



**Roseburg Urban Sanitary Authority**  
**1297 N.E. Grandview Drive**  
**Roseburg, OR 97470**

**REGULAR MONTHLY BOARD MEETING**  
**June 10, 2026**

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ROSEBURG URBAN SANITARY AUTHORITY AGENDA – June 10<sup>th</sup>, 2026 – 4:00 pm Regular Meeting

Board Room, Administrative Offices

1297 NE Grandview Dr., Roseburg, Oregon 97470

[Public Online Access](#)

1. Call to Order – Chair Wood
2. Roll Call
  - Kelsey Wood                      Tom Dole                      Robin Van Winkle
  - Rob Lieberman                      Mike Baker
3. Audience Participation – In-Person / via Zoom® - On agenda items
4. Consider Minutes
  - a. May 6, 2026, Special Board Meeting & Budget Committee Meeting
  - b. May 13<sup>th</sup>, 2026, Regular Board Meeting
5. Convene the Roseburg Urban Sanitary Authority Local Contracting Board
  - a. Approval of Issue Notice of Intent to Award
    - i. Goedeck Trunk Rehabilitation Project – Project # 25004
6. Reconvene the regular meeting of the Roseburg Urban Sanitary Authority Board
7. Resolution No. 26-02
  - a. A Resolution Adopting the 2026-2027 Budget and Making Appropriations
8. Resolution 26-03
  - a. A Resolution Opting to Limit Liability for Certain Claims Arising from the Use of Public Trails or Structures and Unimproved Rights-of-way Pursuant to ORS 105.668
9. Jacobs (Operations Management International) Amendment No. 4 to the Agreement for Wastewater Facilities Operations Maintenance and Management Services
10. General Managers Report
  - a. South Umpqua Trunk South Bank Repair – Project No. 25002
    - i. Project Update
  - b. WWTP Solar – Project No. 24011
    - i. Project Update
  - c. Admin Office Solar – Project No. 24012
    - i. Project Update
  - d. NTS Solar – Project No. 25001
    - i. Project Update
  - e. Emergency declaration
    - i. Walmart MH Repair – Project No. 25006
    - ii. Sleepy Hollow Creek Main Repair (Highland Stabilization) - Project No. 25005
  - f. Goedeck Trunk Rehabilitation – Project No. 25004
    - i. Project Update
  - g. WRF SCADA Roadmap Assessment – Project No. 26001
    - i. Project Update
11. New Developments
12. Staff Report
13. Plant Operations Report – Jacobs
14. Final 2024-2025 Annual Audit Report
15. Accounts Payable
16. Other Business
17. Audience Participation – In-Person / via Zoom® - Off agenda items
18. Adjourn

AMERICANS WITH DISABILITIES ACT NOTICE

Please contact the Authority’s Finance Department, 1297 NE Grandview Dr., Roseburg, OR 97470 or by phone (541)672-1551 at least 48 hours prior to the scheduled meeting time if you need accommodation.

**ROSEBURG URBAN SANITARY AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS  
MINUTES**

Board Chair Kelsey Wood, called the Special Board Meeting to order at 12:05 p.m. on May 6, 2026. The Board Meeting was held in-person and remotely broadcast by Zoom® Meeting.

**ROLL CALL**

**Directors**

**Present:** Board Chair Kelsey Wood, Mike Baker, Tom Dole & Robin Van Winkle

**Absent:** Rob Lieberman

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**Others present:** General Manager Jim Baird, Finance Director Christine Morris, Office Assistant II Harmony Williams, Collections Superintendent Steve Lusch, Engineering & Operations Manager Ryon Kershner, Information Technology Systems Administrator Dave Fromdahl, Budget Committee members Steve Loosley, Mike Jackson, Dan Hults, Alex Alonso & Ron Thames

**Appointment of Budget Committee Members**

Tom Dole made a motion to appoint Alex Alonso to position 4 for the remainder of the term ending June 30, 2027

Mike Baker seconded the motion.

Kelsey Wood requested Roll Call for the motion appoint Alex Alonso to position 4.

**Vote By Roll Call**

Robin Van Winkle	Yes
Rob Lieberman	
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

Steve Loosley's term is coming to an end on June 30, 2026.

Mike Baker made a motion to reappoint Steve Loosley to position 1 for a new three year term ending June 30, 2029.

Robin Van Winkle seconded the motion.

Kelsey Wood requested Roll Call for the motion to reappoint Steve Loosley to position 1.

Vote By Roll Call

Robin Van Winkle	Yes
Rob Lieberman	
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

Meeting was adjourned at 12:07 pm.

**Attached Additional Items Presented**

None.

Respectfully submitted,



Harmony Williams  
Office Assistant II

**BUDGET COMMITTEE MEETING  
ROSEBURG URBAN SANITARY AUTHORITY**

The Budget Committee Meeting was called to order at 12:07 p.m. on May 6, 2026. The Meeting was held in person and broadcast by Zoom® Meeting.

**ROLL CALL**

**Budget Committee Members:**

**Present:** Kelsey Wood, Robin Van Winkle, Tom Dole, Mike Baker, Steve Loosley, Mike Jackson, Dan Hults, Alex Alonso and Ron Thames

**Absent:** Rob Lieberman

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**Others present:** General Manager Jim Baird, Finance Director Christine Morris, Office Assistant II Harmony Williams, Information Technology Systems Administrator Dave Fromdahl, Collection System Superintendent Steve Lusch and Engineering & Operations Manager Ryon Kershner

Budget Officers are as follows:

- **Budget Officer:** Jim Baird, General Manager, Roseburg Urban Sanitary Authority.
- **Budget Committee Chair:** Steve Loosley nominated Mike Baker as the Budget Committee Chair. Ron Thames seconded the motion.

**Vote By Roll Call**

Kelsey Wood requested “Roll Call” for the motion to appoint Mike Baker as Budget Committee Chair.

Robin Van Winkle	Yes
Rob Lieberman	
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes
Steve Loosley	Yes
Mike Jackson	Yes
Dan Hults	Yes
Alex Alonso	Yes
Ron Thames	Yes

The motion was passed with a 9/0 vote.

- **Budget Committee Secretary:** Mike Baker nominated Steve Loosley as the Budget Committee Secretary. Ron Thames seconded the motion.

**Vote By Roll Call**

Kelsey Wood requested “Roll Call” for the motion to appoint Steve Loosley as Secretary.

Robin Van Winkle	Yes
Rob Lieberman	
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes
Steve Loosley	Yes
Mike Jackson	Yes
Dan Hults	Yes
Alex Alonso	Yes
Ron Thames	Yes

The motion was passed with a 9/0 vote.

The Budget Message for the fiscal year 2026-2027 was presented by the Budget Officer, Jim Baird. There was discussion regarding the contents of the Budget Message and if everyone had an opportunity to review the message. Budget Committee members stated they had reviewed the message. The Budget Officer presented highlights of the 2026-2027 Budget. This presentation detailed changes in revenue due to a proposed rate increase and key expenses for each department. A Committee member asked when the rate was last at \$30.00, to which they were informed 2023. This Committee member was concerned that the \$60.00 rate may be difficult for families. In response it was stated that unfortunately the rate remained low for too long in the past. No further concerns regarding the rate were expressed. It was asked if we had received our new permit from DEQ last issued in 2005. Jim Baird stated that right now the permit is scheduled for 2028.

The Budget Chair directed the Committee to review all of the below listed General and Other Funds:

General Fund has 4 departments:

- Administration and Engineering
- Treatment
- Collection
- Finance

Other Funds:

- Fund 03      Collection System Expansion Fund
- Fund 04      Infrastructure Replacement Reserve Fund
- Fund 06      Treatment Plan Expansion Fund
- Fund 07      Asset Acquisition and Replacement Fund
- Fund 08      Capital Projects Fund
- Fund 10      Plant Equipment Replacement Fund

Discussion was held by Committee members on the four General Fund Departments as well as the six Other Funds. The Committee had questions about the increase to Personnel Services for Administration and Engineering. Jim Baird explained that this is the result of the additional employee budgeted for the IT Department, along with existing employees increased salaries and fringe benefits. The Committee questioned if there is a plan for System Development Charges in the Charter Oaks area. Jim Baird stated that those details are yet to be worked out. The Committee questioned the age of the treatment plant and the amount of life left in the facility. Jim Baird explained there is still a lot of life left in its current state, but the new DEQ permit may dictate upgrades.

The Committee had questions regarding the Clean Water State Revolving Fund loan forgiveness and preparedness for replacing large items such as the gravity belt thickener. Jim Baird explained that the loans should be signed in July and there are no immediate concerns for replacing the gravity belt thickener but funding would be provided through Fund 10 if necessary.

At this time, the Budget Committee considered the Budget in its entirety.

Ron Thames made a motion to approve the 2026-2027 Budget, as presented.  
Robin Van Winkle seconded the motion.

Vote By Roll Call

Mike Baker requested "Roll Call" for the motion to approve the 2026-2027 Budget as presented.

Robin Van Winkle	Yes
Rob Lieberman	
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes
Steve Loosley	Yes
Mike Jackson	Yes
Dan Hults	Yes
Alex Alonso	Yes
Ron Thames	Yes

The motion was passed with a 9/0 vote.

There being no further business to come before the Budget Committee, the meeting adjourned at 1:24 p.m.

Respectfully submitted,

**Steve Loosley**

Steve Loosley  
Budget Committee Secretary

Signature: 

**ROSEBURG URBAN SANITARY AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS  
MINUTES**

Board Chair Kelsey Wood, called the regular monthly Board Meeting to order at 4:04 p.m. on May 13, 2026. The Board Meeting was held in-person and remotely broadcast by Zoom® Meeting.

**ROLL CALL**

**Directors**

**Present:** Board Chair Kelsey Wood, Rob Lieberman, Tom Dole & Mike Baker

**Absent:** Robin Van Winkle

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**Others present:** General Manager Jim Baird, Finance Director Christine Morris, Office Assistant II Harmony Williams, Collections Superintendent Steve Lusch, Jacobs Project Manager Dan Prather, Jacobs Operations Supervisor Steve Jackson & Ameresco Account Executive Kathleen Kelleher via Zoom

**Consideration of the April 8, 2026 Board Meeting Minutes**

Mike Baker moved to approve the minutes for the April 8, 2026 Roseburg Urban Sanitary Authority monthly Board Meeting.

Tom Dole seconded the motion.

Kelsey Wood requested Roll Call for the motion to approve the April 8, 2026 Board Meeting Minutes.

**Vote By Roll Call**

Robin Van Winkle	
Rob Lieberman	Yes
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

**Roseburg Urban Sanitary Authority Contract Review Board**

Kelsey Wood opened the Roseburg Urban Sanitary Authority Contract Review Board. Staff recommended the Board approve issuance of a Notice of Intent to Award to Control Systems NW to provide engineering services for the WRF SCADA Roadmap Project for a not to exceed contract amount of \$84,796.

Rob Lieberman made a motion to approve a Notice of Intent to Award to Control Systems NW not to exceed \$84,796.

Mike Baker seconded the motion.

Kelsey Wood requested Roll Call for the motion to approve a Notice of Intent to Award to Control Systems NW not to exceed \$84,796.

Vote By Roll Call

Robin Van Winkle	
Rob Lieberman	Yes
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

At this time Kelsey Wood reconvened the regular Board Meeting.

**Resolution No. 26-01; A Resolution Modifying Sanitary Sewer Rates**

Staff presented Resolution No. 26-01; A Resolution Modifying Sanitary Sewer Rates effective July 1, 2026.

Rob Lieberman made a motion to approve Resolution No. 26-01; A Resolution Modifying Sanitary Sewer Rates.

Mike Baker seconded the motion.

At this time Chair Woods asked if there was any further discussion. Tom Dole stated that he had time to research sewer rates and noted that RUSA’s rate is the third lowest in our area. He stated that he is now in favor of the rate increase.

Kelsey Wood requested Roll Call for the motion to approve Resolution No. 26-01; A Resolution Modifying Sanitary Sewer Rates.

Vote By Roll Call

Robin Van Winkle	
Rob Lieberman	Yes
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

**General Managers Report**

South Umpqua Trunk South Bank Repair – Project No. 25002

Staff is working with Oregon Emergency Management to request reimbursement payment for the project in the amount of \$671,587.89.

### WWTP Solar – Project No. 24011

The Ameresco contract archaeologist has completed their study and associated report. The report indicated no findings of significance. We have submitted the report to the State Historic Preservation Office (SHPO) for their review and approval. We are working with Pacific Power to complete the inter-connection agreement. Ameresco has submitted the 60% plans to DEQ for review and comment. Further work on the design has been halted until the results of the archaeological study are completed.

### Admin. Office Solar – Project No. 24012

The subcontractor has completed most of the solar system and commissioned the system. The system is currently generating power, offsetting a portion of our electricity usage. The battery is not scheduled to be delivered until mid-May. The subcontractor will return after the battery is delivered to complete the installation.

### NTS Solar -Project No. 25001

Ameresco completed 90% plans and submitted them to the DEQ for engineering review. Staff and Ameresco are working through the anchor design.

### Umpqua River Basin TMDL for Temperature

The DEQ has completed the Rules Advisory Committee (RAC) public meetings for the Water Quality Plan (WQP) to implement the Umpqua River Basin Temperature TMDL replacement. We are working with West Yost to provide further comment too the WQP.

### Emergency Declaration

#### Walmart MH Repair – Project No. 25006

Dyer Partnership is working through the permit process to repair the manhole.

The engineer is working on a no rise certification for the proposed work to meet the City of Roseburg requirements.

#### Sleepy Hollow Creek Main repair – Project No. 25005

Dyer Partnership has completed the application, and we have received approval to repair the 15-inch sewer main crossing Sleepy Hollow Creek.

### Goedeck Trunk Rehabilitation - Project No. 25004

Leeway Engineering Solutions has completed the plans. Staff published the Request for Proposals (RFP) on May 11<sup>th</sup>, and the bidding period closes on June 3<sup>rd</sup>.

