

**SUNRIVER OWNERS ASSOCIATION  
BOARD OF DIRECTORS WORK SESSION  
SROA BOARD ROOM  
SEPTEMBER 19, 2025**

**DIRECTORS PRESENT:** Bill Burke, Keith Mobley, Pam Hays, Dale Harrison, Linda Beard, Clark Pederson, & Randy Schneider

**DIRECTORS VIA ZOOM:** Veronica Jacknow & Brad Banta

**STAFF:** James Lewis, Keith Kessariss, Susan Berger, Patti Gentiluomo, Gary Seifert, Scott Reese, Mark Smith, Joe Healy, Jacki Bue, Kellie Allen & Richie Villagrana

President Burke also noted that former board member and long-time contributor to SROA, Mark Murray was in the audience today.

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

**OWNERS IN ATTENDANCE (not including Board members): 4**

**OWNERS FORUM**

Kathy Brown, 9 Quelah Lane, would like any Power Point presentations or handouts like at the last meeting be provided as a PDF attachment to the calendar, noting that it would make watching it on YouTube more informational. Additionally, Ms. Brown referenced the August 16<sup>th</sup> meeting and reference that was made to a 4% maximum increase for the Resort and the Village and she would like to see copies of those agreements.

William Gill, 16 Whistler Lane, is concerned about fire mitigation and wildfire safety in Sunriver. Mr. Gill believes there are more trees that could be removed/thinned in Sunriver. Mr. Gill suggested SROA representatives meet with the US Forest Service and the railroad representatives about additional fire protection in the areas just adjacent to Sunriver.

Lori Menalia, 7 Aquila Lodge, requested a breakdown of the costs of the proposed elements for the phased improvements at Fort Rock Park.

GM Lewis had several letters to read into the record:

Susy Franich, 21 Maury Mtn Lane, commented on her disappointment with the outdoor pools not being open seven days a week (specifically the Member Pool) for the remainder of summer. Ms. Franich included suggestions about how operations could continue into that time period when most all of the lifeguards have gone back to school.

Tina Freel, 28 Maury Mtn Lane, commented that she would like to see the Board/staff answers to the questions/concerns raised during the owners forum at this years annual meeting and wondered when those would be made available.

Michelle Walsh, 5 Fifteenth Tee Lane, commented on the proposed capital transfer fee. Ms. Walsh specifically asked how Sunriver Resort contributes to the capital projects/amenities in Sunriver and what the transfer fee equivalent would be for the Resort. Ms. Walsh again requested the Board consider bringing in a neutral third party group expert in HOA cost sharing methodologies to audit SROA, provide best practices and make suggestions before moving ahead with the capital transfer fee.

Wayne Greene, 12 Cypress Lane, wrote that over the past year he has noticed less adherence to parking regulations, with visitors in the community. Mr. Greene feels that more messaging to owners and property managers needs to be done in this regard.

Paul Conte, 7 & 8 McKenzie Lane, (two letters) first commented with regard to the SROA Board adjourning into executive session. Mr. Conte provided references to statutes about the requirements for executive session and the need to take action on items from the executive session during an open meeting. Secondly, Mr. Conte commented on his past complaints about barbed wire fences enclosing the meadows/pastures in Sunriver. Mr. Conte stated that there had been no response to his comments and formal complaint but also acknowledged that Director Mobley did respond to him. Mr. Conte believes there is unequal enforcement of rules between SROA and Resort properties as compared to other owners.

### **SUNRIVER SERVICE DISTRICT (SSD) BOUNDRY EXPANSION**

SSD Managing Board Chair Jim Fister and Sunriver Police Chief Pete Rasic were in attendance to communicate to the SROA Board that the SSD has recently been made aware of interest by the homeowners in Caldera Springs and Crosswater for the police to expand their services to include these two communities. The SROA Board was provided a copy of a letter that was sent to the Deschutes County Commissioners by the Board Presidents for Caldera and Crosswater outlining the rationale behind their request. This would be for police services only and the two communities and they are not seeking any changes to the coverage they receive from the La Pine Rural Fire District.

Chair Fister commented that the mission of the SSD effectively is the public safety of Sunriver and the Sunriver bounds and that is how we are approaching any future activity. Secondly, Chair Fister stated that while the letter from Crosswater and Caldera has gone to the Deschutes County Commissioners, the Commissioners have not responded to that letter to date. Chair Fister noted he has not yet met with the Board Presidents for Caldera and Crosswater but in an email exchange they noted they had not heard back from the Commissioners.

Chair Fister continued that he is aware that Deschutes County Sheriff Ty Rupert did meet with the Board Presidents for Caldera and Crosswater however he does not currently know the details of that conversation. Chair Fister and SR Police Chief Rasic have also met with Sheriff Rupert just to understand his perspective of what is being proposed. Chair Fister noted that Sheriff Rupert is one who takes his job very seriously and that the Sheriff is concerned that his department is not appropriately providing service and coverage for the constituents that pay taxes, something he is planning to address. Chair Fister commented that is really all he knows at this point and he does not know that it is reasonable to speculate on anything at this point. However, he is happy to try and answer any questions.

