Sunriver Owners Association Annual Meeting

August 19, 2023

PRESIDENT'S WELCOME

Gerhard Beenen

INTRODUCTION OF SROA BOARD OF DIRECTORS

GERHARD BEENEN, PRESIDENT



- Attended the University of Wisconsin & Oregon State University
- 30 years of management experience in the electronics/semiconductor industry.
- Nine years on Oregon Technology Industry Council
- Sunriver Nature Center Board & Finance Committee member
- SROA Finance Committee member and former SROA Treasurer
- Sunriver Service District Member and former Treasurer
- Member of SROA Telecommunications Task Force
- SROA Rules Awareness & Compliance Task Force Member

BILL BURKE, VICE PRESIDENT



- Attended Humboldt State University
- Former Chief Probation Officer, Marin County California
- Former Oregon Adaptive Sports Volunteer
- SROA Board Member, Current Vice President & Former Assistant Secretary
- Past SROA Admissions Model Workgroup member
- SROA Board liaison to Owner Enrichment Committee
- SROA Infrastructure & Amenities (IAMP) Taskforce Member
- SROA General Manager Search Taskforce Member
- SROA Comprehensive Owner Survey Workgroup Member

CLARK PEDERSON, TREASURER



- Attended the University of Oregon
- 37 years as a Financial Advisor & Vice President in the Investment Profession.
- 12 years on Sky Lakes Medical Center Board of Directors
- 20+ years on Sky Lakes Medical Center Foundation Board including 10 years as chair
- Rotary International Member for over 20 years
- Current SROA Treasurer & Finance Committee member
- SROA Recycling Taskforce Member
- SROA/SSD Public Safety Building Task Force Member
- Transient Room Tax Task Force Member

SCOTT GILLIES, SECRETARY



- Attended Washington State University, Lewis & Clark, & Bassist College
- More than 40 years experience in the Design Industry including working for O'Neil, Eddie Bauer, Nordstrom and Cutter & Buck
- Former Board Member Community Board of Design
- Founding Member of Sunriver
 You
- SROA Board Member and current SROA Board Secretary
- SROA Liaison to the Design Committee
- SROA Comprehensive Owner Survey Workgroup Member

KEITH MOBLEY, DIRECTOR



- Attended Oregon State University & University of Oregon
- Retired Attorney with an Emphasis on Real Estate & Business Law, Telecommunications, Banking, & Estate Planning
- Has served on the Board of Directors for OPB, Mary Hill Museum of Art, long-time member and past President of Rotary Clubs of The Dalles & Corvallis
- SROA Board Member and past President
- SROA Finance Committee Member & past Assistant Treasurer
- SROA Telecommunications Taskforce Member
- SROA Transient Room Tax Task Force
- SROA Liaison to the Covenants Committee

TONY DE ALICANTE, DIRECTOR



- Attended Pacific Lutheran,
 Willamette & Georgetown
 University's as well as the Naval
 War College
- 33 years of law practice including forming and advising businesses and nonprofit organizations
- More than 28 years of Government Service as an Officer in the U.S. Navy, retiring with the rank of Captain
- SROA Board Member since 2021
- Sunriver Service District Managing Board Member
- SROA Liaison to the Covenants Committee

JULIANNA HAYES, DIRECTOR



- Attended Claremont McKenna College
- Economic Consultant & Compliance Specialist
- Currently the CFO at Philo TV
- SROA Board Member
- SROA Finance Committee Member
- SROA Admissions Model Workgroup Member

LINDA BEARD, DIRECTOR



- Attended Pacific Union College
 & California Department of Insurance
- 40 years as a Registered
 Dietician & Nutritionist & as an
 Independent Insurance Broker
- SROA Board Member
- Sunriver Community Bible Church Women's Ministry

LARRY ISHMAEL, DIRECTOR



- Attended University of Oklahoma & Arizona State University
- Sales & Marketing Executive at various Fortune 500 companies
- Consultant in Privatization in Latin America
- Professor of Economics,
 Management &
 Entrepreneurship at Northwest
 University
- SROA Board Member
- SROA Admissions Model Workgroup Member

TODAY'S AGENDA

- I. Election Results
- II. Announcement of 2023-2024 Board Officers
- **III.** Board Service Recognition
- IV. Treasurer's Report
- V. President's Report
- VI. General Manager's Report
- VII. Owners Forum