### WRF SCADA Road Map Assessment – Project 26001

The Board was presented with the request to issue the Notice of Intend to Award at their May 13<sup>th</sup> meeting. Control Systems NW submitted a “Not-to-Exceed” contract agreement in the amount of \$84,796.

### Ameresco Presentation

Ameresco will provide an update on three solar projects.

## **Jacobs Plant Operations Report**

Dan Prather advised that the treatment facility averaged 96% BOD removal and 96% Total Suspended Solids removal during April. The total Effluent flow was 126.00 million gallons, all of which went to the river at Outfall 001.

**Budget to Actual Report**

Staff presented the Budget to Actual Report as of March 31, 2025. The Board asked if there was anything Christine Morris would like to expand upon. Christine stated the only thing of note is that the Asset Acquisition & Replacement Fund amount was projected to be 210,000 but that amount has been moved to the Capital Project Fund. The Board had no further questions.

**Accounts Payable**

The Board reviewed the Accounts Payable Report and Addendum for the May 14, 2026 Accounts Payable and addressed questions.

Rob Lieberman made a motion to approve the Accounts Payable Report and Addendum as presented.

Tom Dole seconded the motion.

**Vote By Roll Call**

Kelsey Wood requested Roll Call for the motion to approve Accounts Payable and the Addendum as presented:

Robin Van Winkle	
Rob Lieberman	Yes
Tom Dole	Yes
Kelsey Wood	Yes
Mike Baker	Yes

The motion was passed with a 4/0 vote

**Other Business**

None.

Meeting was adjourned at 5:25 pm.

**Attached Additional Items Presented**

Ameresco Presentation  
Accounts Payable Addendum

Respectfully submitted,



Harmony Williams  
Office Assistant II

# RUSA – Sustainability Projects

Main Office, WWTP & NTS Solar Projects | May 13, 2026



[amesesco.com](https://www.ameresco.com)

# Solar Projects | Benefits Overview



## Main Office

### Project

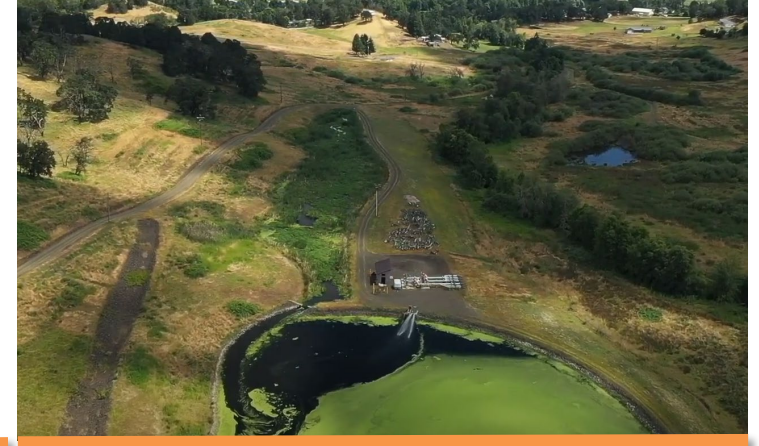
- 40kW solar + 180kW Battery Energy Storage System (BESS)

### Resiliency

- Allows for ~24 hours of back-up to the main office

### Annual Energy Savings

- \$6,661 / year



## NTS

### Project

- 400kW of floating solar

### Energy Reduction & Benefits

- 60%
- Shading of the pond

### Annual Energy Savings

- \$37,638 / year

# Main Office: 40kW solar + 180kW BESS

## Updates

**Contract:** Energy Savings Performance Contracting (ESPC)

**Schedule:**

- Solar system is in operation now
- BESS delivery May 2026
- Project Closeout: June 2026

**Benefit:** Ability to keep Main Office on & operational during outage. Reduced energy costs.

**Action:**

- Request ETO Incentives\*

Description	Cost	Funds
<b>Total Project Cost</b>	<b>\$ 911,997</b>	
ODOE CREP		\$ 870,870
ETO Incentive -- PDA		\$ 39,375
ETO Incentive – Installed*		\$ 15,940
<b>Cost to RUSA</b>		<b>\$ (14,188)</b>

# WWTP: 900kW Ground-Mount Solar

## Updates

**Contract:** Construction Manager/General Contractor (CMGC)

**Schedule:**

- DEQ:
  - Environmental Sign-Off in process; waiting on SHPO with 5/28 or earlier to receive notification
- Design: 90% by end of May
- Construction Loan: Aim to sign by July 2026
- Construction starts: August 2026

**Benefit:** Reduced energy usage & costs by ~44%

**Action:**

- Get response from SHPO to move forward

Description	Cost	Funds
<b>Estimated Cost*</b>	<b>\$ 4,000,000</b>	
ODOE CREP Grant		\$ 1,000,000
IRA Investment Tax Credit		\$ 1,200,000
DEQ Preconstruction Loan Forgiveness		\$ 911,368
DEQ Construction Loan Forgiveness		\$ 1,088,633
ETO / PAC Incentive		\$ -
<b>Cost to RUSA</b>		<b>\$ (200,000)</b>

# NTS: 400kW Floating Solar

## Updates

**Contract:** Construction Manager/General Contractor (CMGC)

### Schedule:

- DEQ: Review of design
- Design: 90%
- Construction Loan: Aim to sign by 6/30/26
- Construction starts: August 2026

**Benefit:** Reduced energy usage & costs by ~60% & shading of pond

### Action:

- Continue design
- Awaiting DEQ response

Description	Cost	Funds
<b>Estimated Cost</b>	<b>\$ 3,000,000</b>	
ODOE CREP Grant		\$ 1,000,000
IRA Investment Tax Credit		\$ 900,000
DEQ Preconstruction Loan Forgiveness		\$ 755,971
DEQ Construction Loan Forgiveness		\$ 744,030
ETO / PAC Incentive		\$ -
<b>Cost to RUSA</b>		<b>\$ (400,000)</b>

# Thank You!



[ameresco.com](http://ameresco.com)



# Accounts Payable

## Checks by Date - Detail by Check Date

User: christine  
 Printed: 5/13/2026 3:49 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	Express 33892490	Express Services, Inc. Part-time student intern - F. Strickland	05/13/2026	410.18
Total for this ACH Check for Vendor Express:				410.18
53377	CableHus 164088	Cable Huston LLP Legal services for April - Ch Oaks, Elk Is, SCAI	05/13/2026	4,130.00
Total for Check Number 53377:				4,130.00
53378	WATER INV25938	City of Roseburg Bulk water use and permit	05/13/2026	189.30
Total for Check Number 53378:				189.30
53379	PPL	Pacific Power	05/13/2026	
	Apr 2026 411LM	Usage-411 LM-Storage Bldg		32.01
	Apr 2026 425LM	Power Usage-425 Long Meadow		17.77
	Apr 2026 Admin	Power Usage-Admin Bldg		43.72
	Apr 2026 Brbn	Power Usage-310 Bourbon St PS		89.40
	Apr 2026 Gate	Power Usage-140 LM-NTS Gate		24.60
	Apr 2026 High	Power Usage-Highland PS		1,245.24
	Apr 2026 Keady	Power Usage-Keady Ct PS		108.71
	Apr 2026 LV	Power Usage-Loma Vista PS		107.01
	Apr 2026 NBank	Power Usage-North Bank PS		174.53
	Apr 2026 NTS	Contract/Power Usage-NTS PS		4,284.81
	Apr 2026 SBank	Power Usage-South Bank PS		1,869.82
	Apr 2026 Wilb1	Power Usage-Wilbur 1 PS		236.41
	Apr 2026 Wilb2	Power Usage-Wilbur 2 PS		249.23
	Apr 2026 WRF	Power Usage-WWTP 1		22,693.30
	Apr 2026 WRF2	Power Usage-WWTP 2		33.02
Total for Check Number 53379:				31,209.58
53380	UMPCCINC 6/13/26 Picnic	Umpqua Community Center, Inc. Full facility/full day rental for RUSA Picnic on 6	05/13/2026	200.00
Total for Check Number 53380:				200.00
Total for 5/13/2026:				36,139.06
Report Total (5 checks):				36,139.06

**RESOLUTION No. 26-02**

**A RESOLUTION ADOPTING THE 2026-2027  
BUDGET AND MAKING APPROPRIATIONS**

- 1 **BE IT RESOLVED** that the **ROSEBURG URBAN SANITARY AUTHORITY** adopts the Budget approved by the Budget Committee for Fiscal Year 2026-2027 now on file in the office of the Authority's Manager.
- 2 **BE IT RESOLVED** that the amount for the Fiscal Year beginning July 1, 2026, and for the purposes shown below are hereby appropriated as follows:

**GENERAL FUND 01**

Administration & Engineering	3,415,750
Treatment	3,505,000
Collection	1,979,400
Finance	959,840
Contingency	550,000
Transfers To Other Funds	7,859,260
Unappropriated Ending Fund Balance*	10,483,000
<b>TOTAL:</b>	<b>28,752,250</b>

**COLLECTION SYSTEM EXPANSION  
FUND 03**

Capital Outlay	2,038,000
Unappropriated Ending Fund Balance*	0
<b>TOTAL:</b>	<b>2,038,000</b>

**INFRASTRUCTURE REPLACEMENT  
RESERVE FUND 04**

Capital Outlay	4,200,000
Unappropriated Ending Fund Balance*	0
<b>TOTAL:</b>	<b>4,200,000</b>

**TREATMENT PLANT  
EXPANSION FUND 06**

Capital Outlay	1,212,800
Unappropriated Ending Fund Balance*	0
<b>TOTAL:</b>	<b>1,212,800</b>

**ASSET ACQUISITION AND  
REPLACEMENT FUND 07**

Transfer to Other Funds	0
Unappropriated Ending Fund Balance*	6,014,660
<b>TOTAL:</b>	<b>6,014,660</b>

**CAPITAL PROJECTS  
FUND 08**

Capital Outlay	9,000,000
Debt Service	7,197,400
Unappropriated Ending Fund Balance*	1,093,191
<b>TOTAL:</b>	<b>17,290,591</b>

**PLANT EQUIPMENT REPLACEMENT  
FUND 10**

Capital Outlay	3,000,000
Unappropriated Ending Fund Balance*	0
<b>TOTAL:</b>	<b>3,000,000</b>

*\*Amounts Not Appropriated*

**3 BE IT RESOLVED** that the **ROSEBURG URBAN SANITARY AUTHORITY** certifies to the Douglas County Clerk this Resolution, and shall file a copy of the Budget as finally adopted.

**ADOPTED** and appropriated by the **ROSEBURG URBAN SANITARY AUTHORITY** at the Regular Monthly Board Meeting, June 10, 2026.

**DATED: June 10, 2026**

\_\_\_\_\_  
**Kelsey Wood**  
**Chairman of the Board**

\_\_\_\_\_  
**James V. Baird**  
**General Manager**

**ROSEBURG URBAN SANITARY AUTHORITY**

**RESOLUTION NO. 26-03**

**A RESOLUTION OPTING TO LIMIT LIABILITY FOR CERTAIN CLAIMS ARISING FROM THE USE OF PUBLIC TRAILS OR STRUCTURES IN PUBLIC EASEMENTS AND UNIMPROVED RIGHTS-OF-WAY PURSUANT TO ORS 105.668.**

**WHEREAS**, the Roseburg Urban Sanitary Authority (“RUSA”), a local government entity organized under ORS chapter 450.705 to 450.985, owns certain real properties, including public easements or unimproved rights-of-way (“RUSA Properties”), within RUSA’s geographic boundaries; and

**WHEREAS**, members of the public use RUSA Properties at no charge from time to time for recreational purposes, including but not limited to hiking, walking, running, bicycling, horseback riding, and operation of non-motorized vehicles; and

**WHEREAS**, ORS 105.668 to 105.688 provide certain immunities from liability for owners of publicly or privately owned land (as well as to holders of easements on such land) who allow such land to be used, without charge, for recreational purposes by a user on foot, on an equine or on a bicycle or other nonmotorized vehicle or conveyance; and

**WHEREAS**, ORS 105.668(3) permits a unit of local government to opt in to the protections provided in ORS 105.668(2) by ordinance, resolution, rule, or other regulation; and

**WHEREAS**, RUSA desires to take advantage of the protections offered by such recreational immunity;

**NOW, THEREFORE**, the Board of Directors of RUSA resolves as follows:

1. Limitation on Liability. Pursuant to ORS 105.668(3), RUSA hereby adopts the limitation on liability provided under ORS 105.668(2). to wit: A personal injury or property damage resulting from use of a trail that is in a public easement or in an unimproved right of way, or from use of structures in the public easement or unimproved right of way, by a user on foot, on an equine or on a bicycle or other nonmotorized vehicle or conveyance. does not give rise to a private claim or right of action based on negligence against any of the following: (a) RUSA; (b) the officers, employees or agents of RUSA to the extent the officers, employees or agents are entitled to defense and indemnification under ORS 30.285; (c) the owner of land abutting the public easement or unimproved right of way in RUSA; or (d) a nonprofit corporation and its volunteers for the construction and maintenance of the trail or the structures in a public easement or unimproved right-of-way.

2. Definitions. For purposes of this Resolution, “structures” means improvements in a trail, including, but not limited to, stairs and bridges, that are accessible by a user on foot, on equine or

**1 - A RESOLUTION OPTING IN TO RECREATIONAL IMMUNITY PROTECTIONS**

on a bicycle or other nonmotorized vehicle or conveyance; “unimproved right-of-way” means a platted or dedicated public right of way over which a street, road or highway has not been constructed to the standards and specifications of the local government with jurisdiction over the public right of way and for which RUSA has not expressly accepted responsibility for maintenance.

3. Exceptions. This Resolution does not grant immunity from liability: (a) to a person who receives compensation for providing assistance, services or advice in relation to conduct that leads to personal injury or property damage; (b) for personal injury or property damage resulting from gross negligence or reckless, wanton, or intentional misconduct; or (c) for an activity for which the actor is strictly liable without regard to fault.