SR Police Chief Rasic commented that naturally the first concern for owners in Sunriver is what the impact to Sunriver would be if this change were to occur. Chief Rasic stated that the priority for the SR Police Department is always going to be the community of Sunriver. Chief Rasic has been asked about how this will dilute the services that are currently being provided to Sunriver and his answer is it will not. And if this were to move forward, personnel would actually increase at the Police Department, probably by two officers. They would also increase seasonal bike patrol and likely add an additional community service officer resulting in an enhancement, not a decrease in services.

The other impacts would really be felt more internally as the increase in staffing and increase in available funding will provide a healthier work environment and provide additional opportunities for the officers of the police department.

President Burke inquired if the change would also include the Business Park as well. Chief Rasic replied that it does not include the Business Park. Annexation of the Business Park would be an entirely different process.

Treasurer Pederson inquired if this would be done via a contractual agreement or would Caldera and Crosswater be absorbed into the SSD boundary? Chair Fister responded there are a variety of options that could happen. This initial letter from the Crosswater and Caldera representatives was reasonably vague in terms of the exact nature of the agreement other than the desire to engage the county in exploring potential options to form a closer relationship with the Sunriver Police. This could be done via contract or direct annexation and there are multiple paths for annexation that could be pursued.

Chair Fister commented a true annexation would require a reworking of the district itself and the management agreement with Deschutes County so it would be a fairly complex environment. If it is a true annexation it would also require multiple votes, first of the existing district to accept an annexation and a vote of the potential communities to be annexed as well.

Treasurer Pederson inquired about the cost associated with this proposed change to the district. If we get to the point where there actually are votes, would the costs of Caldera and Crosswater joining the SSD be borne by the two communities or by the SSD? As an owner, his obvious preference would be that any costs be the responsibility of Caldera and Crosswater. Chair Fister responded that it is unclear at this time. While he has a good idea of what the assessor's opinion is and legal opinion is, he has less clarity on what the clerk's opinion is in terms of how it would go.

Director Jacknow commented that if it were to get to that point, she imagines there would be some level of cost sharing. There will obviously be fixed and operational costs so it would seem they would be shared more broadly. While additional staff would be discretionary and hopefully paid for by the additional entities, there should be some fixed and operational costs that hopefully would reduce what Sunriver owners would be contributing due to having broader constituents that will be funding some of that as well.

Chair Fister responded that they have played with some of the numbers and to illustrate, the assessed value of Sunriver within its bounds is somewhere in the range of \$1.8 billion dollars. The assessed value of Caldera Springs and Crosswater combined is approximately \$500 million dollars. Caldera currently pays a law enforcement district rate of \$1.55 per \$1,000 assessed value. If that rate were replaced and given directly to Sunriver it would be in the range of three quarters of a million dollars. For reference, \$750k is about 1.2% of the County Sheriff's budget, which they would no longer receive from Caldera and Crosswater if this proposal is successful. In reference to the current Sunriver Police Department, \$750k would be an approximate 30% increase for them.

President Burke commented that he has heard from a lot of owners that they have noticed SR police patrolling a lot more in the Business Park and other neighborhoods outside of Sunriver as well as frequently being posted up on Highway 97 while not in a mutual aid situation. Chief Rasic responded that the community of Sunriver to some degree has actually been supplementing for law enforcement services in Caldera and Crosswater for years. Because of the nature of public safety, will the police department respond over there? They absolutely will. If there is an emergency, they will respond.

Chief Rasic added he too has had some of those same communications with concerned residents of Sunriver. He has received questions and concerns about the Sunriver police being on Spring River, South Century and on Highway 97. While there are a lot of reasons for that, most importantly, Chief Rasic added the police department acts almost as a sentry. Chief Rasic would like them to be out there and get to the problems and identify the bad actors before they come into Sunriver. They know who the bad actors are in the community because they are patrolling out on the perimeter. Additionally, they use opportunities such

as patrolling other neighborhoods or the highway as a training environment. Sunriver has a historic amount of turnover in the police department and to get the interaction with the community and make the traffic stops to work on officer safety, to work on tactics, etc., they need the wider community contact not available patrolling only in Sunriver.

Director Banta commented he is concerned about further erosion of the relationship between SROA and the SSD. If you start patrolling other areas, they will likely want a SSD board seat which in his opinion would further erode the interests of the Sunriver owners.

Chair Fister responded that there is some balance there that would need to be figured out. The question would be if it were just a partial expansion, police only, could somebody in the region appropriately represent the needs of both police and fire when they are not paying taxes for fire protection. That is a legal question that would have to be answered but is something that would probably be covered in a management agreement. Chair Fister noted the most recent changes to the management agreement had removed two SROA Board members from serving on the SSD Managing Board and replaced them with an ex-officio member. Chair Fister thanked SROA Director Randy Schneider for being a very effective communicator between the two boards and making sure we are in lockstep as best as possible.

Chair Fister remarked that this is all very preliminary, he just wanted to make sure SROA was informed and understood it and that SROA is aware that the SSD will be transparent about this process and will come back as often as necessary when they get further direction. The SSD wants to make sure that SROA, representing the entire citizenry of Sunriver through the owners association, will be an effective representative reporting the concerns of that community.