ELECTION RESULTS

Scott Gillies

2023 ELECTION RESULTS







Bill Burke Scott Gillies Clark Pederson

2023-2024 BOARD OFFICERS

Gerhard Beenen

2023-2024 BOARD OFFICERS

President

Gerhard Beenen

■ Vice President

Bill Burke

Secretary

Scott Gillies

Treasurer

Clark Pedersen

BOARD SERVICE RECOGNITION

Gerhard Beenen

BOARD SERVICE RECOGNITION



Bill Burke



Scott Gillies



Clark Pederson

TREASURER'S REPORT

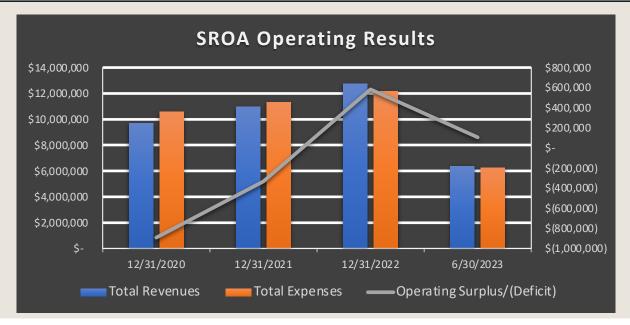
Clark Pederson

SUMMARY FINANCIALS

Income Statement	12/31/2022	6/30/2023
Total Revenues	\$12,754,407	\$6,380,733
Total Expenses	<u>\$12,171,416</u>	\$6,273,571
Operating Surplus/(Deficit)	<u>\$582,992</u>	<u>\$107,162</u>
Balance Sheet		
Total Assets	\$36,417,295	\$38,422,541
Total Liabilities	\$4,267,810	\$5,222,403
Retained Earnings & Surplus/(Deficit)	<u>\$32,149,486</u>	\$33,200,138
Change in Retained Earnings	<u>\$1,807,341</u>	<u>\$1,050,652</u>
Cook Bolovo		
<u>Cash Balances</u>		
Unrestricted Cash	\$4,071,759	\$4,119,187
Restricted Cash	<u>\$10,915,866</u>	<u>\$12,647,520</u>
Total Cash	<u>\$14,987,625</u>	<u>\$16,766,707</u>

INCOME STATEMENT

	12/31/2020	12/31/2021	12/31/2022	6/30/2023
Assessments	\$6,829,642	\$7,235,786	\$7,620,093	\$3,938,815
Program Revenue	\$2,607,541	\$3,446,859	\$4,719,941	\$2,142,180
Other Revenue	\$254,223	\$283,764	\$414,373	\$299,738
Total Revenues	\$9,691,406	\$10,966,409	\$12,754,407	\$6,380,733
Total Department Expenses	\$6,324,811	\$6,879,491	\$7,542,017	\$3,934,785
Total Non-Department Expenses	\$4,258,412	\$4,419,579	\$4,629,399	\$2,338,786
Total Expenses	\$10,583,223	\$11,299,070	\$12,171,416	\$6,273,571
Operating Budget Surplus/(Deficit)	<u>(\$891.817)</u>	<u>(\$332.660)</u>	<u>\$582.992</u>	<u>\$107.162</u>