4. Severability; Effective Date. For purposes of this Resolution, the singular includes the plural, and the plural includes the singular; the word “or” is not exclusive, and the words “include,” “includes,” and “including” are not limiting. Any reference to a particular law, statute, rule, regulation, code, or ordinance includes the law, statute, rule, regulation, code, or ordinance as now in force and hereafter amended. The provisions of this Resolution are severable. If any section, subsection, sentence, clause, or portion of this Resolution is for any reason held invalid, unenforceable, or unconstitutional, such invalid, unenforceable, or unconstitutional section, subsection, sentence, clause, or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, or constitutionality of the remaining portion of this Resolution. This Resolution will be in full force and effect from and after its approval and adoption.

**ADOPTED** by RUSA’s Board of Directors on this \_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Board Chair

Attest:

\_\_\_\_\_  
General Manager

**2 - A RESOLUTION OPTING IN TO RECREATIONAL IMMUNITY PROTECTIONS**



**Challenging today.  
Reinventing tomorrow.**

May 6, 2026

Attn: Jim Baird  
General Manager  
Roseburg Urban Sanitary Authority  
1297 NE Grandview Dr,  
Roseburg, OR 97470

Budget Proposal for CY38

Mr. Baird,

It has been my pleasure to be Jacobs project manager and provide operations and maintenance services to Roseburg Urban Sanitary Authority. There have been both successes and struggles in delivering our services in the past year. Looking forward to next year, I am proposing a 3.6% fee increase to align with our vision for the treatment plant and our team in the coming year. Specific areas contributing to the proposed change are listed below.

Line Item	Current Budget	Proposed Budget	Percent Change	Explanation
Total Budget	\$1,860,468	\$1,927,651	3.6	
Labor	\$1,013,721	\$1,064,073	5	Annual Increases and Promotions
NonLabor (Excluding Repairs)	\$736,747	\$743,578	.93	Lowered chemical costs and Removed Fuel expenses
Repairs	\$110,000	\$120,000	9.1	Aging facility and expected repairs

I look forward to another year of providing operations and maintenance services and I appreciate the opportunity to serve RUSA and the Roseburg community.

Sincerely,

Dan Prather

**AMENDMENT NO. 4  
TO THE  
AMENDED AND RESTATED AGREEMENT FOR WASTEWATER FACILITIES OPERATIONS,  
MAINTENANCE AND MANAGEMENT SERVICES  
For the  
ROSEBURG URBAN SANITARY AUTHORITY**

This Amendment No. 4 is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by the Roseburg Urban Sanitary Authority (hereinafter "RUSA") and Operations Management International, Inc. (hereinafter "OMI"). This is an amendment to the Agreement, dated June 16, 2023, between RUSA and OMI (hereinafter the "Agreement").

NOW THEREFORE, RUSA and OMI agree to amend the Agreement in accordance with Article 1.6 as follows:

1. Article 2.4 is hereby deleted in its entirety and replaced with the following:

Provide and document all Repairs for the project, provided the total amount OMI shall be required to pay does not exceed One Hundred Twenty Thousand Dollars (\$120,000) for the period set forth in Article 4.1 of this agreement. RUSA shall pay for all Repairs in excess of the Repair limit.

2. Article 4.1 is hereby deleted in its entirety and replaced with the following:

RUSA shall pay to OMI as compensation for services performed under this Agreement a base fee of One Million Nine Hundred Twenty-Seven Thousand Six Hundred Fifty-One Dollars (\$1,927,651) for the period of July 1, 2026 through June 30, 2027 of this Agreement. Subsequent years base fees shall be determined as hereinafter specified.

3. Article 4.2 hereby is deleted in its entirety and replaced with the following:

The estimated total Direct Cost for providing services under this Agreement is One Million Five Hundred Eighty Thousand Six Hundred Seventy-Four Dollars (\$1,580,674) for the period of July 1, 2026 through June 30, 2027 of this Agreement. If actual total Direct Costs is less than the estimated total Direct Cost for any one year, OMI will rebate to RUSA one hundred percent (100%) of the difference, except for the adjustments as described in Article 4.6. If actual Direct Cost is greater than the estimated Direct Cost for the current period, RUSA will pay one hundred percent (100%) of the difference between the actual and estimated Direct Cost. OMI will provide written notification of forecasted annual total Direct Costs for the current contract year on a monthly basis for RUSA approval.

This Amendment together with all previous Amendments and the Agreement constitutes the entire agreement between the Parties and supersedes all prior oral and written understandings with respect to the subject matter set forth herein. Unless specifically stated all other terms and conditions of the Agreement shall remain in force and effect. Neither this Agreement nor the Agreement may be modified except in writing signed by an authorized representative of the Parties.

The Parties, intending to be legally bound, indicate their approval of this Amendment by their signatures below.

**OPERATIONS MANAGEMENT  
INTERNATIONAL, INC.**

\_\_\_\_\_  
Name: Shawn Moffitt  
Title: Geographic Director of Operations  
Date: \_\_\_\_\_

**ROSEBURG URBAN  
SANITARY AUTHORITY**

\_\_\_\_\_  
Name: James V. Baird  
Title: General Manager  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: Kelsey Wood  
Title: Board Chairman  
Date: \_\_\_\_\_

## GENERAL MANAGERS REPORT

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Date: 06/04/26  
To: Roseburg Urban Sanitary Authority, Board of Directors  
From: James V. Baird, General Manager  
Re: General Managers Informational Report to the Board

### **South Umpqua Trunk South Bank Repair – Project No. 25002**

Staff has completed the required documentation required by the Oregon Emergency Management to request reimbursement payment for the project in the amount of \$671,587.89.

### **WWTP Solar – Project No. 24011**

Ameresco is working on completing the 100% design to submit to DEQ for approval. The State Historic Preservation Office (SHPO) has concurred with the archaeologist report. The findings support a categorical exclusion recommendation and now move to a 14-day public notice for comment. We are working with Pacific Power to complete the inter-connection agreement.

### **Admin. Office Solar – Project No. 24012**

The subcontractor has completed the installation of the battery. The team is working on a commissioning schedule.

### **NTS Solar -Project No. 25001**

Ameresco is working on 100% plans for submittal to the DEQ for engineering review. DEQ is working on the amendment to the loan to include construction for a total loan of \$3,000,000 with 50% forgiveness.

### **Emergency Declaration**

#### **Walmart MH Repair – Project No. 25006**

Dyer Partnership is working through the permit process to repair the manhole.

The engineer is working on a no rise certification for the proposed work to meet the City of Roseburg requirements.

#### **Sleepy Hollow Creek Main repair – Project No. 25005**

Dyer Partnership has completed the application, and we have received approval to repair the 15-inch sewer main crossing Sleepy Hollow Creek. Staff are soliciting bids for the work.

### **Goedeck Trunk Rehabilitation - Project No. 25004**

The bidding period has closed. The low bidder is Allied Plumbing and Pumps LLC. The engineer's estimate is \$3,011,525 and the low bidder is \$3,201,220.

### **WRF SCADA Road Map Assessment – Project 26001**

Control Systems NW has entered into a contract, and the kick-off meeting is scheduled for June 11<sup>th</sup>, 2026.

# **ROSEBURG URBAN SANITARY AUTHORITY**

## **NEW DEVELOPMENTS AND PROJECTS**

---

### **DEVELOPMENTS:**

- Hanna Heritage Plaza Sewer Main Relocation-Project Complete-Waiting on Easement
- Tarragon Acres
- Old Hwy99

### **PRELIMINARY DESIGN:**

- Harvard/Maple Sewer Improvement
- Goedeck CIPP Project ready for board approval
- WWTP Influent Pump Station Replacement-Work has begun on the RFP
- WWTP SCADA Upgrade-FRP has closed and is waiting board approval

### **PROJECTS:**

- Deer Creek sewer trunk line rehabilitation project - Now in Warranty
- Umpqua Street Sewer Rehabilitation project – Now in Warranty
- Parrot Street Storm Culvert Replacement

# ROSEBURG URBAN SANITARY AUTHORITY

## May 2026 STAFF REPORTS

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### COLLECTION DEPARTMENT:

- 31 work orders completed.
- Cleaned and CCTV 19,448 feet or 3.68 miles of mainline.
- Cleaned 27,877 feet or 5.28 miles of mainline.
- 53 Manhole inspections completed.
- Spent 138 personnel hours of NTS Maintenance work.
- Completed root treatment of 236 feet of mainline.
- Completed 1 service connection tap.
- Responded to five after-hours callouts.
- Completed monthly air release valve inspections and cleaning.
- Completed monthly trouble spot inspections.

### ENGINEERING DEPARTMENT:

- Issued 11 permits and 2 completed inspection.
- 174 Locates Completed
- RFP for SCADA Upgrade RFP-Kick off meeting scheduled
- Goedeck Trunk Rehab bids have been reviewed and the apparent low bidder has been notified.
- Walmart Manhole Repair-Waiting on Engineering
- Sleepy Hollow Creek- Main Repair-Permitting Complete working toward project document.
- Working With IT department on GIS and Infrastructure management software upgrade.

### FINANCE DEPARTMENT:

- Vacancy Credits: 8 were processed for a total of \$1,457.00 .
- Credit cards/Echecks/debit cards: 3513 transactions totaling \$359,681.86 or approximately 34.5% of monthly billing was collected.
- Automatic Payments: 1963 customer accounts are signed up. Received \$160,028.01 or approximately 15.3% of monthly billing.
- Remote Check Deposit: 1381 checks received in the office for a total of \$387,025.69 deposited.
- Bank Bill Pay Imports: \$289,648.75 bill pay payments received as import files.



TO: Jim Baird, General Manager-RUSA  
FROM: Dan Prather, Project Manager-Jacobs  
DATE: June 4th, 2026  
SUBJECT: Monthly Client Report for May

### OPERATIONAL ACTIVITIES

- All permit parameters were met this month.
- The treatment facility averaged 99% BOD removal and 98% Total Suspended Solids removal during the month with a requirement of no less than 85% removal for each.
- The facility's electrical consumption (based on meter readings) for May 2026 was 227,000 KWHRS with a total Effluent flow of 88.01 million gallons, all of which went to the NTS at Outfall SW5. May 2025 electrical consumption was 248,000 KWHRS with a total Effluent flow of 112.91 million gallons.

### PRETREATMENT ACTIVITIES

- Mailed out 10 Pretreatment surveys to local businesses.

The following pretreatment inspections were completed in May:

- Thoroughbred Carwash on NE Stephens: This business was inspected in April, and their oil/water separator was full of mud. Water was just flowing over the top (called and left a voice mail). Inspected in May, no change. The attendant called his manager, and they told me over the phone that the tank would be pumped. Called back two weeks later and the tank still has not been pumped. Contacted Greg at RUSA for follow up.
- Sakura Sushi: Ok at the nearest manhole.
- One Champion Carwash on Diamond LK Blvd: Sediment basins are about 50% with sediment.
- Dutch Bros on Diamond Lake Blvd: Interceptor was full, called the owner and he will have the tank pumped.
- Belens Bakery: They have an inside FOG device that they recently had pumped.
- ADAPT: Their outside interceptor was in OK condition.

## NATURAL TREATMENT SYSTEM (NTS)

- Operated in alternate treatment mode (direct pond discharge) as loading allowed, then switched to full irrigation.
- Startup processes were implemented with maintenance and repairs of irrigation and supporting equipment.
- Sampled Pond discharging into River as required during alternate treatment periods.
- Foliage Management with hand and power tools.
- Umpqua Basin Water in the process of a water line repair in irrigation zone 1H.

## MAINTENANCE ACTIVITIES

- Maintenance Team completed 721 Preventative Maintenance items for the month.
- Maintenance Team completed 25 Corrective Maintenance items for the month.

### **Call Outs for the Month**

- Missions Communication Loss: Wilbur 1, Keady Ct.
- Power Outages

### **Current Month Lift Station Flows**

- Total Approx. Flow from all Lift Stations for the month - 41,825,420 Gallons
- Average Approx. Daily Flow from all Lift Stations per day - 1,394,180.7 Gallons

### **Current Month Repairs**

- Main Digester 3 - Drained, Cleaned, Inspected, Back Online
- Gas Compressor Room - Leaks Repaired
- Plant Air Compressor 1- Overheating Issue Repaired
- NTS Pumps - Leaks Repaired, new seal installed on LP1

## LABORATORY ACTIVITIES

- We are in our normal summer testing which requires: CBOD's 3 times a week, TSS 3 times a week, pH daily, Chlorine Residual Daily average, Ammonia 3 times week, E. Coli 3 times a week, Nitrate once a week, TKN once a week, and Total Phosphorus once a week.
- The Eureka probes are placed in SW1, SW5, and SW6, to monitor pH, Temp., and D.O.
- Also included for the summer is Total Phosphorus (PO4) for the NTS, which is sampled at SW1, SW5, and SW6 once a week and once a month at MW1.
- TKN and Nitrite-Nitrate are tested weekly for SW5.
- Ammonia is tested for at SW5 once a month.
- When discharging from the pond we sample daily for PO4 at SW5.
- Number of Tests for permit: 132
- Eureka probes were calibrated and deployed at SW1, SW6, and SW5, on April 30th and on May 19th Probes were pulled, downloaded, and redeployed.
- On May 13th, lab water was sampled and sent out to NRC.
- On May 6th annual cleaning and calibration of balance and spectrophotometers.
- May 12th collected and delivered Copper Bio samples to NRC.