GM Lewis referenced the amount of turnover the police department experiences and asked if there is any concern that as the area is expanded and there is the need for additional officers to serve that area that you will not be able to provide the number of officers necessary? Police Chief Rasic responded that he does not have any concerns about filling those positions and in the short time he has been here he has been able to maintain full staffing at the police department, the first time in several years. Additionally, Chief Rasic is encouraged by the number of applicants they had when they were looking to fill those positions.

GM Lewis inquired as to the timing of this proposal and when a vote or election might happen. Chair Fister noted that the letter from Caldera and Crosswater referenced it going to a vote in May of 2026 however it is unclear whether everything can be in motion by that time. Additionally, Chair Fister noted that the May 2026 election is already going to be quite a busy one with the special Sheriff election, a vote for four of the five county commissioner seats, and a redistricting vote so the timing might not be good for district expansion vote. As discussions with Caldera and Crosswater continue, more will come to light and Chair Fister noted they are waiting on direction from the County Commissioners who constitute the governing board for the SSD.

Vice President Hays asked what downsides there might be for this expansion proposal. Chief Rasic responded that when he is introduced to these type conversations he tries to take a very global perspective and look at it from every side. Chief Rasic continued that it is hard to argue with the business model of this which he thinks works very well for the community of Sunriver. Additionally, he believes it would be great for the police department and for Caldera and Crosswater.

Chief Rasic does not expect the Sheriff to support this and if he were in the same position, he would not support it either, but there is actually a perspective where it works for them as well. The downside, if there is one, and which he has cautioned his officers and staff with, is the necessity to maintain that working relationship with the Deschutes County Sheriff's Department. That cannot be impacted as the two

departments have worked hand in hand for many years and he does not want to do anything that would interrupt that.

Chair Fister added that anytime something of this nature takes place it always creates a little bit of controversy. That said, he believes there is up side to this for the SSD, for Caldera and Crosswater and he thinks there is up side for the Sheriff's Office and for the city of La Pine. Chair Fister added that Sheriff Rupert has been very philosophical in the immediate conversations and Mr. Rupert's interest right now is understanding why there is a desire to do this and whether or not it is that something that can be addressed by the Sheriff's Department.

Director Mobley commented on his appreciation for Chair Fister's previous service on the SROA Board and he appreciates Chair Fister's current service on the SSD Managing Board. These two organizations are much stronger as a result of what has been happening and it is really a pleasure to see the level of communication and cooperation that is taking place and the Board looks forward to more of that.

### **TREE CITY USA**

Natural Resources Director Patti Gentiluomo was in attendance to congratulate the Board on once again receiving the Tree City USA award. Tree City USA is a program of the Arbor Day Foundation and is sponsored by the Oregon Department of Forestry. This is the 45<sup>th</sup> consecutive year Sunriver has been awarded this designation by the foundation and it reflects the SROA Board of Directors strong commitment to natural resources and a healthy forest environment here in Sunriver.

Healthy forests have been shown to reduce wildfire risk, benefit wildlife, cool our air temperatures, clean our drinking water, clean the air that we breathe, enhance communities, and be good for our overall health.

Of the almost 70 Oregon communities to receive this award, Sunriver remains the only unincorporated community due to the very early involvement by Sunriver in the program, which dates back to 1980.

The Arbor Day Foundation sets the award criteria and there are different criteria required to receive the award. The major one is spending a certain minimum dollar amount per capita on community forest activities such as our ladder fuels reduction plan, tree thinning, and implementing ladder fuels reduction. It is also about having governing documents such as the Ladder Fuel Reduction Plan and the SR Rules & Regulations and taking responsibility for tree care and forest management.

It is also proclaiming an Arbor Day each year. SROA actually does an Arbor Week and gives away 1,000 ponderosa pine seedlings for owners to pickup at SROA or the Sunriver Nature Center. Additionally, SROA Natural Resources staff planted 600 ponderosa pine seedlings on commons for restoration activities. As we work toward our conversion back to a predominantly ponderosa pine forest we use these Arbor Day planting events/opportunities to work toward that goal.

In conclusion, Ms. Gentiluomo remarked that this award is to honor the Sunriver Owners Association Board of Directors for their commitment to urban forestry and she congratulated the Board as they were presented with the 45<sup>th</sup> Year Tree City USA Award.

### **SROA STAFF THREE-YEAR BUDGET PRESENTATION**

GM Lewis led the SROA Department Heads in this yearly presentation. The purpose of the presentation is to identify and address future financial impacts for SROA, long-term planning, as well as the challenges and opportunities ahead in the next three years.

The primary goal of the budgeting process is continuing to provide a high level of service to owners and guests. Overall, there are no significant changes. Staff will maintain a reduction in expenditures wherever

possible, while acknowledging challenges posed by cost increases beyond our control, and meeting desired service levels.

Recreation and Public Works Budget planning must reflect flexibility to meet staffing needs to maintain service expectations and facility availability. These are the most dynamic as they have outside influences such as weather, smoke, fire, etc.