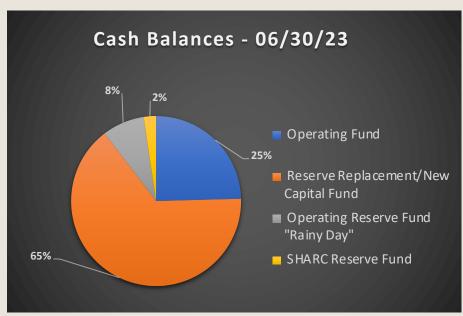


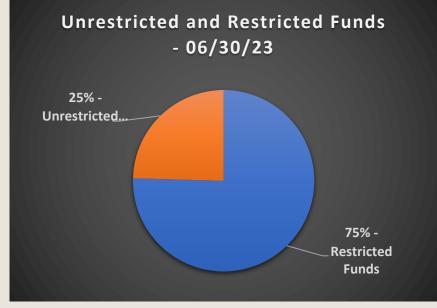
BALANCE SHEET

_	12/31/2019	12/31/2020	12/31/2022	6/30/2023
Assets				
Total Cash and Investments	\$11,986,509	\$12,518,203	\$14,987,625	\$16,766,707
Total Receivables/Inventory/Other Assets	\$372,120	\$622,181	\$326,316	\$772,185
Fixed Assets, Prior to Depreciation	\$33,502,027	\$35,561,791	\$36,276,818	\$36,872,300
Accumulated Depreciation	(\$12,729,143)	(\$13,773,771)	(\$15,173,464)	(\$15,988,652)
Total Fixed Assets	<u>\$20,772,884</u>	<u>\$21,788,020</u>	<u>\$21,103,354</u>	<u>\$20,883,648</u>
Total Assets	<u>\$33.131.513</u>	<u>\$34.928.404</u>	<u>\$36.417.295</u>	\$38.422.541
Liabilities and Retained Earnings				
Total Accrued Liabilities and Deposits	\$722,297	\$876,147	\$772,435	\$797,173
Total Deferred Revenue	\$3,115,004	\$3,710,112	\$3,495,375	\$4,425,230
Retained Earnings - Beginning of Year	\$28,414,361	\$29,294,212	\$30,342,145	\$32,149,486
Change in Retained Earnings	\$879,851	\$1,047,933	\$1,807,341	\$1,050,652
Retained Earnings - End of Year	<u>\$29,294,212</u>	\$30,342,14 <u>5</u>	<u>\$32,149,486</u>	\$33,200,138
Total Liabilities and Retained Earnings	<u>\$33.131.513</u>	<u>\$34.928.404</u>	<u>\$36.417.296</u>	<u>\$38.422.541</u>

CASH BALANCES

	12/31/2020	12/31/2021	12/31/2022	6/30/2023
Operating Fund	\$3,259,193	\$2,773,019	\$4,071,759	\$4,119,187
Reserve Replacement/New Capital Fund	\$6,989,447	\$8,143,985	\$9,040,926	\$10,913,119
Operating Reserve Fund "Rainy Day"	\$1,307,487	\$1,306,000	\$1,314,150	\$1,341,694
SHARC Reserve Fund	<u>\$430,382</u>	<u>\$295,199</u>	<u>\$560,790</u>	<u>\$392,707</u>
Total Cash	<u>\$11.986.509</u>	<u>\$12.518.203</u>	<u>\$14.987.625</u>	<u>\$16.766.707</u>





PRESIDENT'S REPORT

Gerhard Beenen

SROA MISSION STATEMENT

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

GENERAL MANAGER'S REPORT

James Lewis

THANK YOU

- It Takes a Team!
 - Board of Directors
 - Committee Members
 - Task Force Volunteers
 - All Owners
 - Staff

OVERCOMING CHALLENGES

SROA Is Not Immune But Has Been Successful!

- Fully Staffed First Time Since Pre-COVID
- Inflation and Material Costs –
 Projects on Time and Budget
- Supply Chain SROA Has Planned Accordingly
- We have overcome!

ACCOMPLISHMENTS PHYSICAL

Completed and Open For Use

- Mary McCallum Park paved pathway, permanent restroom, sink/water at pavilion riverbank restoration
- SHARC Pool resurfacing
- Circle 1 tunnel
- Complete re-build of 7 Lanes/cul-de-sacs
- Painted SHARC
- Ladder fuel reduction on commons
- Noxious weed removal on commons

ACCOMPLISHMENTS OPERATIONAL

Design Manual

- Streamlined procedures
- Specific standards versus discretionary criteria

Updated Ladder Fuel Reduction Plan

- Multi-agency coordination
- Compliance with State Law
- State Grant of \$350,000

Park and Recreation Facility Master Plan

- Community based
- Short and long term priorities
- Forward thinking
- Funding

ACCOMPLISHMENTS OPERATIONAL

Information Technology Strategic Plan

- Underlying basis for almost all operations
- Prioritized SROA needs
- Security focus
- Updated and adaptable as technology changes

Telecommunications Task Force

- Final report and recommendation fiber to the home
- Community vote approved bulk service agreement with TDS
- Construction commenced / three-year window

Recreation Facility Availability

- Fully staffed
- Expanded season and hours
- Customer satisfaction

ACCOMPLISHMENTS OPERATIONAL

Pathway Kiosk Sign Grant

- Visit Central Oregon \$75,000
- Update signs complete in 2024

ACCOMPLISHMENTS FINANCIAL

Clean 2022 Financial Audit

No recommended changes to practices

2023 Budget

 Adopted a budget with a planned deficit and on course to finish with a substantial surplus