## **BIOSOLIDS**

- Storing in Biosolids Bay #1
- Collected soil samples for Hallet and Brown
- Cleaned and inspected Digester #3
- Bay #2 is Full, Bay #1 is 75% full

## **UPCOMING ITEMS**

- Aeration gate removal
- Pista-Grit overhaul
- Lanthanum phosphorous removal trial
- INF Pump 1 overhaul

## **ENCLOSURES**

12 Month Moving Avg.

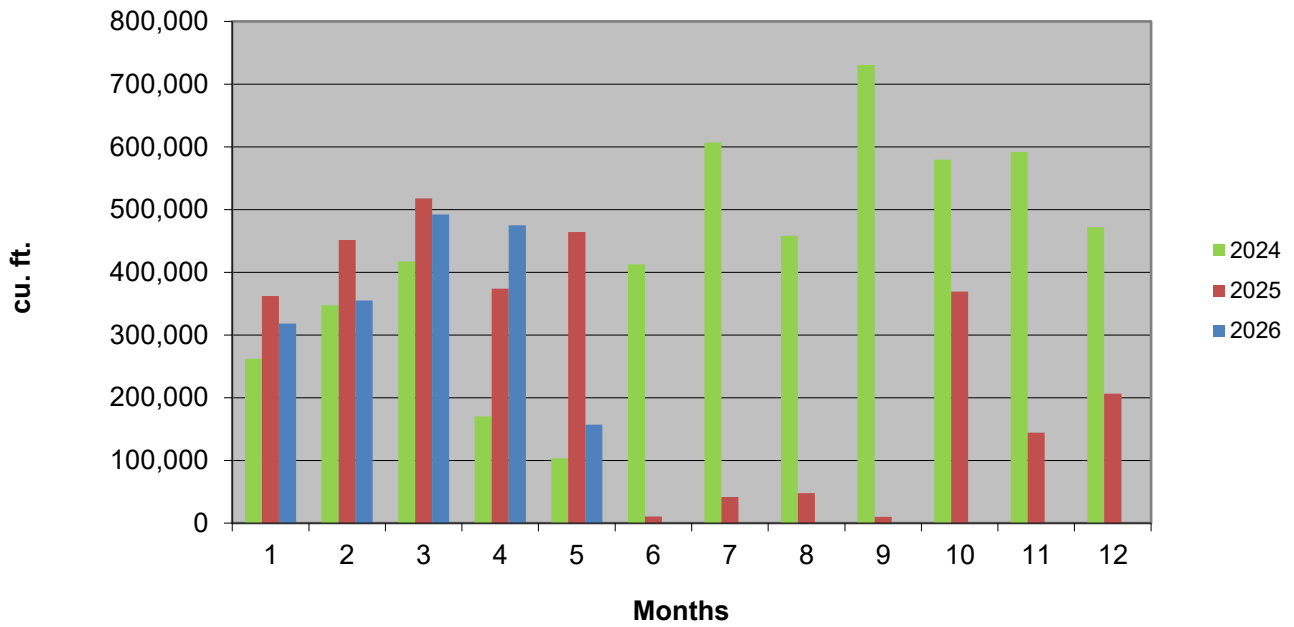
Boiler/Flare Gas Usage graphs

Influent TSS/BOD and Effluent Flow Graphs

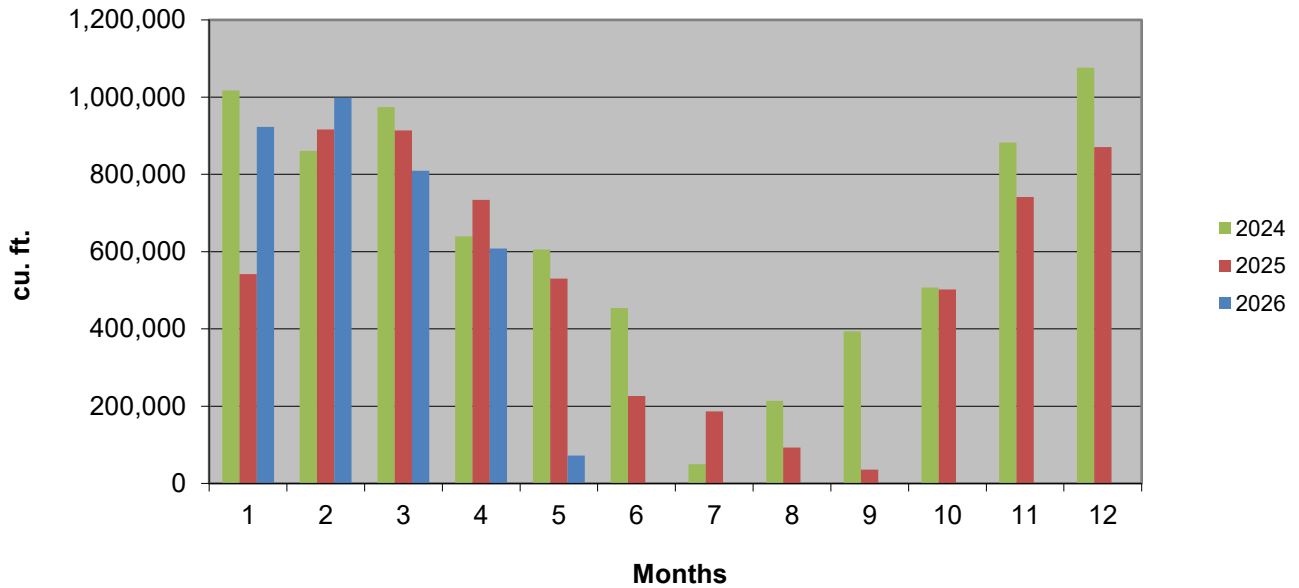
## 12 MONTH MOVING AVERAGES

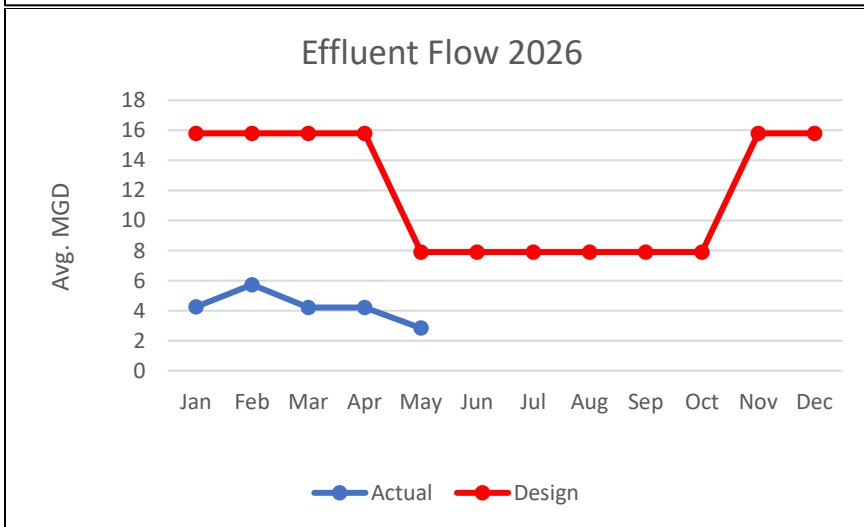
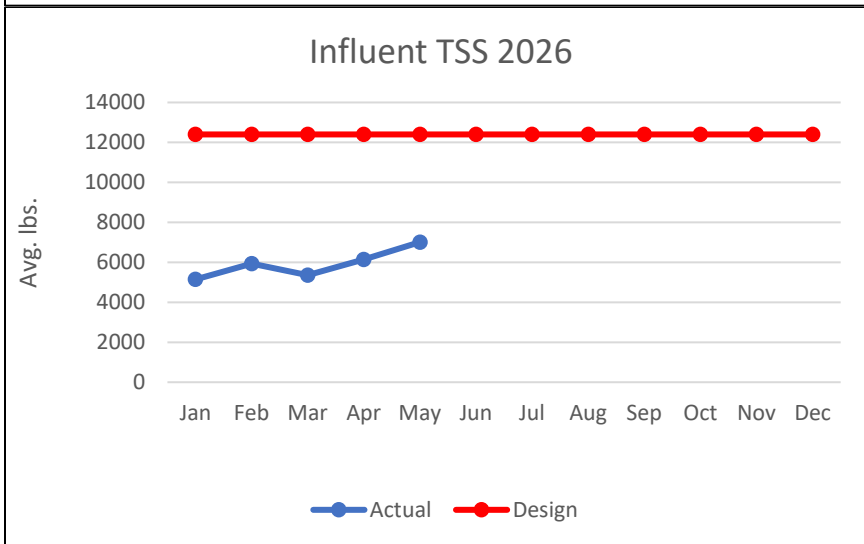
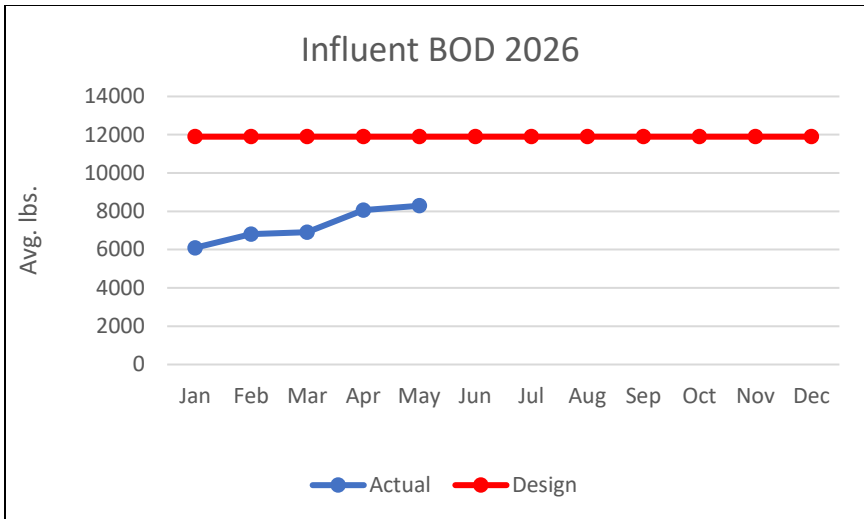
Month/Year	Plant Inf Q Average MGD	Plant Inf Average lbs/day <b>CBOD/BOD</b>	Plant Inf Average lbs/day TSS
Jun-25	2.83	7579	6765
Jul-25	2.78	6509	6088
Aug-25	2.68	7174	6706
Sep-25	2.69	7531	7180
Oct-25	2.91	5707	6337
Nov-25	3.22	6576	5452
Dec-25	4.66	6866	5876
Jan-26	4.26	6100	5145
Feb-26	5.73	6817	5939
Mar-26	4.20	6919	5359
April-26	4.20	8059	6139
May-26	2.84	8291	7010
<b>SUM</b>	<b>43.00</b>	<b>84128</b>	<b>73996</b>
<b>AVE</b>	<b>3.58</b>	<b>7011</b>	<b>6166</b>
<b>MAX</b>	<b>5.73</b>	<b>8291</b>	<b>7180</b>
<b>MIN</b>	<b>2.68</b>	<b>5707</b>	<b>5145</b>

### FLARE GAS USAGE 2024 - 2026



### BOILER GAS USAGE 2024 - 2026







ROSEBURG URBAN SANITARY AUTHORITY  
ROSEBURG, OREGON

Financial Statements and Supplementary Information  
Years Ended June 30, 2025 and 2024

# ROSEBURG URBAN SANITARY AUTHORITY

Years ended June 30, 2025 and 2024

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## INTRODUCTORY SECTION

**ROSEBURG URBAN SANITARY AUTHORITY**

**Board of Directors and Registered Agent**

June 30, 2025

**CHAIRMAN OF THE BOARD:**

Term of Office

John Dunn  
1440 SE Brush  
Roseburg, OR 97470

7/1/2021 - 6/30/2025

**BOARD MEMBERS:**

Robert Lieberman  
P.O. Box 666  
Winchester, OR 97496

7/1/2021 - 6/30/2025

Kelsey Wood  
428 NW Garden Valley Blvd.  
Roseburg, OR 97470

7/1/2023 - 6/30/2027

Tom Dole  
106 River Ridge Avenue  
Roseburg, OR 97471

7/1/2023 - 6/30/2027

David Campos  
1858 NE Sunset  
Roseburg, OR 97471

7/1/2021 - 6/30/2025

**REGISTERED AGENT AND OFFICER:**

Jim Baird  
1297 NE Grandview Drive  
Roseburg, OR 97470

## FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Roseburg Urban Sanitary Authority  
Roseburg, Oregon

### ***Opinion***

We have audited the accompanying financial statements of the Roseburg Urban Sanitary Authority ("Authority" or "RUSA"), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise RUSA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RUSA, as of June 30, 2025, and 2024 and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RUSA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RUSA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RUSA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RUSA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate shares of the net pension liability, and the schedule of pension contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise RUSA's basic financial statements. The combining schedules and the budgeted and actual schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules and budgeted and actual schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Report on Other Legal and Regulatory Requirements***

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated May 14, 2026 on our consideration of RUSA's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



By Cody Savey, a member of the firm  
for Isler CPA  
May 14, 2026

**ROSEBURG URBAN SANITARY AUTHORITY**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Years ended June 30, 2025 and 2024

GASB 34 requires Roseburg Urban Sanitary Authority ("RUSA" or "the Authority") to provide this overview and analysis of its financial activities for the fiscal year, and it should be read in conjunction with the accompanying Basic Financial Statements. All amounts, unless otherwise indicated, are expressed in thousands of dollars (\$1,000).

**FINANCIAL HIGHLIGHTS**

- The assets of RUSA exceeded its liabilities at the close of June 30, 2025 by \$57,958, an increase of \$6,060. Of this amount, \$19,257 (unrestricted net position) may be used to meet ongoing obligations and \$36,175 is invested in capital assets net of accumulated depreciation.
- Total Operating revenues were \$12,393, an increase of \$2,354 from the prior year. Operating expenses totaled \$7,626, a increase of \$1,114 from the prior year. The difference between operating revenues and operating expenses resulted in operating income of \$4,769.
- RUSA has \$36,175 in capital assets, net of accumulated depreciation. This is a increase of \$1,578 from the prior year. RUSA also recognized \$1,693 in depreciation expense in the current fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to RUSA's Basic Financial Statements. The Basic Financial Statements include the notes to the financial statements. In addition to these statements, this report also contains supplementary information.