Staff will continue to implement the many plans and updated documents that have been created in the past few years. Communication with owners and visitors will continue to be an important, continually evolving element that impacts all departments.

There are a number of things staff will be working on in 2026 which GM Lewis reviewed briefly.

The goals, policies, and actions of the 2030 Strategic Plan will be used in conjunction with Board and staff input to guide annual work plans that are tied to the budget.

Staff request the hiring of a SROA Compliance Officer for rule and regulation enforcement and administration.

The contract with the Sunriver Police Department for rule enforcement needs to be reviewed and updated in 2026.

The scheduled remodel at SHARC will reflect current needs based on use (café, office alterations, events office).

Completion of the update of the SROA Rules and Regulations is currently underway utilizing a taskforce of owners and community members.

Completion of the update to the IT Strategic Plan is another priority.

Implementation of the recommendations from the Pathway Safety Taskforce will also receive action.

A special election to be held in 2026 could change the Consolidated Plan of Sunriver to authorize the proposed capital transfer fee.

Conducting a comprehensive fee analysis is another goal.

GM Lewis then invited the SROA Department Heads to provide their departmental presentations beginning with Kellie Allen in Human Resources. She noted the overarching goal for her is to provide the tools to our employees to continue to provide the high level of service that owners and guests expect. Ms. Allen noted that SROA currently has 55 full-time employees with four of those positions presently unfilled. Those full-time employees account for over 300 years of combined SROA experience. Additionally, SROA has approximately 100 part-time employees some of whom are year-round but the majority of whom are seasonal.

Recruitment, engagement, and retention are top of the agenda for Ms. Allen on an ongoing basis. The assurance of adequate staffing levels, workloads, and workspaces for SROA's different departments is important to that department and to SROA as a whole. Skill and needs assessments as well as investment in training and career development are important to the success of the HR department while being fiscally responsible to the Association.

Goals for 2026 for the HR Department include modernization of the HR processes and implementation of a new Human Resources Information System (HRIS) which is a software that helps companies manage employee information and automate core HR tasks like payroll, benefits administration, and time tracking. It replaces manual, paper-based processes with a centralized digital system for greater efficiency and accuracy while providing a secure repository for employee data.

Also slated for 2026 is future proofing in regard to succession and redundancy planning. We currently have some long tenured employees who will be retiring in the next few years and we need to be prepared as some of those folks will take a lot of institutional knowledge with them.

Treasurer Pederson commented that SROA runs very lean machine labor wise and we ask a lot of the employees, not just the Board, but the owners in general. And owners do not always understand that not all requests they make can be done as we do not always have the funding. Mr. Pederson added the employees do a tremendous amount of work to support the owners.

Director Jacknow echoed what Treasurer Pederson said noting her appreciation for the staff and for everything Kellie does on behalf of SROA.

GM Lewis commented that Ms. Allen does a terrific job of helping to create a culture where employees feel included and appreciated. That starts with the Board, who support the employees via pay and benefits packages but they should also enjoy what they are doing and Kellie helps foster that atmosphere.

Next up was Natural Resources Director Patti Gentiluomo who commented that a lot of what the Natural Resources Department programs are cyclical. Taking the top spot this year is cheat grass and Russian thistle. Ms. Gentiluomo brought the cheat grass issue to the Board's attention last year and it has made more of a presence in the community. It is considered a noxious weed in Deschutes County because it is very wide spread and difficult to control. The Natural Resources Department is taking the steps to apply pre-emergence spray.

Russian Thistle, classically known tumble weed is also popping up more inside of Sunriver and can generally be tied to contaminated fill dirt coming into the community. It is being seen frequently along road edges and on larger acreage properties.

Natural Resources has two management plans for their department. The Ladder Fuel Reduction (LFR) Plan and the Noxious Weeds Plan. As they look at those plans, the LFR is up for review in 2026. A major revision to the plan was completed in 2023 and staff knew at that time that additional revisions would be necessary due to different legislative concepts that were in the mix at the time.

The Noxious Weeds Management Plan is an older plan. However, it does provide opportunities where we can add additional noxious weeds to it over time. In addition to cheat grass and Russian thistle we are also seeing a lot more scotch broom and ragwort. We must consider what that will look like for the future in terms of compliance and the rules and regulations. If violations are found for what was a quarter of an acre parcel compared to a 50 acre parcel, that report will get a thorough review in 2026.

NR staff will continue to track legislation and outcomes as they look at the wildland urban interface (WUI) and other unfunded mandates and how those affect the community. After the Labor Day fires in 2020, in 2021 Senate Bill 762 was passed which was the bringing out of those wildfire concepts and making the changes on the landscape for the state of Oregon and talking about the risk map. It was revised with Senate Bill 80 in 2023 to redo the map as a hazard map and then this year with Senate Bill 83, that map was subsequently pulled. There were other clarifications with that Senate Bill including a more active State Fire

Marshal's office and also developing a model code and utilizing international WUI concepts and codes to the state of Oregon.

Lastly, Ms. Gentiluomo offered her support to the addition of a compliance officer for SROA. The Natural Resources Department deals with a lot of compliance within their department and she emphasized how beneficial it would be to have some additional assistance in that regard.