Support for Financial Programs

- MPP, RPP and overall fees
- Fees lower than market rates

IN PROCESS

2030 Strategic Plan

- Task Force variety of owners as basis
- Guiding document for community evolution
- Owner vision for the future 7 years
- Develop Goals, Policies and Action Items
- Implementable with evaluative actions and results
 - Timeline
 - Community Partners

IN PROCESS

Communications

- Continue to search for the best ways to communicate with owners / two-way communication
- Scene, webpage, email, town halls
- Working with community stakeholders (Resort, Village, Property Managers)
- Continuing to seek email addresses and to communicate electronically – when possible – for efficiency
- Our ability to communicate with you is dependent on having the correct information for you.

IN PROCESS

Reserve Study

- Begin in fall of 2023
 - Accounts for all assets over \$3,000 in value and a 3-year life span
 - An accurate accounting of all assets and helps determine replacement timeline
- Ensures that SROA is planning financially for the replacement of its assets
 - Reserve fund currently has \$11 million
 - Goal is 70% funded by 2043
- Completed / updated every three years

IN PROCESS

Transient Room Tax Task Force

- TRT dollars are collected by Deschutes County
 - Collection and dispersal of funds is regulated by State law
 - Expenditure for tourism related items
- Evaluating the ability for SROA and SSD to receive TRT \$\$\$
 - Approximately \$6 million generated from Sunriver each of last two years
 - Sunriver generates over 50% of the rural Deschutes County TRT dollars
 - Over 65% of the TRT dollars generated from Deschutes County Planned Communities
- Developing rationale for consideration by County Commissioners

IN PROCESS

Public Works Facility

- Space for equipment and office facilities for Public Works staff
- Existing are severely deficient
 - former sewage treatment / containment building (50+ years old)
- Land use and building permits completed
- Demolition in near future with majority of construction and completion in 2024

Wage and Compensation Analysis

- Third party engagement for review of existing wages/benefits
- Evaluates the SROA job descriptions and changing needs
- Evaluates the appropriateness of SROA wages and benefits according to the job position and requirements
- Fair for employees but financially responsible for owners
- Completed periodically especially important following economic turmoil over the past three years
- Provides a sound basis for budgeting purposes

Comprehensive Owners Survey

- Conducted every 3 years
- Assesses the pulse of the community on a variety of issues
- Evaluates trends and helps determines priorities in planning for the future
- Huge turnout and success in past surveys
- Available on SROA webpage

Redesign of SROA Administration Building

- Police Department relocation upon completion of new
 Public Safety Facility approximately 1,700 square feet
- Comprehensive look at the entire building
- Maximize usable space with the fewest necessary changes
- Better usability and efficiency for both staff and owners

Develop Park Specific Conceptual Plans

- Regional parks Fort Rock, Cottonwood, Mary McCallum
- Comprehensive look at all interrelated park components
- Based on adopted Park and Recreation Facility Master
 Plan
- Meets owners / visitors needs

SROA OPERATIONS

SROA Departmental Operations Analysis

- Ongoing
- Evaluate current departmental processes for efficiency
- Establish future needs
- Propose changes, including:
 - Necessary staffing
 - Materials
 - Operating procedures
 - Budgetary impacts

SROA DEPARTMENTS

Hiring / Staffing

- Fully staffed for 2023
- Expected to continue

SHARC/Member Pool

- Recreation swim full operation
- Expanded season and daily hours

Visits/Use

- SHARC 2023: Average 1,800 to 1,900 per day
- Slightly less than 2019 busiest year – 2,100 per day
- Member Pool: Average 275 per day on weekends – less during midweek
- More than past busiest year (old North Pool) – 140







Fort Rock Pickleball Complex



Tennis & Pickleball

- By Reservation
 - 18 pickleball courts
 - 16 tennis courts
- Pickleball is the most popular court amenity and has consistently full courts
- Growing Pickleball & Tennis clubs
- Clinics fully return in 2023
- Additional Pickleball pro added

Boat Launch

- Extremely busy
- Continuing challenges on river access and takeout
- Rule regarding loading watercraft on Sunriver roads has been effective











