

**SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
SROA BOARD ROOM
JUNE 21, 2025**

DIRECTORS PRESENT: Gerhard Beenen, Bill Burke, Clark Pederson, Keith Mobley, Brad Banta, Linda Beard, & Randy Schneider

DIRECTORS PRESENT VIA ZOOM: Veronica Jacknow

STAFF: James Lewis, Susan Berger & Richie Villagrana

The Board of Directors meeting was called to order at 9:00 A.M.

NUMBER OF OWNER ATTENDEES (not counting the Board members): 1

OWNERS FORUM: Bob Stillson, 10 Belknap Lane commented on the capital projects discussion from the Friday work session. Mr. Stillson stated that he was glad for the forthcoming owner/community meetings (June 26th & July 24th) where capital projects will be presented to and discussed with the owners. Of the three projects that will be highlighted though (Fort Rock Park, Pathways, and SHARC improvements), Mr. Stillson focused on the importance of the improvements to SHARC. Mr. Stillson noted that since SHARC first opened, the use/business has increased and while he believes improvements to Fort Rock Park and the pathways are important, they ranked lower in owner surveys and the SHARC improvements are necessary for both working conditions of the staff and enjoyment of the owners/users, thus making these a higher priority.

OWNER FORUM FOLLOW-UP FROM PREVIOUS MONTH

Treasurer Pederson followed up with Kristin Lawsen, 1 Umpqua Lane regarding her input on the Recreation Plus Program and why she no longer participates. Treasurer Pederson wrote her an extensive email explaining a number of other factors after trying to call and not being able to reach her. Treasurer Pederson also followed up with Michelle Walsh, 5 Fifteenth Tee Lane regarding her concerns about the current fees the Resort pays to SROA. He has not received a response from either owner as of the morning of this meeting.

President Beenen noted that given the majority of the comments yesterday were directed towards him and his President's message in the June Scene, he will work with GM Lewis on the responses for these folks.

RECAP OF 6/20/25 BOARD WORK SESSION

President Beenen reported that the Board started the day hearing the 2024 audit report from Heather McMeekin from KDP Certified Public Accountants, LLC. The Association has once again received a clean audit and copies are available at the Admin office.

A discussion was held regarding proposed ballot measure language for a special election for the purposes of establishing a transfer fee policy for properties changing hands in Sunriver. A discussion was held on the tree protection rules with Community Development staff Jacki Bue and Scott Jackson providing a breakdown of the number of properties with tree protections in place as well as the number of those that are in violation of the rule.

Assistant GM Kessariss provided an update on recreation statistics as well as an update on the

Administration building remodel. GM Lewis provided an update the Pathway Safety Taskforce's work to date reporting the taskforce will have their recommendations ready for the Board in July.

Vice President Burke led a discussion regarding Board officers for 2025/26 as well as a discussion about holding a board retreat in the coming months. GM Lewis provided an update on the upcoming owner forums on June 26th and July 24th to discuss capital projects.

The Board reviewed today's agenda. An executive session was held to discuss a personnel matter.

BOARD ACTION
BOARD MEETING MINUTES

Director Pederson moved to approve the minutes of the May 16, 2025, board work session minutes as corrected. Seconded by Director Burke, the motion passed unanimously.

Director Schneider moved to approve the minutes of the May 17, 2025, board meeting minutes as corrected. Seconded by Director Mobley, the motion passed unanimously.

BOARD ACTION
FINANCIALS

Treasurer Pederson reported that finances are in good order and we had another good month. Operating revenue was ahead of budget by \$4,531 largely due to gate admissions at SHARC which was \$12k better than budget for the month due to the delightful weather we had on Memorial Day weekend. Operating expenses were almost on budget, down by \$1,246 and the operating budget surplus for the month was \$14,711 to the positive. Year to date, expenses exceeded revenues by \$140,359 but we expected it to be \$202,488 resulting in \$62k to the positive largely due to the savings we have had in legal expenses this year. We are currently \$51,419 under budget in legal expenses.

On the non-operating side, revenue exceeded expenses by \$168,246 and the variance was \$5,879 above what we expected. Year to date, two thirds of the positive variance of \$38,202 is due to interest income and SHARC assessment payoffs. On non-operating expenses, we had the sale of an asset, a pickup truck, which is why we are currently \$9,903 ahead there. Year to date surplus is \$877,076 which is \$110,234 better than projected.

As of the time of this report, 620 homes have been connected to the high speed internet/bulk fiber compared to 552 homes last month.