RUSA is a self-supporting entity and follows enterprise fund reporting, accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. RUSA's annual report consists of the Balance Sheets, the Statements of Revenues, Expenses and Changes in Net Positions and the Statements of Cash Flows. The Balance Sheets provide information about the financial position of RUSA, including all of its capital assets and long-term liabilities, on the full accrual basis, similar to that used by corporations. The Statements of Revenues, Expenses and Changes in Net Positions present information showing how RUSA's net position has changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that do not affect the cash flow until future fiscal periods. The Statements of Cash Flows present information showing how the Authority's cash balance changed as a result of current year operations. This statement is prepared using the direct method and includes the reconciliation of operating income to net cash provided by operating activities (indirect method).

The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

**ROSEBURG URBAN SANITARY AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Years ended June 30, 2025 and 2024

**FINANCIAL ANALYSIS**

Total assets, liabilities, deferred inflows/outflows of resources, and net position were as follows:

	2025	2024	2023	Change 2024 - 2025	
				Amount	Percent %
<b>Assets:</b>					
Current assets	\$ 23,686	\$ 18,518	\$ 15,819	\$ 5,168	27.9
Noncurrent receivables	446	493	566	(47)	(9.5)
Capital assets (net)	<u>36,175</u>	<u>34,597</u>	<u>32,507</u>	<u>1,578</u>	4.6
Total assets	60,307	53,608	48,892	6,699	12.5
Deferred outflow of resources	<u>884</u>	<u>741</u>	<u>742</u>	<u>143</u>	19.3
Total assets and deferred outflows of resources	<u>61,191</u>	<u>54,349</u>	<u>49,634</u>	<u>6,842</u>	12.6
<b>Liabilities:</b>					
Current liabilities	966	364	375	602	165.4
Net pension liability	<u>2,000</u>	<u>1,911</u>	<u>1,520</u>	<u>89</u>	4.7
Total liabilities	<u>2,966</u>	<u>2,275</u>	<u>1,895</u>	<u>691</u>	30.4
Deferred inflow of resources	<u>265</u>	<u>176</u>	<u>521</u>	<u>89</u>	50.6
Total liabilities and deferred inflows of resources	<u>3,231</u>	<u>2,451</u>	<u>2,416</u>	<u>780</u>	12.6
<b>Net position:</b>					
Net investment in capital assets	36,175	34,597	32,507	1,578	4.6
Restricted	2,526	2,147	1,614	379	17.7
Unrestricted	<u>19,257</u>	<u>15,154</u>	<u>13,097</u>	<u>4,103</u>	27.1
Total net position	<u>\$ 57,958</u>	<u>\$ 51,898</u>	<u>\$ 47,218</u>	<u>\$ 6,060</u>	11.7

Total assets increased for this fiscal year by \$6,699. Current assets increased by \$5,168 mainly as a result of an increase of \$4,484 in cash.

Total liabilities increased by \$691 from last year. The increases are primarily related to an increase of \$385 to accounts payable.

Net position may serve as a useful indicator of RUSA's financial position. As of June 30, 2025, assets exceeded liabilities by \$57,958, a 11.7 percent increase over the prior period. Investment in capital assets are considered unavailable for current expenditure and accounts for 62.4 percent of the total net position (66.7 percent of total net position at June 30, 2024). Unrestricted net position accounts for 33.2 percent of the total net position (29.2 percent of the total net position at June 30, 2024). Unrestricted assets are normally the part of net position used to finance day-to-day operations without constraints established by debt covenants or other legal requirements. Restricted net position represents assets set aside for future system development.

**ROSEBURG URBAN SANITARY AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Years ended June 30, 2025 and 2024

**FINANCIAL ANALYSIS, continued**

The following schedule presents a summary of revenues, expenses and increase in net position for the Authority and the amount and percentage change from 2024 to 2025.

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>Change 2024 - 2025</u>	
				<u>Amount</u>	<u>Percent %</u>
Operating revenues:					
User service fees	\$ 12,328	\$ 9,970	\$ 7,185	\$ 2,358	23.7
Other revenues	<u>65</u>	<u>69</u>	<u>83</u>	<u>(4)</u>	(5.8)
Total operating revenues	12,393	10,039	7,268	2,354	23.4
Nonoperating revenues:					
Grants	200	21	46	179	852.4
Gain (loss) on sale of assets	16	17	6	(1)	(5.9)
Interest income	<u>914</u>	<u>772</u>	<u>422</u>	<u>142</u>	18.4
Total nonoperating revenues	<u>1,130</u>	<u>810</u>	<u>474</u>	<u>320</u>	39.5
Total revenues	<u>13,523</u>	<u>10,849</u>	<u>7,742</u>	<u>2,674</u>	24.6
Operating expenses:					
Personal services	2,601	2,234	1,926	367	16.4
Materials and services	3,331	2,592	2,459	739	28.5
Depreciation	<u>1,694</u>	<u>1,686</u>	<u>1,687</u>	<u>8</u>	0.5
Total operating expenses	7,626	6,512	6,072	1,114	17.1
Change in net position before contributions	5,897	4,337	1,670	1,560	36.0
Capital contributions	<u>163</u>	<u>343</u>	<u>208</u>	<u>(180)</u>	(52.5)
Change in net position	6,060	4,680	1,878	1,380	29.5
Net position-beginning	<u>51,898</u>	<u>47,218</u>	<u>45,340</u>	<u>4,680</u>	9.9
Net position-ending	<u>\$ 57,958</u>	<u>\$ 51,898</u>	<u>\$ 47,218</u>	<u>\$ 6,060</u>	11.7

Total operating revenues increased by 23.4 percent as compared to the prior period. This increase was primarily related to increases in user service fees. Other revenues consist of miscellaneous collection service fees, title clearance fees, grants and other miscellaneous income. Operating expenses increased by 17.1 percent as compared to the prior period. Personal services increased by 16.4 percent due a temporary decrease in staff in the collection department due to staffing turnover.

Total nonoperating revenues and expenses increased primarily due to increases in investment earnings.

Capital contributions decreased 52.5 percent from the prior period due primarily to less system development charges received during the year.

**ROSEBURG URBAN SANITARY AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Years ended June 30, 2025 and 2024

**CAPITAL ASSETS**

At June 30, 2025, RUSA had \$36,175 invested in a broad range of capital assets, including land, buildings, machinery, pump stations, reservoirs, distribution systems and construction in progress. For the year ended June 30, 2025, RUSA had \$3,272 in additions.

Depreciation expense was \$1,693 and \$1,686 for the years ended June 30, 2025 and 2024, respectively.

RUSA's Capital Assets (net of depreciation)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Land	\$ 768	\$ 768	\$ 768
Construction in progress	1,748	614	760
Collection system and pump station	23,675	23,978	21,210
Treatment plants	7,855	8,213	8,666
Office building and rental houses	1,176	172	129
Equipment	<u>953</u>	<u>852</u>	<u>974</u>
Total	<u>\$ 36,175</u>	<u>\$ 34,597</u>	<u>\$ 32,507</u>

Additional information on RUSA's capital assets can be found in the notes to the financial statements in the note titled Capital assets.

**REQUEST FOR INFORMATION**

Our financial report is designed to provide our ratepayers and creditors with an overview of RUSA's finances. If you have any questions about this report or need any clarification of information please contact the Finance Department at the Roseburg Urban Sanitary Authority. Our address is: 1297 NE Grandview, Roseburg, Oregon 97470.

## BASIC FINANCIAL STATEMENTS

# ROSEBURG URBAN SANITARY AUTHORITY

## Balance Sheets

June 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 21,413,876	\$ 16,930,048
Receivables:		
Sewer service charges (net of allowance of \$7,500 for 2025 and 2024)	1,081,437	839,316
Interest	40,650	40,839
SDC	72,762	72,762
Prepaid expenses	625,921	186,655
Due from OMI	116,173	152,682
Taxes Receivable (net of allowance of \$1,120 for 2025 and 2024)	334,871	275,408
Total current assets	23,685,690	18,497,710
Noncurrent assets:		
SDC receivables	386,689	465,250
Assessments receivable	27,570	27,570
Prepaid expenses	31,532	20,433
Capital assets - net	36,175,033	34,596,840
Total noncurrent assets	36,620,824	35,110,093
Total assets	60,306,514	53,607,803
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred outflow of resources related to pensions	883,510	741,414
Total assets and deferred outflow of resources	\$ 61,190,024	\$ 54,349,217
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 622,082	\$ 237,628
Accrued payroll liability	343,603	125,927
Total current liabilities	965,685	363,555
Noncurrent liabilities:		
Net pension liability	2,000,312	1,911,284
Total liabilities	2,965,997	2,274,839
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred inflow of resources related to pensions	265,284	176,369
<b>NET POSITION</b>		
Net investment in capital assets	36,175,033	34,596,840
Restricted for future development, collection system	1,571,806	1,327,507
Restricted for future development, treatment plant	954,603	819,944
Unrestricted	19,257,301	15,153,718
Total net position	57,958,743	51,898,009
Total liabilities, deferred inflow of resources and net position	\$ 61,190,024	\$ 54,349,217

See accompanying notes to financial statements.

## ROSEBURG URBAN SANITARY AUTHORITY

### Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2025 and 2024

	2025	2024
Operating revenues:		
User service fees	\$ 12,328,593	\$ 9,970,419
Other revenue	64,807	68,411
Total operating revenues	12,393,400	10,038,830
Operating expenses:		
Personal services	2,600,970	2,234,449
Materials and services	3,330,431	2,591,615
Depreciation	1,693,434	1,686,374
Total operating expenses	7,624,835	6,512,438
Operating income (loss)	4,768,565	3,526,392
Nonoperating revenues and expenses:		
Investment earnings	913,514	772,193
Gain (loss) on sale of capital assets	15,771	16,819
Grants	200,000	20,887
Total nonoperating revenue and expenses	1,129,285	809,899
Income (loss) before contributions	5,897,850	4,336,291
Capital contributions:		
System development charges	162,884	343,221
Change in net position	6,060,734	4,679,512
Net position - beginning of year	51,898,009	47,218,497
Net position - end of year	\$ 57,958,743	\$ 51,898,009

See accompanying notes to financial statements.

# ROSEBURG URBAN SANITARY AUTHORITY

## Statements of Cash Flows

Years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from customers and users	\$ 12,092,005	\$ 9,719,013
Payments to suppliers	(3,359,833)	(2,803,706)
Payments to employees	<u>(2,347,447)</u>	<u>(2,168,439)</u>
Net cash provided by operating activities	<u>6,384,725</u>	<u>4,746,868</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(3,271,627)	(3,775,788)
Connection fees and other capital contributions	241,445	416,174
Proceeds from sale of capital assets	15,771	16,819
Proceeds from grants	<u>200,000</u>	<u>20,887</u>
Net cash used by capital and related financing activities	<u>(2,814,411)</u>	<u>(3,321,908)</u>
Cash flows from investing activities:		
Interest received on investments	<u>913,514</u>	<u>772,193</u>
Net increase (decrease) in cash and cash equivalents	4,483,828	2,197,153
Cash and cash equivalents, July 1	<u>16,930,048</u>	<u>14,732,895</u>
Cash and cash equivalents, June 30	<u>\$ 21,413,876</u>	<u>\$ 16,930,048</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 4,768,565	\$ 3,526,392
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	1,693,434	1,686,375
Net change in pension liability and deferrals	35,847	47,294
Changes in operating assets and liabilities:		
Change in receivables	(301,394)	(319,815)
Prepaid expenses	(450,365)	(29,639)
Due from OMI	36,509	(152,682)
Accrued payroll liabilities	217,676	18,713
Accounts payable	<u>384,453</u>	<u>(29,770)</u>
Net cash provided by operating activities	<u>\$ 6,384,725</u>	<u>\$ 4,746,868</u>

See accompanying notes to financial statements.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### I. Summary of significant accounting policies

#### A. Reporting entity

The Roseburg Urban Sanitary Authority ("Authority" or "RUSA") was formed pursuant to ORS Chapter 198 and ORS Chapter 450. It is a sanitary authority created by popular vote on March 29, 1983. At this same election, a Board of Directors was elected to serve as the governing body for two and four year terms, to be determined by lot. On April 13, 1983, the Board of Commissioners of Douglas County ordered the formation of the Authority and directed certification of the Board of Directors.

The facilities, systems, and equipment of the North Umpqua Sanitary District and the North Roseburg Sanitary District were transferred to the Authority as were the City of Roseburg's sewage collection and treatment system.

RUSA became functional July 1, 1983, under a budget adopted for the fiscal year 1983-1984. The Authority assumed the operation and maintenance of the entire collection systems and treatment plants formerly operated and maintained by the City of Roseburg, the North Umpqua Sanitary District, and the North Roseburg Sanitary District and now performs sewer collection and treatment of waste for those customers located within their boundaries.

#### B. Basis of accounting

The Authority maintains its accounting records in accordance with generally accepted accounting standards for proprietary funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing or delivering goods in connection with a proprietary fund's ongoing operations. The principal operating revenues of the Authority are monthly user service fees. User service fees are recorded as revenue when earned. Operating expenses include costs that are directly related to the operation and maintenance of the collection systems as well as administrative expenses and depreciation on capital assets. Revenues and expenses related to financing systems development and other activities are reflected as nonoperating.

The Authority's accounting records are maintained on a fund accounting basis required for budgetary reporting by the State of Oregon, but for financial reporting purposes the financial statements are presented as a single consolidated operating utility enterprise. The nature and purpose of these funds are as follows:

The General fund is the operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. The primary source of revenue is sewer fees. The primary expenses are personal services and other operating costs.

The Infrastructure Replacement Reserve fund is used to fund major infrastructure replacement projects as identified by the master plan and authorized by the Board of Directors. Revenue consists of sewer fees and transfers from the General fund.