Events

- Event space (Dillon, Pringle, Benham Halls) are consistently booked/rented weekends
- Space used by SROA committees and clubs during the week
- Ticketed concert:Jobe Fortner on Aug. 26get your tickets!
- 2023 event revenues are near budget and increasing toward end of 2023

NATURAL RESOURCES

Natural Resources

- Tree City USA 43 Years
- War on Weeds 23 Years
- Ladder Fuel Reduction Plan update complete and adopted
- Continuing public education via SROA website and Scene
- Compliance has been challenging for past three years
- Non-compliance and citations







COMMUNICATIONS

Sunriver Scene & Websites

- Primary means of communicating to owners - as well as visitors
- Scene printing challenges continue
- Email blasts are very successful







to send in vote by August 12

Saturday, August 19, 1 p.m. at SHARC. All members welcome to learn about the



SROA sells fire station to SSD; fire chief announcement

building or it reverts back to SROA. Should the district need to vacate the



COMMUNICATIONS



Recreation Facility Access Notice

SROA's recreation management would like to remind owners that we have more seasonal staff working at SHARC and other recreational outlets who will not know who you are.

Your patience is appreciated, and we ask that you check in with staff and provide your SROA membership card (MPP) and/or ID number upon entering our recreation facilities.

Also, the door to the owner's side of the SHARC facility will be closed more often to alleviate unauthorized entry, so you will need to politely ask desk staff for access – if the door is locked.



Siren Testing on Wednesday

Sunriver Police will be testing Sunriver's emergency outdoor siren system at 12pm on Wendesday, June 14. Testing of the sirens could last 30 minutes to an hour. There are five sirens in Sunriver at the following locations: on top of the fire department, near Fairway Lane, off Theater Drive near the SHARC basketball court, near Holy Trinity Church and in Circle 6.

Don't know what Sunriver's sirens sound like? Visit www.sunriveremergencyinfo.com to hear it.

This is also the perfect time to make sure you have signed up to receive emergency text alerts. On your cell phone text SRALERTS to 888777. You will receive a confirmation text if you were successful.

Don't know how to be prepared if an emergency were to happen? Visit www.sunriveremergencyinfo.com to learn what to do.

Shred & drug disposal event

Sunriver Police is sponsoring a residential shredding and prescription drug disposal event on Saturday, June 24 from 10 a.m. to 2 p.m. in the police department's parking lot at 57455 Abbot Drive. This is a free event but will accept nonperishable food items to donate to a local nonprofit.

The shredder can accept paper and file folders including paper clips and staples (no plastic folders). Please blackout or remove identifying labels from prescription bottles.

Email Notifications & Emergency Contact Information

- Easiest & quickest means of conveying important SROA information
- Emergency contact info helps
 SROA/Police/Fire reach you or a property manager
- Must opt-in/sign-up!

FIND SIGN-UP FORM AT:

SUNRIVEROWNERS.ORG

Under the Owners Menu

PUBLIC WORKS

- New Public Works Building
- Replaced Circle 1 tunnel
- Added a new pathway section at Mary McCallum Park
- Permanent restroom at Mary McCallum Park
- Replace aging kiosk signs along pathways



Now you see it, now you don't!



PUBLIC WORKS

Infrastructure and Amenities

- Primary responsibility for overseeing maintenance and capital improvements for existing and new infrastructure and amenities
 - Facility Maintenance Aquatics (SHARC and Member Pool)
 - Seal coat 50,000 SY of paths and roads
 - Rebuild of Circle 1 Tunnel
 - New pathway, restroom and water/sink at Mary McCallum Park
 - Plowing, ladder fuel pickup, etc.
 - Many small things that you don't realize (who do you think picks up the squished squirrels?)