Turning to cash/investment balances, Treasurer Pederson reported we are \$376,629 ahead of last year's cash balances largely due to the fact that we did not construct a tunnel in 2024. Treasurer Pederson noted a large negative in the operating fund in the amount of \$1.4 million which will be rectified in June when the second quarter reserves to operating transfer is done. Assets are still earning an average of 4.08% interest.

For the month ending May 31, 2025, there was a net operating surplus of \$14,711, which was \$3,825 better than the budget. Operating revenues were over budget by \$4,531, due to gate revenue at SHARC, design review fees, bulk fiber billing, and interest income. Operating expenses were over budget by \$1,246 for the month. Salaries and wages were under budget by \$17,572 due to open positions in recreation and public works. Material and services expenses were over budget by \$25,845 due to the timing of the renewal of GIS licenses, dust abatement on the canoe takeout road, and park landscape maintenance. All of these are budgeted expenses were under budget by \$9,255 for the month and \$51,419 year to date.

For the five months ending May 31, 2025, there was a net deficit of \$140,359, which was \$62,129 better than the budgeted amount. Operating revenues were over budget by \$36,277, mainly due to advanced payments for Scene advertising, SHARC admissions, and design review fees. Throughout the first five months, there were three additional RPP passes sold and 315 fewer MPP passes than at the same point last year. Salaries and burden were over budget by \$3,524, due to increased vacation accrual. Material and services were over budget by \$12,411 for the first five months. Operating interest income is over budget by \$11,046 year to date, and total operating and non-operating interest through the first five months was \$326,944.

As of May 31, 2025, there was a combined operating and non-operating surplus of \$877,076, which was \$110,234 better than budget.

Total assets as of May 31, 2025, were \$42,430,493. Cash and investments totaled \$18,494,234, a decrease of \$790,600 from the previous month. As of May 31, 2025, there was \$18,376,294 invested in Goldman Sachs Financial Square Government Fund and US Treasuries with durations between 90-days and five years with an annual yield of 4.08%. Construction in progress included the purchase of a freightliner truck, administration building remodel, and a new Ford Ranger.

Director Schneider moved approval for the unaudited SROA financial statements for the month ending May 31, 2025, as presented. Seconded by Director Banta, motion passed unanimously.

GENERAL MANAGER'S REPORT

GM Lewis reported his recap is for activities in May.

GM Lewis attended the regular monthly meeting with the Sunriver/LaPine Economic Development (SLED) Board regarding coordination with south county efforts for economic development. This will continue to be a monthly, on-going participation.

GM Lewis continued follow-up work with SROA legal counsel regarding fine/fee lawsuits and the potential settlement agreement language with one owner.

GM Lewis attended and participated in the monthly meetings of the Finance Committee, Owner Enrichment Committee, Covenants Committee and Admissions Model Workgroup.

GM Lewis participated in the on-going Newberry Regional Partnership Strategic Action Plan for South Deschutes County.

GM Lewis continues the ongoing/regular meetings with TDS staff regarding the physical construction and eventual migration of owners to high-speed fiber and SROA account.

GM Lewis and Assistant GM Kessarlis met with Josh Willis from Sunriver Resort regarding the shuttle agreement for owners to be transported back to the marina from the canoe takeout.

GM Lewis and Public Works Director Mark Smith met with the Meadow House Board of Directors regarding an easement for a portion of a Circle 2 to 3 pathway.

GM Lewis conducted the fourth meeting of the Pathway Safety Taskforce.

GM Lewis met with three separate Sunriver owners regarding the Resort's recent decision to make the golf courses private membership courses only.

GM Lewis participated in interviews for a new Recreation Director.

GM Lewis met with the new Sunriver Police Chief Pete Rasic.

GM Lewis along with Public Works Director Mark Smith met with a group of Aquilla Lodge owners regarding their angst with living next to a public works facility that has been in place since long before the condominiums were ever planned for.

The Accounting Department presented month ended April 2025 financial statements.

Accounting staff collaborated with outside auditors on the year-end statements for the Association's yearly audit.

Accounting staff assisted with the rollout of the Jonas Point of Sale (POS), inventory, and online court bookings.

Accounting staff continued with bulk fiber billing and communications with owners.

The IT department reported there were no significant outages to report for the month of May.

IT staff has removed and recycled what they could of the last of the old IT equipment stored in the Administration building attic.

The installation of the new Audio Video system at SHARC has been completed and staff is still monitoring potential power related issues. They are working with Revel A/V to modify user related changes.

IT staff viewed results from Midstate Electric power conditioning testing.

The new Jonas point of sale (POS) went live on May 1st and IT staff have been assisting with working the kinks out.

In the Communications Department, Scene advertising was at \$21,260 (\$22,761 in 2024).