The Asset Acquisition and Replacement fund is used to provide a place to build a reserve for future major asset acquisition and/or asset replacement which are projected. The intent is to transfer, in the future, from this fund to the appropriate fund where an asset is to be budgeted and acquired. The primary source of revenue is sewer fees.

The Plant Equipment Replacement fund is used to account for wastewater treatment plant equipment replacement. Revenue consists of transfers from the General fund and interest earned.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### I. Summary of significant accounting policies (continued)

#### B. Basis of accounting (continued)

The Treatment Plant Expansion Reserve fund was established to account for money that is used for treatment plant expansion. The primary sources of revenue are system development charges and interest earned.

The Collection System Expansion fund is used for the deposit of collection system development funds. These monies are restricted to expansion of capacity in the collection system. The primary sources of revenue are system development charges and interest earned.

The Capital Projects fund is used to account for resources that create new infrastructure that support the wastewater system and associated facilities. The primary sources of revenue are grants and interest earned.

#### C. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, and ending net position during the reporting period. Actual results could differ from those estimates.

#### D. Assets, deferred outflows, liabilities, deferred inflows and net position

##### 1. Cash and cash equivalents

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and all amounts in the State of Oregon Local Government Investment Pool (LGIP).

The Authority is legally authorized to invest in the types of investments listed in Oregon Revised Statutes section 294.035. RUSA's investments consist of certificates of deposit and balances in the LGIP, all of which are authorized by Oregon Revised Statutes and are considered cash equivalents by the Authority.

##### 2. Receivables

Sewer service charges receivable includes all monthly charges due for services provided through June 30. An allowance of \$7,500 has been established for estimated vacancy credits. On July 1 of each year, the Authority turns over delinquent accounts to the Douglas County Assessor for certification on the property tax rolls. The Douglas County Assessor, in turn, collects and remits them back to the Authority. The Authority estimates that \$ 1,120 of the amount certified will be uncollectible. The balance of delinquent accounts turned over to the Assessor but not yet collected was \$334,871 and \$275,408 at June 30, 2025 and 2024 respectively.

Assessments and SDC receivables represent the uncollected amounts levied against benefited property for the cost of local improvements. Assessments and SDCs are recorded as a receivable and nonoperating revenue at the time the property owners are assessed for the improvement. Because the assessments are liens against the benefited property, an allowance for uncollectible amounts is not deemed necessary. Assessments are payable over twenty years and currently bear interest of 5.3%. Terms of SDCs agreements vary. SDC receivables for the year ended June 30, 2025 are payable over ten years and currently bear interest of 4.4%.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### I. Summary of significant accounting policies (continued)

#### D. Assets, deferred outflows, liabilities, deferred inflows and net position (continued)

##### 3. Capital assets

Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets purchased or constructed by the Authority are recorded at cost. The facilities, systems, and equipment of the North Umpqua Sanitary District and the North Roseburg Sanitary District, and the facilities, system, and equipment used in operating a sewage collection and treatment system by the City of Roseburg were contributed to the Authority by the respective entities. These contributed assets were recorded at estimated historical cost on the date of the transfer. Subsequent donated capital assets are recorded at their acquisition value on the date contributed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings - administrative office	40
Sewer system - collection and treatment facilities	40 - 50
Equipment	5
Regional wastewater treatment facility:	
Buildings	30 - 50
Equipment	5 - 30
Computer equipment	5

##### 4. Prepaid expenses

These balances arise from paying invoices in the current fiscal year that are included in the budget of the next fiscal year at which time the expenditure/expense will be recognized as consumed.

##### 5. Compensated absences

Effective July 1, 2024 the Authority implemented GASB Statement No. 101, Compensated Absences. This statement requires a single recognition and measurement model for all types of compensated absences and amends certain disclosure requirements. The adoption of GASB Statement No. 101 did not result in a restatement of prior period balances.

Earned but unpaid and unused leave is accrued as part of compensated absences and charged to operating as a current expense in accordance with GASB Statement No. 101. It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred as it is the Authority's policy to pay out earned but unused vacation upon separation. Sick leave is not paid out upon separation. Management has estimated earned sick leave that is more likely than not (greater than 50%) to be utilized by employees. The liability is measured using pay rates in effect as of the financial statement date and includes salary-related payments such as the Authority's share of Social Security and Medicare taxes.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### I. Summary of significant accounting policies (continued)

D. Assets, deferred outflows, liabilities, deferred inflows and net position (continued)

#### 6. Subscription Based IT Arrangements (SBITA)

The Authority recognizes a subscription asset and liability at the inception of the agreement. Future payments are discounted to present value using an appropriate interest rate determined by Authority management. The subscription asset is amortized over the life of the contract using a systematic and rational approach. The subscription liability is reduced by payments made with a portion being allocated to principal and interest. The Authority has analyzed all contracts potentially meeting the definition of a SBITA and determined no contracts are required to be reported as SBITAs for the period ending June 30, 2025.

#### 7. Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Authority has one item that qualifies for reporting in this category. It is the deferred amounts relating to pensions. This amount is deferred and recognized as an outflow of resources in the period when the Authority recognizes pension expense.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one item that qualifies for reporting in this category, the deferred amounts related to pensions. This amount is deferred and recognized as an inflow of resources in the period when the Authority recognizes pension income.

A detailed description of these accounts and how they are calculated are discussed in note IV.C.

#### 8. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### I. Summary of significant accounting policies (continued)

#### D. Assets, deferred outflows, liabilities, deferred inflows and net position (continued)

##### 9. Net Position

Net position is defined as the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the Authority's financial statements.

Proprietary fund net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in capital assets - all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - assets with external constraints placed on their use by creditors, grantors, contributors, or laws and regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position- all other net position.

When both restricted and unrestricted resources are available for use in proprietary funds, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

For the years ended June 30, 2025 and June 30, 2024, \$2,526,409 and \$2,147,451 was reported as restricted net position due to restrictions placed on use of system development charges (SDC) through Oregon Law.

### II. Stewardship, compliance, and accountability

#### A. Budget information

The Authority adopts a budget for all funds. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The Authority made appropriations in the following categories:

- Administration and engineering, treatment, collection, finance, contingency and fund transfers in the General fund.
- Capital outlay and transfers to other funds in the Infrastructure Replacement Reserve, Plant Equipment Replacement, Treatment Plant Expansion, Collection System Expansion, and Administrative Building funds.

The budget document is required to contain more specific, detailed information for the above mentioned expenditure categories. Unexpended additional resources may be added to the budget through use of a supplemental budget. A supplemental budget requires hearings before the public, publication in newspapers, and approval by the Board of Directors. Original and supplemental budgets may be modified by the use of appropriation transfers between levels of control. Such transfers require approval by the Board. No supplemental budget was prepared and approved in the two fiscal years ended June 30, 2025 and 2024. Appropriations lapse as of year-end.

A budget is prepared and legally adopted for all the funds on the modified accrual basis of accounting.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### III. Detailed notes

#### A. Cash and cash equivalents

Cash and cash equivalents at June 30 are comprised of:

	<u>2025</u>	<u>2024</u>
Cash on hand	\$ 500	\$ 500
Deposits with Financial Institutions	461,855	618,221
Local Government Investment Pool	<u>20,951,521</u>	<u>16,311,327</u>
Total cash and cash equivalents	<u>\$ 21,413,876</u>	<u>\$ 16,930,048</u>

State statutes govern the Authority's cash management policies, because the Authority does not have an official investment policy. State statutes authorize the Authority to invest in the Oregon State Treasurer's Local Government Investment Pool, time certificates of deposit, U.S. Government Treasury Obligations, and obligations of the United States and its agencies and instrumentalities.

The Oregon State Treasurer maintains the Oregon Short Term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. LGIP was created to offer a short-term investment alternative to Oregon local governments and it is not registered with the U.S. Securities and Exchange Commission. The investments are regulated by the OSTF and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The OSTF financial statements are available at <http://www.ost.state.or.us/>.

*Credit risk:* The LGIP is not rated by any national rating service.

*Interest rate risk:* The weighted-average maturity of LGIP is less than one year.

*Custodial credit risk.* Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Deposits with financial institutions include bank demand deposits. Cash, except for cash held at the Authority, is covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool called the Public Funds Collateralization Program (PFCP) administered by the Office of the State Treasurer for the State of Oregon. As of June 30, 2025 and 2024, none of the Authority's bank balances were exposed to credit risk.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### III. Detailed notes (continued)

#### B. Capital assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	2024	Additions	Transfers and Retirements	2025
Capital assets not being depreciated:				
Land	\$ 767,601	\$ -	\$ -	\$ 767,601
Construction in progress	614,326	1,637,137	(503,656)	1,747,807
Total capital assets not being depreciated	1,381,927	1,637,137	(503,656)	2,515,408
Capital assets being depreciated:				
Collection system and pump station	42,952,760	370,986	26,354	43,350,100
Treatment plants	29,304,292	168,076	265,469	29,737,837
Office building and rental houses	926,930	824,694	149,248	1,900,872
Equipment	3,138,333	270,734	(55,748)	3,353,319
Total capital assets being depreciated	76,322,315	1,634,490	385,323	78,342,128
Less accumulated depreciation for:				
Collection system and pump station	(18,975,350)	(699,837)	-	(19,675,187)
Treatment plants	(21,091,008)	(791,890)	-	(21,882,898)
Office building and rental houses	(754,978)	(32,027)	62,585	(724,420)
Equipment	(2,286,066)	(169,680)	55,748	(2,399,998)
Total accumulated depreciation	(43,107,402)	(1,693,434)	118,333	(44,682,503)
Total capital assets, being depreciated, net	33,214,913	(58,944)	503,656	33,659,625
Total capital assets, net	\$ 34,596,840	\$ 1,578,193	\$ -	\$ 36,175,033

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### III. Detailed notes (continued)

#### B. Capital assets, (continued)

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>2023</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>2024</u>
Capital assets not being depreciated:				
Land	\$ 767,601	\$ -	\$ -	\$ 767,601
Construction in progress	<u>760,176</u>	<u>558,861</u>	<u>(704,711)</u>	<u>614,326</u>
Total capital assets not being depreciated	<u>1,527,777</u>	<u>558,861</u>	<u>(704,711)</u>	<u>1,381,927</u>
Capital assets being depreciated:				
Collection system and pump station	39,523,044	3,025,794	403,922	42,952,760
Treatment plants	28,969,225	39,137	295,930	29,304,292
Office building and rental houses	862,793	59,278	4,859	926,930
Equipment	<u>3,078,472</u>	<u>92,719</u>	<u>(32,858)</u>	<u>3,138,333</u>
Total capital assets being depreciated	<u>72,433,534</u>	<u>3,216,928</u>	<u>671,853</u>	<u>76,322,315</u>
Less accumulated depreciation for:				
Collection system and pump station	(18,312,776)	(662,574)	-	(18,975,350)
Treatment plants	(20,303,397)	(787,611)	-	(21,091,008)
Office building and rental houses	(733,567)	(21,411)	-	(754,978)
Equipment	<u>(2,104,146)</u>	<u>(214,778)</u>	<u>32,858</u>	<u>(2,286,066)</u>
Total accumulated depreciation	<u>(41,453,885)</u>	<u>(1,686,374)</u>	<u>32,858</u>	<u>(43,107,402)</u>
Total capital assets, being depreciated, net	<u>30,979,649</u>	<u>1,530,554</u>	<u>704,711</u>	<u>33,214,913</u>
Total capital assets, net	<u>\$ 32,507,426</u>	<u>\$ 2,089,415</u>	<u>\$ -</u>	<u>\$ 34,596,840</u>

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### III. Detailed notes (continued)

#### C. Long-term liabilities

A summary of the changes in long-term liabilities for the year ended June 30, 2025 follows:

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated absences	\$ 119,448	\$ 216,944	\$ 336,392	\$ 336,392 *
Pension liability	<u>1,911,283</u>	<u>89,029</u>	<u>2,000,312</u>	<u>-</u>
Total long-term liabilities	<u>\$ 2,030,731</u>	<u>\$ 305,973</u>	<u>\$ 2,336,704</u>	<u>\$ 336,392</u>

\*The current portion of compensated absences is reported in Accrued payroll liability on the balance sheet.

A summary of the changes in long-term liabilities for the year ended June 30, 2024 follows:

	Beginning Balance	Net Change	Ending Balance	Due Within One Year
Compensated absences	\$ 101,593	\$ 17,855	\$ 119,448	\$ 119,448
Pension Liability	<u>1,519,917</u>	<u>391,366</u>	<u>1,911,283</u>	<u>-</u>
Total long-term liabilities	<u>\$ 1,621,510</u>	<u>\$ 409,221</u>	<u>\$ 2,030,731</u>	<u>\$ 119,448</u>

### IV. Other information

#### A. Risk management

The Authority is exposed to various risks of loss during the ordinary course of business. To mitigate the risk of loss, various commercial insurance policies have been purchased and are reviewed for adequacy by management annually. There have been no significant changes in coverage nor have any settlements exceeded insurance coverage in the past three years.

#### B. Concentrations

Operations Management International, Inc. (OMI) manages, operates, and maintains the regional waste water treatment plant so that the effluent discharged from the project meets the requirements specified in the National Pollutant Discharge Elimination System ("NPDES") permit. The extended agreement ends July 1, 2031. Amounts paid to OMI for the contracted services were \$1,656,023 and \$1,513,794 for the years ended June 30, 2025 and 2024, respectively.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan

##### ***Plan Description***

Employees of the Authority are provided with pensions through the Oregon Public Employees Retirement System ("OPERS"), a cost-sharing multiple employer defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx)

##### ***Benefits Provided***

#### 1. Tier One/Tier Two Retirement Benefit (ORS Chapter 238)

##### ***Pension Benefits***

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

##### ***Death Benefits***

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

##### ***Disability Benefits***

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan (continued)

##### *Benefit Changes*

After retirement members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.0 percent. The COLA for creditable service after October 2013 is calculated at 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

#### 2. OPSRP Pension Program (OPSRP DB)

##### *Pension Benefits*

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

##### *Death Benefits*

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

##### *Disability Benefits*

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

##### *Benefit Changes After Retirement*

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.0 percent. The COLA for creditable service after October 2013 is calculated at 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan (continued)

##### 3. OPSRP Individual Account Program (OPSRP IAP)

###### *Pension Benefits*

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

###### *Death Benefits*

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

###### *Recordkeeping*

OPERS contracts with VOYA Financial to maintain IAP participant records.