Director Jacknow thanked Ms. Gentiluomo and her department noting she has relied on their guidance in identifying noxious weeds on her own property. Ms. Jacknow inquired about how Ms. Gentiluomo would feel about appointing a taskforce focusing on wildfire safety and wildfire mitigation. Ms. Gentiluomo responded that it would depend on who was on the taskforce and that it would be adequately represented. Additionally, what would be the purpose of such a taskforce? Are you suggesting revisions to the LFR plan, consideration of additional plans or guiding documents? If it is about defensible space in terms of vegetation, it is also for structure protection and also for the firefighters being in a defensible position to adequately protect the home. Or is it about home hardening and building components or materials?

GM Lewis added it would depend on what the scope of the project is and the direction to the taskforce. What is it they would be addressing or providing a report on or trying to solve and how does that relate to what we are already doing.

Gary Seifert, IT Director remarked that he spoke to the Board earlier in the week at the special meeting about a few of the initiatives that the IT department has scheduled and he can go into more detail today if necessary.

2026 will have a large, continued focus on our GIS penetration and mapping around Sunriver, the pathway navigation app, and connecting our databases. A lot of this is behind the scenes type of work but from a functionality point of view and helping the various SROA departments out, it will be a big year for GIS.

The IT Department will also assist in setting up and supporting the new Human Resources Information System (HRIS) as well of the sunsetting of the existing application.

Referencing general IT support Director Seifert noted they will continue to work on improvements to the SHARC audio visual system and will undertake the refresh of the three-year IT Strategic Plan with the IT taskforce.

Looking ahead to 2027 and 2028, IT staff will continue data standardization between all SROA system, migrate the Jonas finance and accounting system to the "Jonas Cloud" and replace the Lenel gate and card systems at the SROA recreational outlets.

Assistant GM Keith Kessarlis introduced Scott Reese, our new Recreation Director for those who may not have had the chance to meet him.

Mr. Kessarlis reported that at the special meeting on September 17<sup>th</sup>, most of the capital requests that the recreation department is looking at were reviewed with the Board. Today's information will focus more on operations but will also touch on capital requests.

Starting with SHARC specifically, staff typically knows that every year utility costs, electricity, natural gas, and pool chemicals are going to rise. We are limited legally on the amount of pool chemicals we can store which prevents us from buying in bigger quantities. We already know we are going to see some significant increases for 2026.

Recreation Director Scott Reese spoke to the proposed migration to digital memberships that will occur over the next couple of years. Mr. Reese noted they are always looking at ways to expedite processes especially for checking people into the facility as there can be up to 2,000 people a day that come through the facility. Staff is working with the IT Department and currently exploring options for a more efficient and quicker process that would benefit the visitors and staff.

The Recreation Department is also looking to bring swim lessons back at SHARC something we have not had for several years. These programs are advantageous for owners and their kids and/or grandkids and also for kids that live in the Three Rivers area.

Additionally, the Recreation Department would like to provide cabanas that could be rented on a daily basis to visitors to SHARC. Shade is a continual issue at the facility and staff feels this addition would be a great benefit especially for families if they know they have that dedicated space reserved for them. Assistant GM Kessarlis noted there would be upfront costs to purchase the cabanas but they should pay for themselves within two years and after that would be a revenue generator.

Assistant GM Kessarlis spoke about the Member Services office and its much needed update. As was mentioned at the special meeting on Wednesday, there are six employees who all share a very small space meant for less people. When, out of that same office an employee is dealing with processing 6,500 MPP cards per year, multiple passes for the 900 homes that participate in the Recreation Plus Program, and answering numerous other questions, it can get rather congested. Additionally, our Events Department is also located within this space. The noise and congestion make it difficult to deliver the professional and efficient service our events staff want to provide to clients booking our event spaces.

In looking at the Member Pool, Assistant GM Kessarlis noted what a fantastic resource and amenity it is. It is a great setting and quite peaceful. While that is wonderful, we also want to make sure the facility is utilized more than it is now. Staff is looking at developing some structured events for owners. The monthly Owners Happy Hour was held at the Member Pool in both July and August which has been very well received and staff will be exploring more events in this vein to draw owners and their guests to that facility.

Shifting to tennis and pickleball Recreation Director Scott Reese commented that the pickleball hut will remain staffed in the summer months. Pickleball continues to grow in popularity and Mr. Reese does not anticipate that changing anytime soon. Having staff on hand to answer questions, take reservations, and manage equipment rentals, etc. is an important piece of that program.

Both the tennis hut at the North Courts and the pickleball hut at Fort Rock Park are going to receive some updates to provide a better work environment for employees and to provide a more professional look overall for when we are hosting tennis or pickleball tournaments.

Referencing events at SHARC, Assistant GM Kessarlis reported we are fully staffed in that department and Events Manager Beth Herron has done a fabulous job of bring the events programming into the 21<sup>st</sup> century. Software is now in place that takes you from the initial inquiry to the execution of that event and follow-up after the event. Increased targeted marketing efforts for the rental of Benham Hall have proven to be beneficial.