There were 143 reads of the online May Scene including three readers from Norway.

There were 20,000 visits to the SROA/SHARC websites with top pages being today's schedule, admission rates, weather, how to reach staff, pickleball, and member pool.

Sunriver Style received 2,950 site visits in the last month. Most visited pages include what is going on, pathways, and river adventures.

Social media: Uncorked, Oktoberfest, Benham Hall, Summer is here, slurry sealing, start of fire season.

Eblasts: New online tennis/pickleball court reservation system; Uncorked early bird tickets; slurry sealing road work.

Other projects include meeting to discuss the feasibility of creating our own pathway routing (mapping) system. The program can also be utilized /accessible by Public Works, Natural Resources, etc. for the recording and tracking of various projects.

Updated the SHARC/SROA websites information to reflect summer operations.

Continue to meet with the Oktoberfest planning group and to promote the event.

Continue to participate in the Pathway Safety Taskforce and Communications Workgroup.

The Community Development Department reports the Design Committee meetings continue to occur on a regular schedule. There were no submittals for review in May, however, the committee met both Friday's to discuss possible text amendments to the Design Committee Manual of Rules & Procedures.

There are currently approximately 221 active projects/building permits (up by 8 from the previous month.)

The number of applications submitted in May was the slightly lower than in 2024 with 92 this year and 95 last year.

Community Development staff continued issuing compliance letters for design and rule violations where appropriate.

Community Development staff participated in Magistrate Hearings for background on violations and citations.

There is one home remaining from the 2023 paint survey. Inspections of homes on the 2024 paint survey are now being inspected.

The IT Department has developed an interactive citation document for staff. Training for the new procedure will be held in June.

Tree protection inspections are complete. 323 properties were inspected for compliance with the rules for tree protections for deer. Of the 280 protections, 265 did not meet the rules. All 43 tree protections for beaver/porcupines comply with the rules.

The Natural Resources (NR) Department prepared and mailed Ladder Fuels Reduction (LFR) notice of deficiency advisory reminder postcards.

NR staff prepared and mailed LFR 30-day notices.

NR staff prepared and mailed noxious weed outreach postcards.

NR staff continued Oregon Spotted Frog spring monitoring and egg mass surveys.

NR staff responded to phone calls and performed site visits for private property LFR and tree removal requests.

In Public Works (PW), the Winners Circle Pocket Park irrigation is complete, and 36 trees and grass seed have been planted.

Irrigation has been turned on at all locations.

Park safety and maintenance checks are occurring on a regular basis.

A broken section of the Fort Rock playground slide was repaired.

The canoe road was graded and 5,600 gallons of dust abatement product applied.

Chipping of ladder fuels is ongoing.

A representative from Graco came out and trained PW staff on paint striping for roads, pathways, and parking lots.

The new Wildflower tunnel is scheduled to open on June 13th.

Fleet Services took delivery of a new combination sander/deicer/plow truck.

Fleet Services took delivery of a new Ford Ranger for Natural Resources.

Annual service and repairs were completed on the Fire Department wildfire tender.

At SHARC, three additional shade structures were installed.

The exhaust fans in the chemical room were replaced.

Damaged concrete on the amphitheater deck was replaced.

Rock was added to parking lot swales at SHARC.

At the Members Pool tile repair is complete in the lap and recreation pools and wiring for the recreation pool water feature has been reprogrammed.

The North tarmac gate was repaired.

PW crews assisted with moving the Admin staff back to their buildings.

New maps have been installed at the map kiosks.

In Recreation, 4,588 Member Preference Program (MPP) memberships have been purchased to date and 835 homes are enrolled in the Recreation Plus Program (RPP) program.

Migration to the Jonas Point of Sale (POS) continues. The court reservation module is up and running.

Our new tennis pro Stacy Jellen has started along with returning pickleball pro and new assistant Whitney Smith.

The Memorial Day weekend was very busy with warm weather contributing to the large numbers of people using the facility.

Part-time hiring has wrapped up. Four lifeguard certification courses were offered in house. We are open to a few more hires should employee vacation plans change later in July.

Interviews for a new Recreation Director have been taking place. A new Aquatics Manager is scheduled to start on June 23rd and new Aquatics Supervisor on June 16th. That leaves one Aquatic Supervisor position to be filled.

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

Ex-officio member Randy Schneider reported the SSD Board met on June 19th for their regular monthly meeting.

The SSD is having a few warranty issues with their new building, the most recent being with the HVAC system not functioning properly. Also, a portion of the road edge where a water tender was emptied along Abbot Drive was compromised due to the amount of water that was allowed to flow into that area. The SSD will be addressing this issue at the Design Committee meeting next week to discuss how best to fix the problem.