### **Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2024. Employer contributions for the year ended June 30, 2025 were \$328,980. The rates in effect for the fiscal year ended June 30, 2025 were 22.95 percent for Tier One/Tier Two General Services and 18.84 percent for OPSRP Pension Program General Services. Covered employees are required to contribute 6% of their salary to the Plan, but the employer is allowed to pay any or all of the employees' contribution in addition to the required employers' contribution. Per employee agreement with the General Manager, the Authority is picking up the General Managers 6 percent "pick-up" contribution. The Authority has elected not to make the payments on behalf of all other employees for the Individual Account Program.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan (continued)

#### **Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025 the Authority reported a liability of \$2,000,312 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2022. The Authority's proportion of the net pension liability was based on a projection of the Authority's contribution effort as compared to the total projected contribution effort of all employers. At June 30, 2025, the Authority's proportion was 0.00899937 percent, which was changed from its proportion measure as of June 30, 2024 of 0.01020402 percent.

The Authority recognized pension expense of \$328,980 and \$338,539 for the years ended June 30, 2025 and June 30, 2024, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 118,500	\$ 4,774	\$ 93,468	\$ 7,578
Change in assumptions	201,112	258	169,787	1,266
Net difference between projected and actual earnings on pension plan investments	127,076	-	34,354	-
Changes in proportionate share	107,253	162,423	172,828	27,480
Changes in proportion and differences between contributions and proportionate share of contributions	<u>31,593</u>	<u>97,829</u>	<u>-</u>	<u>140,045</u>
Total (prior to post-MD contributions)	585,534	265,284	470,437	176,369
Contributions subsequent to the measurement date	<u>297,976</u>	<u>-</u>	<u>270,977</u>	<u>-</u>
Total	<u>\$ 883,510</u>	<u>\$ 265,284</u>	<u>\$ 741,414</u>	<u>\$ 176,369</u>

Deferred outflows of resources related to pensions of \$297,976 resulting from the Authority's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2025. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows/(Inflows)
2025	\$ 8,202
2026	198,461
2027	77,581
2028	32,333
2029	<u>3,673</u>
Total	<u>\$ 320,250</u>

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan (continued)

Actuarial Methods and Assumptions Used in Developing Total Pension Liability:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July 2023
Asset Valuation Method	Market value of assets
Actuarial Cost Method	Entry Age normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Investment Rate of return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

#### Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at: <https://www.oregon.gov/pers>.

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### C. Pension Plan (continued)

##### Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

##### Discount Rate

The discount rate used to measure the total pension liability was 6.9 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

##### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.9 percent, as well as what RUSA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net pension liability (asset)	\$ 3,155,411	\$ 2,000,312	\$ 1,032,860

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Financial Statements

June 30, 2025 and 2024

### IV. Other information (continued)

#### D. Deferred compensation plan

RUSA offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency.

All amounts of compensation deferred under the plans are held in trust by the plan administrator for the sole benefit of the participants, and accordingly, are not an asset or liability of RUSA.

#### E. Subsequent events

RUSA management has evaluated subsequent events through May 14, 2026, the date the financial statements were issued. Below is a summary of significant subsequent events noted by management.

RUSA has been working with AMERESCO for funding and management of 3 solar projects. The projects include a 40kW solar and 19-kW Battery Energy Storage System (Bess) for the Administration office, a 900kW Ground Mount Solar system for the Wastewater Treatment Plant and a 400kW Floating Solar array for the Natural Treatment System (NTS). Total upfront costs for all 3 solar projects is expected to be \$8 million. RUSA has been awarded 3 solar grants from the Oregon Department of Energy (ODOE) for the Community Renewable Energy Grant Program (CREP). In addition, RUSA has been approved for Loans from the Clean Water State Revolving Fund which is administered by the Department of Environmental Quality (DEQ) for up to \$7 million of which half is eligible to be forgiven. Forgiveness is subject to approval by DEQ subsequent to completion of the projects.

The Administration Office solar project was designed to keep the office electricity on and operational during a power outage and offset operational energy costs. The project includes on site solar panels and battery storage. The Project is estimated at \$912,000. RUSA was awarded the CREP Grant, which will fund \$870,870 of the project. In addition, RUSA received \$39,375 in FYE 25 in grant funding from The Energy Trust of Oregon (ETO). RUSA expects to receive another \$15,940 from ETO after final installation of the battery, pending approval. Project is expected to be completed in July 2026. Based on currently awarded grants, management expects the net cost to the Authority to be minimal; actual amounts may differ as project costs are finalized and eligibility is confirmed.

The Wastewater Treatment Plant 900kW Ground Mount Solar System is designed to reduce operational energy usage and costs at the wastewater treatment plant by 44%. The estimated project costs and loan is estimated at \$4 million. Construction starts in August 2026. RUSA was awarded the CREP Grant, which will fund \$1 million of the project. DEQ has granted a \$4 million loan with loan forgiveness of \$2 million. \$1.8 million of the loan has been approved by DEQ and the remaining \$2.2 million is subject to approval by DEQ. Loan forgiveness is subject to approval by DEQ. RUSA expects to receive up to 30% of the project costs from the Inflation Reduction Act (IRA) Investment Tax Credit, pending approval. The solar panels were purchased in FYE 26. The project is expected to be completed in FYE 27. Based on currently awarded grants, expected loan forgiveness, and expected federal tax credits, management expects the net cost to RUSA to be minimal; actual amounts may differ as project costs are finalized and eligibility is confirmed.

The NTS 400kW Floating Solar array project is being designed to reduce energy usage and costs of the NTS by 60%. Estimated project costs and loan is estimated at \$3 million. RUSA was awarded the CREP grant, which will fund \$1 million of the project. DEQ has provided a loan of \$3 million with loan forgiveness up to \$1.5 million. \$1.5 million of the loan has been approved by DEQ and the remaining \$1.5 million is subject to approval by DEQ. Loan forgiveness is subject to approval by DEQ. The IRA Investment Tax credit is estimated at 30% of the project costs, pending approval. The solar panels were purchased in FYE 26. The project is expected to be completed in FYE 27. Based on currently awarded grants, expected loan forgiveness, and expected federal tax credits, management expects the net cost to RUSA to be minimal; actual amounts may differ as project costs are finalized and eligibility is confirmed.

REQUIRED SUPPLEMENTARY INFORMATION

# ROSEBURG URBAN SANITARY AUTHORITY

Required Supplementary Information

Year Ended June 30, 2025

## Schedule of the Proportionate Share of the Net Pension Liability

Oregon Public Employees Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.009952 %	0.010204 %	0.009926 %	0.009952 %	0.008133 %	0.008747 %	0.009385 %	0.010014 %	0.011207 %	0.011800 %
Proportionate share of the net pension liability (asset)	\$ 2,000,312	\$ 1,911,283	\$ 1,519,917	\$ 1,190,944	\$ 1,774,811	\$ 1,512,930	\$ 1,421,649	\$ 1,349,941	\$ 1,682,405	\$ 679,209
Covered payroll	\$ 1,330,699	\$ 1,218,949	\$ 1,120,103	\$ 1,092,695	\$ 1,087,023	\$ 965,414	\$ 926,258	\$ 1,004,346	\$ 944,835	\$ 962,964
Proportionate share of the pension liability (asset) as a percentage of its covered employee payroll	150.32 %	156.80 %	135.69 %	108.99 %	163.27 %	156.71 %	153.48 %	145.74 %	167.51 %	70.53 %
Plan net position as a percentage of the total pension liability	79.30 %	81.70 %	84.50 %	87.60 %	75.80 %	80.20 %	82.10 %	83.10 %	80.53 %	91.90 %

## Schedule of Pension Contributions

Oregon Public Employees Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 328,980	\$ 338,539	\$ 211,470	\$ 226,154	\$ 199,694	\$ 201,661	\$ 146,727	\$ 139,539	\$ 119,582	\$ 119,582
Contributions in relation to the contractually required contribution	<u>328,980</u>	<u>338,539</u>	<u>211,470</u>	<u>226,154</u>	<u>199,694</u>	<u>201,661</u>	<u>146,727</u>	<u>119,582</u>	<u>119,582</u>	<u>119,582</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 1,512,134	\$ 1,330,699	\$ 1,218,949	\$ 1,120,103	\$ 1,092,695	\$ 1,087,023	\$ 965,414	\$ 926,258	\$ 1,004,346	\$ 944,835
Contributions as a percentage of covered employee payroll	21.76 %	25.44 %	17.35 %	20.19 %	18.28 %	18.55 %	15.20 %	15.06 %	11.91 %	12.66 %

# ROSEBURG URBAN SANITARY AUTHORITY

## Notes to Pension Required Supplementary Information

Year Ended June 30, 2025

### Notes to Required Supplementary Information

#### Note I - Measurement Period

Amounts presented are for the measurement period, which for FY 2025 is July 1, 2023 - June 30, 2024.

#### Note II - Changes in Benefit Terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required contribution rates schedule to be in effect from July 2013 to June 2015 be reduced. The Oregon Supreme Court decision in *Moro V State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

#### Note III - Changes in Assumptions

Details and a comprehensive list of changes in methods and assumptions can be found in the 2012, 2014, 2016, 2018, 2020 and 2022 Experience Studies found at [oregon.gov/pers/pages/financials/actuarial-presentations-and-reports.aspx](http://oregon.gov/pers/pages/financials/actuarial-presentations-and-reports.aspx).

SUPPLEMENTARY INFORMATION

**ROSEBURG URBAN SANITARY AUTHORITY**  
Combining Balance Sheet - All Funds Used for Budgetary Reporting  
June 30, 2025

	General Fund	Infrastructure Replacement Reserve Fund	Asset Acquisition and Replacement Fund	Plant Equipment Replacement Fund	Capital Projects Fund	Treatment Plant Expansion Reserve Fund	Collection System Expansion Fund	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 9,937,696	\$ 558,438	\$ 105,548	\$ 1,303,217	\$ 6,982,568	\$ 954,603	\$ 1,571,806	\$ 21,413,876
Receivables:								
Sewer service charges, net	1,416,309	-	-	-	-	-	-	1,416,309
SDC	-	-	-	-	-	185,501	352,511	538,012
Due from OMI	116,173	-	-	-	-	-	-	116,173
Assessments receivable	27,570	-	-	-	-	-	-	27,570
Accrued interest receivable	28,523	-	-	-	-	4,750	9,026	42,299
Prepaid expenses	387,053	270,397	-	-	-	-	-	657,450
Total assets	<u>\$ 11,913,324</u>	<u>\$ 828,835</u>	<u>\$ 105,548</u>	<u>\$ 1,303,217</u>	<u>\$ 6,982,568</u>	<u>\$ 1,144,854</u>	<u>\$ 1,933,343</u>	<u>\$ 24,211,689</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 451,516	\$ 142,284	\$ -	\$ 24,972	\$ 3,310	\$ -	\$ -	\$ 622,082
Accrued payroll liabilities	164,492	-	-	-	-	-	-	164,492
Total liabilities	<u>616,008</u>	<u>142,284</u>	<u>-</u>	<u>24,972</u>	<u>3,310</u>	<u>-</u>	<u>-</u>	<u>786,574</u>
<b>DEFERRED INFLOWS of RESOURCES</b>								
Unavailable revenue	27,570	-	-	-	-	190,251	361,537	579,358
<b>FUND BALANCES</b>								
Restricted for:								
System development charges	-	-	-	-	-	954,603	1,571,806	2,526,409
Unassigned	11,269,746	686,551	105,548	1,278,245	6,979,258	-	-	20,319,348
Total fund balances	<u>11,269,746</u>	<u>686,551</u>	<u>105,548</u>	<u>1,278,245</u>	<u>6,979,258</u>	<u>954,603</u>	<u>1,571,806</u>	<u>22,845,757</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,913,324</u>	<u>\$ 828,835</u>	<u>\$ 105,548</u>	<u>\$ 1,303,217</u>	<u>\$ 6,982,568</u>	<u>\$ 1,144,854</u>	<u>\$ 1,933,343</u>	<u>\$ 24,211,689</u>

Reconciliation to GAAP basis balance sheet:	
Unappropriated fund balance	\$ 22,845,757
Capital assets, net	36,175,033
Unavailable revenue	499,147
Compensated absences	(179,108)
Net pension liability	(2,000,312)
Deferred outflows related to pensions	883,510
Deferred inflows related to pensions	<u>(265,284)</u>
Ending net position	<u>\$ 57,958,743</u>

## ROSEBURG URBAN SANITARY AUTHORITY

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Funds Used for Budgetary Reporting