Assistant GM Kessarlis reminded the Board that the carpet in Benham Hall was replaced with luxury vinyl tile flooring earlier this year and that change alone has had an influence in first impression of that room. In that vein, staff is proposing the addition of some aspen trees and other upgrades to the amphitheater to attract more groups to come and utilize that space. This is a pretty low cost item for the benefit we will get out of it.

As far as reserve items are concerned, the café patio furniture at SHARC will be replaced/updated and some of the HVAC units and climate control systems will be replaced at SHARC. We are hoping to add the previously mentioned cabanas at SHARC and a new shaded structure for the pickleball courts.

Expansion of the café at SHARC, with the addition of an ordering kiosk and more shade will increase revenue opportunities. The proposed creation of a dedicated office space for the events office would go a long way in enabling our staff to provide the best service possible to folks inquiring about renting our event spaces.

In 2027, new fixtures and furniture are scheduled for the living room at SHARC and the barbecue area at the Member Pool is scheduled for repairing and/or upgrading. In 2028 and beyond staff would like to see a dedicated indoor exercise/court facility and a splash pad upgrade at SHARC.

Moving to Public Works, Public Works Director Mark Smith reported the River Road tunnel close to the Nature Center will be replaced. This tunnel is presenting more challenges than any of the other four tunnels that have been completed to date. Mr. Smith met with the engineers and contractor yesterday and received all the geo reports on the soil conditions among other things. We are in liquefiable soils in the location of that tunnel so things can change a fair amount and options on how best to deal with it are now being explored.

Mr. Smith also noted that when Mary McCallum Park was deeded as an owner park expecting houses would be built there, they were unable to build due to the entire area being covered with liquefied soils, so it became the owners park.

The implementation of the Pathway Master Plan includes completing and/or adding identified sections and completing the evaluation of the Circle 2 to 3 pathway. A big portion of Meadow Road will be rebuilt in 2026 and will continue in sections until 2028.

A proposed reroute of Theater Drive and tunnel replacement locations will be explored and possibly come to fruition between 2026 and 2029. Some pathway circulation gaps near Cardinal Landing Bridge and the SHARC facility will be remedied in 2026.

In the next one to three years, there will be more focus on regional parks such as Cottonwood and Meadow. Planning and hopefully, implementation of the Fort Rock Park improvements that will occur in phases. A riverbank stabilization plan will be completed in 2026 and we are looking at 2027 for the requested Cottonwood entrance experience.

Next up was Susan Berger, Communications Director who said she continues to constantly monitor the newspaper print market and explore options should a “printed” Scene no longer be viable or cost effective.

Ms. Berger noted that in regard to communications, the staff continue to communicate with owners via the Scene, the SROA website that has a wealth of information, and via email blasts. They will continue those efforts and will research additional “best practices” for messaging to owners and visitors.

Ms. Berger commented on what a great job the Events Department staff are doing in marketing our available event spaces. They are proactively taking initiative and want to publicize those spaces more. Ms. Berger’s department includes the marketing budget for this and as such she is requesting an increase for 2026 as those event spaces are a great revenue stream for SROA. Additionally, they need to upgrade their current camera equipment and they would like to purchase a drone to do some overhead shots of the amphitheater and the SHARC facility as a whole.

Department head succession is a must as Ms. Berger plans on retiring in the first or second quarter of 2026.

Community Development Director Jacki Bue reported there are no planned fee changes or increases for 2026.

In regard to the Design Manual of Rules & Procedures, this is a living document and the Design Committee members and staff are charged with reviewing possible changes to the manual as part of that annual review. These changes will enhance and ease interpretation by owners, designers, and contractors. The focus will be on increasing the use of fire wise products and practices.

Ms. Bue noted that the Design Committee members take lot of heat from owners and they are a group of owners who are very dedicated to this community. Ms. Bue remarked that she often invites those people who choose to treat committee members badly to join the committee themselves so they might more fully understand the adopted rules of the community.

Currently, it is not possible to have non-resident full-time members on the committee due to the need of the members to visit the actual site of projects. Ms. Bue, with the assistance of the IT department, is hoping to implement a system where it could be done remotely. This would provide the opportunity for a broader range of people to be on the committee.

Ms. Bue continued that as was discussed with the Board at the special meeting on Wednesday, she is hoping to add a dedicated compliance technician position which will allow staff to spend more time in the field on construction activity and increase the opportunity for owner education. There are numerous sets of rules in Sunriver that owners have to comply with. Those are included in the Sunriver Rules & Regulations, Design Manual of Rules & Procedures, Ladder Fuel Reduction Plan, and Noxious Weeds Plan.

As there is not a dedicated compliance tech, her two staff members are often pulled off of construction project reviews and visits to deal with other things that are not covered by anyone else in the organization. This takes away from their opportunities to educate owners and contractors during construction projects. It is important that SROA staff are out there in the field when a new home or major remodel is taking place to check in and see how things are going and answer any questions or concerns. When those staff members are pulled in a different direction, it takes away from that relationship that owner can build with staff and the committee members. Additionally, this would be one more person who can help educate people.

