  - Virtual Meeting Participation
  - 274 Active Permits – Extremely Busy
- **Design Manual Update – 2021**
  - Audit and overhaul design manual – all rules for design review in Sunriver
  - Updates have occurred piecemeal – not in a comprehensive manner
  - Existing rules from a period when homes were still newer and most properties were not developed – less than 100 vacant lots
  - Most projects are remodels, additions and upgrades
  - Intent is to streamline the review process while still maintaining the architectural integrity inherent to the community
  - Incentivize remodels, upgrades and general care/maintenance of structures for added value to the community
Natural Resources

- Tree City USA - 40 Years
- War on Weeds – 20 Years
- Increased public education via SROA website and Scene
NEW WEBSITE

- Better organization of needed information
- Intuitive search functions
- Visual clues, FAQs, links to documents
- Homepage features direct links to important topics
COMMUNICATIONS UPDATE

- Email Notifications
  - 2,800 subscribers
  - Moving toward bi-weekly updates of pertinent SROA information

Sign-up for SROA E-Notifications: www.sunriverowners.org/sroaenotifications

SROA Board Election Closes 12pm Saturday
The annual election for new members to the SROA Board of Directors closes Saturday, August 8 at 12pm. Ballots must be dropped off no later than 12pm in the SROA admin foyer (there is a locked drop box that will be checked). Find more information about the candidates here.
Please DO NOT MAIL YOUR BALLOT as it will not arrive in time to be counted.

SROA Annual Meeting | August 15, 1pm at SHARC
PLEASE NOTE: Due to uncertainties of the pandemic, meeting details are subject to change without notice. Any updates will be posted to the website calendar.
This year’s meeting will be a hybrid of limited, in-person owner attendance or it can be watched via a live stream from the comfort of your own home.
PUBLIC WORKS UPDATE

- Abbot/Beaver Roundabout
  - Sunriver’s #1 traffic issue
  - Grade separated tunnel crossing
  - Multiple stakeholders
  - On time and on budget
PUBLIC WORKS UPDATE

- Restroom at Fort Rock Park
  - Removes temporary facilities
  - Meets ADA requirements
  - Serves park and pathway use
PUBLIC WORKS UPDATE

**Cinder Shed**

- Received Deschutes County Land Use approval
- Design Committee approval
- Construction summer/fall 2020
INFRASTRUCTURE & AMENITIES MASTER PLAN (IAMP) UPDATE 2020

- **Infrastructure**
  - Improve Recycling Center Facilities
  - Improve SROA Public Works Facilities
  - Improve Telecommunications Infrastructure

- **Amenities**
  - Pathway Master Plan Update
  - Fort Rock Park Improvements
  - Mary McCallum Park Improvements


**ACCOUNTING UPDATE**

- **New Accounting Software**
  - Clean and seamless transition – increased efficiency
  - Consolidated our banking, investment and 401K advisor to First Interstate
  - Clean 2019 audit
Focus on Security of the IT System

- New Firewall
- Backup software
- Increased internet bandwidth – 10 to 50 Mbps
2020 – 2021 PROJECTS

- Telecommunications Decision
- Recycle Facility Task Force
- Rental Registry Task Force
- Design Manual Update
- 2030 Plan – Strategic Plan Update
- Pathway Master Plan Update
- Parks Master Plan Draft
SROA PARTNERS

- SROA coordination and partnering
  - Sunriver Service District (Police and Fire Departments)
  - Sunriver Resort
  - Sunriver Village
  - NW Natural – Sunriver Environmental (Water and Sewer Service)
  - Deschutes County
  - Others
OWNERS FORUM