ACCOUNTING

Financial Management and Asset Protection

- Clean 2022 Audit
- Financial forecast to prepare for budgeting
- 2023 Reserve Study this fall
- Online access to owner accounts up and running
- Updated SROA financial polices (collections)
 - Continued and on-going review for best practices and internal controls
- 2024 Wage Analysis
- Track Home Sales
 - 180+/- property transactions in the last year

INFORMATION TECHNOLOGY

IT Strategic Plan

- Completed early 2023
- IT is the underlying component for everything we do

New IT Director hired spring 2023

- Implementing the IT Strategic Plan
- IT prioritization for efficiency, security and owner needs

INFORMATION TECHNOLOGY

Security

- Implemented staff cyber security training
- Enhanced SROA network account/password security
- 24/7/365 system security monitoring provider
- Implemented internal multi-factor authentication for all computers

Infrastructure

- Increased bandwidth for private and public networks 1gb
- Additional WiFi access at SHARC
- Additional circuit to ensure disaster recovery redundancy
- SROA fiber between facilities lower costs by \$1,000/mo.
- Cloud environment remote access and redundancy

COMMUNITY DEVELOPMENT

Design Review

- Leveling off of submitted applications in 2023 following significant increase since mid-2020 that continued through 2022
- New homes on the few remaining vacant residential lots
- Many, many applications for remodels, additions and general maintenance and updating – expected to continue
- Increased Compliance and Enforcement of Design and General Rules
- Design Review Manual update adopted effective June 2023
- Migrate to online forms and submittals for efficiency

HUMAN RESOURCES SROA'S MOST IMPORTANT RESOURCE!

Perry Thatcher – 30

Becki Sylvester – 28

Torry Berger - 25

Sam Bieber - 24

Chad Dlouhy – 20

Susan Berger – 18

Jacki Bue - 18

Patti Gentiluomo – 17

Mark Smith - 15

Brad Olson - 15

Greg Koozer – 12

Emily Alexander - 11

Sean Lawson – 11

Christl Weaver – 11

Keith Kessaris – 9

Claire McClafferty – 8

Ken Isola - 8

Joe Healy – 7

Kellie Allen – 7

Wendy Manley - 7

Brigid Kennedy - 7

Jesus Mendoza - 6

Ethan DeVoll - 4

James Lewis - 3

Brooke Smalley - 3

Duncan Atwood – 3

Molly Stratton – 3

Gabe Rice – 2

Lawrie Dieckhoff – 2

Scott Jackson - 2

Shane Bishop - 2

Angela Hacking – 2

Leigh Anne Dennis - 1

Don Nolte - 1

Jose Alonso - 1

Kyle Smith - 1 (8)

UNDER 1 YEAR

Alexandra Haupt

Tess Phillippi

Nolan Morrell

Ethan Hirshon

Brandon Powers

Rebecca Maloney

Shae Callewaert

Harvey Hubley

Leah McKinney

Samantha Tirrill

HUMAN RESOURCES ENGAGED EMPLOYEES

Work Safely

- Reduced workers compensation mod each year for the past six years
- Current mod of .60 SAIF dividends of \$100k over the last 5 years
- SROA was selected by SAIF for a video they are producing that highlights employee engagement in the workplace

Value Employment

- Historic work environment that fosters trust and communication
- Employees will stay longer, lowering recruitment and training costs
- Current, 46 full time staff accounts for 349 years of experience with an average tenure of 7 ½ years
- Turnover resulting from economic volatility and an employee job market

Create a Workforce with Heart

- Respect and care in setting the tone of workplace and service
- Employees go out of their way to recognize and meet the needs of owners and visitors to Sunriver
- We try to please everyone!!

COMMITTEES

Committees are populated by owner volunteers



- Covenants Committee
 - Design Committee
 - Elections Committee
 - **■** Finance Committee
- Nominating Committee
- Owner Enrichment Committee

SROA CODE OF CIVILITY

Sunriver Rules and Regulations (Sect. 5.06)

"It is a violation of Sunriver rules for any person to treat SROA staff or volunteers in a disrespectful or inconsiderate manner. No improper conduct, abuse and/or harassment, defined as a course of conduct which intimidates, alarms or puts SROA's staff and volunteers in fear of their safety shall be tolerated. Improper conduct includes but is not limited to: obscenities, written, verbal or physical threats and/or gestures directed at SROA staff or volunteers. Sanctions imposed apply to the offending individual(s) only, and not, for example, any other members of a party that did not participate in the improper conduct or behavior."

SUNRIVER PEACE PLEDGE



THANK YOU

- It takes a team!
- We must all work together to keep Sunriver an outstanding community that continues to live up to our Mission Statement - we ask you to:
 - Volunteer and participate
 - Ask questions and be part of solutions
 - Thank your Board of Directors, Committee Volunteers and Staff

OWNERS FORUM

Contact us infosroa@srowners.org

Please
keep
comments
to three
minutes to
provide
others a
chance to

speak