Ms. Bue shared that one of the mandates of the Design Committee is to, on a yearly basis, inspect every structure in Sunriver for dire need of paint. The committee members graciously agreed also to note any properties that have tree protections in place. That information is then provided to staff who monitor and track when the protections are noted to be in place as those protections have time limits on them. This has been a great help to the department and Ms. Bue appreciates the committee's efforts.

Community Development will continue to work with the IT department staff to increase staff efficiency in the field with the use of iPads in conjunction with the GIS data system.

Ms. Bue also noted that she is taking part in the Rules and Regulations Taskforce.

Controller Joe Healy started by thanking the members of the Finance Committee for their interest and support. Mr. Healy noted we are fortunate to have a great Finance Committee of very engaged members who are very involved in the process, which is a great asset to the community. Mr. Healy commented he is lucky to have two staff members, Brooke & Lawrie, who have been with SROA for a number of years now and have developed relationships with not only the department heads and staff but with our owners, vendors, and community partners.

As of this week, there are 980 properties that have been connected to high speed fiber and who are now being billed the \$35 per month by SROA. Adding that billing code to the individual accounts in the software is the easy part. Communication with the owners takes significantly longer and eats up a lot of staff time trying to get people squared away. The whole thing is a confusing process and the accounting, IT, and front desk staff spend a lot of time explaining the process to owners. All drops are to be available to the homes/condominiums by the end of 2026.

Controller Healy reported we are scheduled for the every three-year full reserve study in 2026. Our consultant will be on site and meet extensively with Public Works Director Mark Smith and his team. That will be a good reset on a clear picture of our percent funded and looking at being 70% funded by 2042. That plays a lot into this new proposed capital transfer fee and the funding of some of these new capital projects.

In regard to interest income, Mr. Healy reported that pre COVID we were making \$10k to \$20k per year in interest income. Currently we are making approximately \$700-\$800k per year from our reserve and operating funds in interest income. As rates start to get cut by the fed, it is going to affect our short-term purchases. The SROA financial policies are very restrictive of how money can be invested and as those rates start to drop we are going to be losing some of that interest income which will affect how much revenue we have that need to offset by other things. Some of those investments have been laddered up to five years so we could lock in some of those higher rates. We will continue to maximize that as much as possible to reduce the amount of maintenance fee increases that we need which is something the committee works very hard on every year.

Controller Healy also noted we have a great relationship with our representatives at Morgan Stanley who the Association switched to approximately a year ago. We got much better fee rates with them and they are great to work with. Our two main focuses are preservation of capital and managing cash flow.

Controller Healy remarked on the Jonas system which is the software system utilized in the Accounting Department and which IT Director Seifert spoke about moving to the cloud in 2026. We started using that system for point of sale (POS) and inventory and other things at SHARC. We are still working through some pain points but overall, it is going well and we will continue to enhance that process.

#### **ADMISSIONS MODEL WORKGROUP UPDATE**

The Board was provided a breakdown of recreation statistics for the month of August.

As of August 31, 2025, a total of 6,617 Member Preference Program (MPP) cards have either been purchased or renewed. Of that total, 5,686 were renewals and 173 were new cards. When including extended household, long-term renter, or commercial passes the total number of cards issued totals the 6,617. This is 493 fewer than at the end of August 2024. New MPP cards sales are down and this was the first time Mr. Kessarlis saw no new cards issued in the month of August. At the end of August, the MPP revenue totaled \$646,255 or 91.9% of the annual budget.

We had 2,485 more patrons at SHARC in August this year over last year. Assistant GM Kessarlis indicated that some of the MPP numbers are currently inaccurate due to the change in the Jonas system and staff is working on it. SHARC hosted a total of 49,693 attendees at the facility in the month of August compared to 47,208 in 2024. Of that 49,693, there were 4,395 member preference, 35,208 were RPP pass holders, 267 were member guests, 617 were extended household, and 6,422 were gate admissions. Year to date attendance is 178,928 compared to 180,846 in 2024, a decrease of 2,018 however Mr. Kessarlis referenced the challenges we have had since switching to the Jonas software at SHARC and getting accurate attendance numbers and having been down there everyday this summer, Mr. Kessarlis is convinced that we

were just as busy as last year. The good news is that we think we have this issue figured out and things will reflect accurately moving forward.

Regarding the 2025 Recreation Plus Program (RPP), as of August 31, 2025, there were 897 homes and/or condominiums signed up for the program. Of those 818 are renewals and 79 are new properties to the program. Last year at the same time there were 884 properties participating in the program. Mr. Kessarlis also provided a breakdown of the RPP's by the number of bedrooms. RPP revenue is at \$2,621,078 or 101.7% of the 2025 budget.

Gate revenue is currently sitting at \$631,544 or 97.14% of the budgeted \$650,100.

By the end of August 2025, staff have issued 52,660 paper guest passes and of those 9,823 have been redeemed at SHARC and 4,407 have been redeemed at the Member Pool.

Owners can purchase or renew their cards for 2025 in person at SHARC, or if just renewing it can be done over the phone, 541-585-5000 and online at [sunriversharc.com/Programs/SROA Member Preference Program](http://sunriversharc.com/Programs/SROA%20Member%20Preference%20Program). The Member Services office is open seven days a week from 9:00 A.M.– 4:30 P.M.