The reserve study is on hold until they are completely done with all the expenses tied to the building.

A new flag pole base will be installed in August that will look much better than the existing one.

The SSD Nominating Committee, of which Director Schneider is a part of have picked out the four individuals they want to put forward to the Deschutes County Commissioners for approval to appointment to the SSD Managing Board. They are currently performing background checks on these individuals, which is not something that was done in the past.

Annual performance reviews have been completed.

The SSD is talking with the Sunriver Artists Gallery about the possibility of utilizing some of their art work in the public safety building.

Calls have been down a bit for the fire department and they have been providing quite a bit of mutual aide. Police calls have been down some as well. Director Schneider noted the department has received some comments about the amount of time Sunriver police cars seem to be spending outside of Sunriver on Highway 97 and points west and south of Sunriver. The response was when things are slow in Sunriver, it provides a good opportunity for the newer officers to receive some different type exposure and it is better to get the bad guys before they get into Sunriver.

The police department is recruiting lateral police officers that are already trained and able to start patrolling immediately. One new officer started recently and another one is scheduled to start on July 1st.

Bike patrol are up and operating, responding to bike accidents, and educating pathway users. The bike patrol ride in pairs for safety and added backup.

New Police Chief Rasic is quickly getting up to speed and Director Schneider is impressed with both his knowledge, background, and motivation.

SSD Administration staff have been working on a policy for the use of Seator Hall for meetings or events. Director Schneider pointed out that the information is very specific about the parking situation and the need to coordinate with SROA if a group has the need for more than the five spaces, two of which are handicap spots, in front of the Public Safety building. Use of the room will be regulated to the regular business hours of the SSD administration staff.

BOARD ACTION
COMMITTEE MEMBER APPOINTMENT

Director Pederson moved approval of the appointment of Kara Kecker as an alternate member of the Finance Committee. Seconded by Director Jacknow, motion carried passed unanimously.

BOARD ACTION
AUTHORIZATION FOR SPECIAL ELECTION AND TRANSFER FEE BALLOT LANGAUGE

Director Pederson moved approval of a special election to be held in the second half of 2025 to seek approval of a new capital transfer fee (special purpose assessment) of one half of one percent of the purchase price upon certain conveyances of a unit as defined in Section 1.28 of the Consolidated Plan of Sunriver and further move that the fee would be due and payable to SROA upon the closing of the sale. The purpose of the new capital transfer fee would be to fund new capital projects in Sunriver. Seconded by Director Burke.

President Beenen moved to table the motion until the August meeting to allow more time to educate owners about the issue. Seconded by Director Schneider. Motion failed with two yay votes and six nay votes.

The Board held further discussion on the topic noting this particular issue has not been brought up to owners before. The owner forums scheduled for June 26th and July 24th will be an excellent opportunity to educate owners about this proposal and will provide two opportunities for owners to learn more about the issue. President Beenen feels it is especially important to have those discussions in a public forum prior to approving moving forward with a special election. While owners will ultimately be able to vote on the matter, it makes the most sense to him to take the upcoming opportunities to inform owners of this proposal. If approved today, the election would close in November and if we wait until August, it will close in December due to the number of notices required to be published in the Scene.

Call for the question on the original motion, motion passed unanimously.

BOARD ACTION
ACCEPTANCE OF 2024 SROA AUDIT REPORT

Director Pederson moved to accept the 2024 audit prepared by KDP Certified Public Accountants (formerly Price, Fronk & Co.) as presented. Seconded by Director Mobley, motion passed unanimously.

BOARD ACTION
APPOINTMENT OF 2025/26 SROA BOARD OFFICERS

Director Pederson moved to approve the following board officers for 2025/26 year.

President: Bill Burke
Vice President: Keith Mobley
Treasurer: Clark Pederson
Assistant Treasurer: Veronica Jacknow
Secretary: Linda Beard
Assistant Secretary: Randy Schneider.

Seconded by Director Banta, motion passed unanimously.

There being no other business, President Beenen asked for a motion to adjourn.

Director Beard moved to recess the public meeting and reconvene in Executive Session under the authority given in the SROA Bylaws, Article IV, Section 11. Seconded by Director Schneider, the motion passed unanimously.

The public meeting recessed at 10:43 A.M.

The public meeting reconvened at 12:14 P.M.

There being no other business, President Beenen asked for a motion to adjourn.

Director Burke moved to adjourn the meeting. Seconded by Director Pederson, motion passed unanimously.

Respectfully Submitted,

Linda Beard, SROA Assistant Secretary