Regarding facility event space, for the month of August revenue is sitting at \$110,985 or 70.2% of the annual budget of \$157,950. Booked revenue through the end of the year is projected at \$31,675 for private events and \$5,000 for Special Events.

The café is now closed for the season. Season sales totaled \$610,765, of which SROA receives 19%.

Events Coordinator Beth Heron continues to receive lots of inquiries about the SHARC spaces available for different functions and we hope to spruce the amphitheater space up for 2026 to encourage more bookings of that space.

Our net profit in tennis/pickleball year to date is \$23k. We saw fewer pickleball lessons this year than we did last year. Apparently a lot of people now know how to play the game and just want to go play and enjoy the game versus trying to sharpen their skills! Reservation requests for pickleball were high all summer long.

The Oktober Fest event on September 26<sup>th</sup> & 27<sup>th</sup> was a great success with 475 attendees taking advantage of the offerings for the weekend. We ran out of the 250 glasses that were provided on a first come first served basis. Attendees had a lot of fun and we hope to continue this event on a yearly basis.

The Board thanked Mr. Kessarlis for his thorough reporting on these statistics on a monthly basis but wonder if they need such thorough reporting every month. A number of board members participate on the Admissions Model Workgroup and the information Mr. Kessarlis provides will be still be included in the board meeting materials so board members could read it themselves and then ask a questions if they have some. After further discussion, Mr. Kessarlis was asked to provide more of an abbreviated version of the information on a monthly basis.

### **FEES FOR SERVICES**

Assistant GM Kessarlis commented that what typically happens with the Admissions Model Workgroup is a very robust discussion in September and by October a recommendation is made to the Finance Committee and Board of the proposed fees for services for the following year.

The workgroup met on Wednesday and feel it would be more beneficial to wait another month just to see where everything else falls and we will have firmer numbers on insurance rates, utility rates, etc. There

would still be time to make any necessary changes and get those approved in November. That said, we do not anticipate any significant changes for 2026.

### **SPECIAL BOARD MEETING FOLLOW UP**

GM Lewis commented that he has made notes from the special board meeting held on Wednesday to discuss capital projects and the work plan for 2026 including the input received from the Board on the work plan items. If the Board has any other input after this morning's presentations from department heads, please get those to GM Lewis and he will add them to the notes and then distribute those to the Board. In October, we will go over that as a group to ensure everything is accurate. Those notes will go out to the Board sometime next week.

### **REVISED BOARD LIAISON/OFFICER ASSIGNMENTS**

President Burke reviewed the assignments for the different board members in the coming year. With the election now over, two changes that will be made in board officers. Director Hays will take the Vice President position and Director Mobley will serve as Secretary. This item is on the agenda for action at tomorrow's meeting.

President Burke also reviewed the committee and taskforce liaison assignments. It was also noted that Director Schneider would remain as the representative on the Sunriver Service District Managing Board.

### **BOARD DEVELOPMENT RETREAT**

GM Lewis reported there is a subcommittee consisting of Directors Banta, Jacknow, and Burke who are working on this and they met on August 21<sup>st</sup> to talk about the logistics such as when to have this meeting, what the focus and scope of the meeting will be, and what the desired outcome is.

GM Lewis commented that first we need to develop a statement explaining the objectives of the retreat and it should include the following:

- Establish Ground Rules
- Develop a Scope of Work
- Overall Intent is that the Board function as a Cohesive Body
- It is not to provide SROA with legal, ethical, or other instruction
- Find the Product

The timeline is to have the meeting take part of one day and the subcommittee is currently looking at the first week of January 2026 with a dinner for board members on January 7<sup>th</sup> and the meeting occurring on January 8<sup>th</sup> starting early in the morning and going until early afternoon. A facilitator would be hired to run the program and on the 8<sup>th</sup> and department heads will be invited to have lunch with the Board that day. The dinner, meeting, and lunch will all be held in the Pringle Room at SHARC.

Key topic can include:

- Consensus Building and Group Decision Making
- Communication styles of the Board
- Board Meeting Decorum and Protocol/Overall Meeting Process
- Role of the Board Committee Liaisons
- Conduct Outside of Board Meetings
- Board Recruitment Process
- Interaction with the Board and Staff

**REVIEW OF 9/20/25 REGULAR BOARD MEETING AGENDA**

The Board reviewed the agenda for tomorrow's regular Board meeting.

**ADJOURN**

There being no other business, President Burke asked for a motion to adjourn the public meeting and move into executive session.

Director Mobley moved to close the public meeting to owners and reconvene in an Executive Session under the authority given in the SROA Bylaws, Article IV, Section 11 to discuss contractual, personnel, and legal matters that may be subject to a claim of privilege. Seconded by Director Schneider, motion passed unanimously.

The public meeting recessed at 12:10 P.M.

The public meeting reconvened at 1:44 P.M.

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

Director Banta moved to adjourn the meeting. Seconded by Director Hays, motion passed unanimously.

The meeting adjourned at 1:50 P.M.

Respectfully submitted,

Keith Mobley, Secretary