For the Year Ended June 30, 2025

	General Fund	Infrastructure Replacement Reserve Fund	Asset Acquisition and Replacement Fund	Plant Equipment Replacement Fund	Capital Projects Fund	Treatment Plant Expansion Reserve Fund	Collection System Expansion Fund	Total
<b>Revenues:</b>								
User service fees	\$12,328,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,328,593
Other revenue	64,807	-	-	-	-	-	-	64,807
System development charges	-	-	-	-	-	83,249	158,197	241,446
Investment earnings	318,164	51,888	179,265	68,377	159,956	51,410	86,102	915,162
Sale of capital assets	15,771	-	-	-	-	-	-	15,771
Grants	200,000	-	-	-	-	-	-	200,000
<b>Total revenues</b>	<u>12,927,335</u>	<u>51,888</u>	<u>179,265</u>	<u>68,377</u>	<u>159,956</u>	<u>134,659</u>	<u>244,299</u>	<u>13,765,779</u>
<b>Expenditures:</b>								
Personal services	2,386,011	-	-	-	-	-	-	2,386,011
Materials and services	3,170,512	-	-	-	-	-	-	3,170,512
Capital Outlay	1,749,563	1,345,682	-	332,591	3,710	-	-	3,431,546
<b>Total expenditures</b>	<u>7,306,086</u>	<u>1,345,682</u>	<u>-</u>	<u>332,591</u>	<u>3,710</u>	<u>-</u>	<u>-</u>	<u>8,988,069</u>
Excess (deficiency) of revenues over (under) expenditures	5,621,249	(1,293,794)	179,265	(264,214)	156,246	134,659	244,299	4,777,710
<b>Other financing sources (uses):</b>								
Transfers in	-	1,495,000	-	-	6,823,012	-	-	8,318,012
Transfers out	(1,495,000)	-	(6,823,012)	-	-	-	-	(8,318,012)
<b>Total other financing sources (uses):</b>	<u>(1,495,000)</u>	<u>1,495,000</u>	<u>(6,823,012)</u>	<u>-</u>	<u>6,823,012</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	4,126,249	201,206	(6,643,747)	(264,214)	6,979,258	134,659	244,299	4,777,710
Beginning fund balance	7,143,497	485,344	6,749,296	1,542,459	-	819,944	1,327,507	18,068,047
<b>Ending fund balance</b>	<u>\$11,269,746</u>	<u>\$ 686,550</u>	<u>\$ 105,549</u>	<u>\$ 1,278,245</u>	<u>\$ 6,979,258</u>	<u>\$ 954,603</u>	<u>\$ 1,571,806</u>	<u>\$ 22,845,757</u>

Reconciliation to Statement of Revenues, Expenses, and Changes in Net Position:

Change in fund balance	\$ 4,777,710
Amounts reported in the statement of activities are different because:	
Unavailable income	(80,211)
Expenditures for capital assets	3,271,626
Depreciation	(1,693,434)
Change in assets, liabilities, deferred inflow and outflows related to pensions	(35,848)
Compensated absences	(179,109)
<b>Change in net position</b>	<u>\$ 6,060,734</u>

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Appropriated Expenditures and Other Budgetary Requirements - Budgetary Basis

General Fund

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance With Final Budget
<b>APPROPRIATIONS</b>			
Expenditures:			
Administration and engineering	\$ 1,969,320	\$ 1,510,557	\$ 458,763
Treatment	2,953,000	2,355,595	597,405
Collection	3,467,570	2,707,537	760,033
Finance	892,315	732,398	159,917
Total appropriated expenditures	9,282,205	7,306,087	1,976,118
Transfers and Contingency:			
Transfers out	1,495,000	1,495,000	-
Total appropriated expenditures and other requirements	10,777,205	8,801,087	1,976,118
Unappropriated ending working capital	6,607,745	11,269,745	(4,662,000)
Total requirements	\$ 17,384,950	\$ 20,070,832	\$ (2,685,882)

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

General Fund

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance With Final Budget
<b>RESOURCES</b>			
Revenues:			
User service fees	\$ 9,940,000	\$ 12,328,593	\$ 2,388,593
Other fees	73,950	64,807	(9,143)
Interest income	225,000	318,164	93,164
Sale of assets	-	15,771	15,771
Grants	200,000	200,000	-
Total revenues	10,438,950	12,927,335	2,488,385
Beginning fund balance	6,946,000	7,143,497	197,497
Total resources	\$ 17,384,950	\$ 20,070,832	\$ 2,685,882
<b>REQUIREMENTS</b>			
Expenditures:			
Personal services:			
Administration and engineering	987,320	927,795	59,525
Collections	998,370	921,850	76,520
Finance	575,415	536,367	39,048
Total personal services	2,561,105	2,386,012	175,093
Materials and services:			
Administration and engineering	583,500	481,307	102,193
Treatment	2,911,000	2,342,991	568,009
Collections	214,200	157,706	56,494
Finance	301,900	188,508	113,392
Total materials and services	4,010,600	3,170,512	840,088
Capital outlay:			
Administration and engineering	398,500	101,455	297,045
Treatment	42,000	12,604	29,396
Collections	2,255,000	1,627,981	627,019
Finance	15,000	7,523	7,477
Total capital outlay	2,710,500	1,749,563	960,937
Total expenditures	9,282,205	7,306,087	1,976,118
Transfers out	1,495,000	1,495,000	-
Ending fund balance	6,607,745	11,269,745	(4,662,000)
Total requirements	\$ 17,384,950	\$ 20,070,832	\$ (2,685,882)

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis  
 Infrastructure Replacement Reserve Fund  
 For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>RESOURCES</b>			
Revenues:			
Investment earnings	\$ 30,000	\$ 51,888	\$ 21,888
Transfers in	1,495,000	1,495,000	-
Beginning fund balance	<u>475,000</u>	<u>485,344</u>	<u>10,344</u>
Total resources	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 2,032,232</u></u>	<u><u>\$ 32,232</u></u>
<b>REQUIREMENTS</b>			
Expenditures:			
Capital Outlay	\$ 2,000,000	\$ 1,345,682	\$ 654,318
Ending fund balance	<u>-</u>	<u>686,550</u>	<u>(686,550)</u>
Total requirements	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 2,032,232</u></u>	<u><u>\$ (32,232)</u></u>

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Asset Acquisition and Replacement Fund

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>RESOURCES</b>			
Revenues:			
Investment earnings	\$ 100,500	\$ 179,265	\$ 78,765
Beginning fund balance	<u>6,722,512</u>	<u>6,749,296</u>	<u>26,784</u>
Total resources	<u>\$ 6,823,012</u>	<u>\$ 6,928,561</u>	<u>\$ 105,549</u>
<b>REQUIREMENTS</b>			
Transfers out	\$ 6,823,012	\$ 6,823,012	\$ -
Ending fund balance	<u>-</u>	<u>105,549</u>	<u>(105,549)</u>
Total requirements	<u>\$ 6,823,012</u>	<u>\$ 6,928,561</u>	<u>\$ (105,549)</u>

# ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Plant Equipment Replacement Fund

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>RESOURCES</b>			
Revenues:			
Investment earnings	\$ 52,800	\$ 68,377	\$ 15,577
Beginning fund balance	<u>1,491,000</u>	<u>1,542,459</u>	<u>51,459</u>
Total resources	<u>\$ 1,543,800</u>	<u>\$ 1,610,836</u>	<u>\$ 67,036</u>
<b>REQUIREMENTS</b>			
Expenditures:			
Capital outlay	\$ 1,543,800	\$ 332,591	\$ 1,211,209
Ending fund balance	<u>-</u>	<u>1,278,245</u>	<u>(1,278,245)</u>
Total requirements	<u>\$ 1,543,800</u>	<u>\$ 1,610,836</u>	<u>\$ (67,036)</u>

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Capital Projects Fund

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance With Final Budget
<b>RESOURCES</b>			
Revenues:			
Investment earnings	\$ 102,300	\$ 159,956	\$ 57,656
Grants	6,823,012	-	(6,823,012)
Total revenues	6,925,312	159,956	(6,765,356)
Transfers in	6,823,012	6,823,012	-
Total resources	\$ 13,748,324	\$ 6,982,968	\$ (6,765,356)
<b>REQUIREMENTS</b>			
Expenditures:			
Debt Service:			
Principal repayments	\$ 6,823,012	\$ -	\$ 6,823,012
Interest payments	102,300	-	102,300
Total debt service	6,925,312	-	6,925,312
Capital outlay	6,823,012	3,710	6,819,302
Ending fund balance	-	6,979,258	(6,979,258)
Total requirements	\$ 13,748,324	\$ 6,982,968	\$ 6,765,356

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Treatment Plant Expansion Reserve Fund

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance With Final Budget
<b>RESOURCES</b>			
Revenues:			
System development charges	\$ 81,000	\$ 83,249	\$ 2,249
Investment earnings	32,400	51,410	19,010
Total revenues	113,400	134,659	21,259
Beginning fund balance	815,000	819,944	4,944
Total resources	\$ 928,400	\$ 954,603	\$ 26,203
<b>REQUIREMENTS</b>			
Expenditures:			
Capital Outlay	\$ 928,400	\$ -	\$ 928,400
Ending fund balance	-	954,603	(954,603)
Total requirements	\$ 928,400	\$ 954,603	\$ (26,203)

## ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis  
 Collection System Expansion Fund  
 For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>RESOURCES</b>			
Revenues:			
System development charges	\$ 154,000	\$ 158,197	\$ 4,197
Investment earnings	<u>54,100</u>	<u>86,102</u>	<u>32,002</u>
Total revenues	208,100	244,299	36,199
Beginning fund balance	<u>1,318,900</u>	<u>1,327,507</u>	<u>8,607</u>
Total resources	<u>\$ 1,527,000</u>	<u>\$ 1,571,806</u>	<u>\$ 44,806</u>
<b>REQUIREMENTS</b>			
Expenditures:			
Capital Outlay	\$ 1,527,000	\$ -	\$ 1,527,000
Ending fund balance	<u>-</u>	<u>1,571,806</u>	<u>(1,571,806)</u>
Total requirements	<u>\$ 1,527,000</u>	<u>\$ 1,571,806</u>	<u>\$ (44,806)</u>

COMMENTS AND DISCLOSURES OF INDEPENDENT AUDITOR  
REQUIRED BY STATE REGULATIONS

COMMENTS AND DISCLOSURES OF INDEPENDENT AUDITOR  
REQUIRED BY STATE REGULATIONS

To the Board of Directors  
Roseburg Urban Sanitary Authority  
Roseburg, Oregon

We have audited the basic financial statements of Roseburg Urban Sanitary Authority ("Authority" or "RUSA"), as of and for the year ended June 30, 2025, and have issued our report thereon dated May 14, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

**Compliance**

Compliance with laws, regulations, contracts and grants applicable to RUSA is the responsibility of the Authority's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the Authority was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

## OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and do not provide an opinion on the effectiveness of the Authority's internal control or compliance. This report is intended for the information of Roseburg Urban Sanitary Authority's board of directors and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.



By Cody Savey, a member of the firm  
for Isler CPA  
May 14, 2026

# CASH DISBURSEMENT RECAP BOARD MEETING JUNE 10, 2026

## Cash Disbursements Since the Last Board Meeting

### All Funds:

Total of Prepaid Checks & ACH Transactions	255,580.79
Total of Regular Checks & ACH Transactions	<u>279,475.36</u>

Total Expenditures (not including Payroll)	<u><u>535,056.15</u></u>
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### Payroll:

Net Payroll - May 29, 2026	88,872.91
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All Checks & ACH Transactions since the Board Meeting May 13, 2026	<u><u>623,929.06</u></u>
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# Accounts Payable

## Checks by Date - Detail by Check Date

User: christine  
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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	Express 33918701 33959638	Express Services, Inc. Part-time Student intern - F Strickland Part-time Student intern - F Strickland	05/29/2026	780.18 632.34
Total for this ACH Check for Vendor Express:				1,412.52
ACH	Jacobs 35128938-12	Jacobs Engineering Group Inc Professional services per agreement	05/29/2026	155,039.00
Total for this ACH Check for Vendor Jacobs:				155,039.00
ACH	PBPP 4/15/26 Refill	Pitney Bowes Purchase Power Postage meter refill	05/29/2026	300.00
Total for this ACH Check for Vendor PBPP:				300.00
ACH	ASIFLEX MAY 26 PR MAY 26 PR	ASIFlex PR Batch 00001.05.2026 Flexible Spending Acc PR Batch 00001.05.2026 Dependent Care FSA	05/29/2026 PR Batch 00001.05.2026 Flex PR Batch 00001.05.2026 Dep	1,640.00 775.00
Total for this ACH Check for Vendor ASIFLEX:				2,415.00
ACH	CIS INS MAY 26 PR	CIS Trust PR Batch 00001.05.2026 Short-Term Disability PR Batch 00001.05.2026 Voluntary Dependent I PR Batch 00001.05.2026 Critical Illness Insuran PR Batch 00001.05.2026 Accident Insurance PR Batch 00001.05.2026 CCIS Insurance Long- PR Batch 00001.05.2026 Identity Protection PR Batch 00001.05.2026 Trauma PR Batch 00001.05.2026 Voluntary Life Insuran PR Batch 00001.05.2026 Hospital Indemnity PR Batch 00001.05.2026 Life Insurance - er PR Batch 00001.05.2026 Life Insurance - Spous PR Batch 00001.05.2026 CCIS Insurance AD&I PR Batch 00001.05.2026 Medical Ins w/RX PR Batch 00001.05.2026 Dental & Vision	05/29/2026 PR Batch 00001.05.2026 Sho PR Batch 00001.05.2026 Volu PR Batch 00001.05.2026 Criti PR Batch 00001.05.2026 Acc PR Batch 00001.05.2026 CCI PR Batch 00001.05.2026 Iden PR Batch 00001.05.2026 Trau PR Batch 00001.05.2026 Volu PR Batch 00001.05.2026 Hos PR Batch 00001.05.2026 Life PR Batch 00001.05.2026 Life PR Batch 00001.05.2026 CCI PR Batch 00001.05.2026 Med PR Batch 00001.05.2026 Den	76.34 37.24 195.50 147.55 185.82 117.65 100.00 1,166.45 60.50 132.22 341.27 18.70 39,070.22 3,389.29
Total for this ACH Check for Vendor CIS INS:				45,038.75
ACH	DNB MAY 26 PR MAY 26 PR MAY 26 PR MAY 26 PR MAY 26 PR	Internal Revenue Service PR Batch 00001.05.2026 Federal Income Tax PR Batch 00001.05.2026 FICA - Employee PR Batch 00001.05.2026 FICA - Employer PR Batch 00001.05.2026 Medicare - Employer PR Batch 00001.05.2026 Medicare - Employee	05/29/2026 PR Batch 00001.05.2026 Fed PR Batch 00001.05.2026 Fed PR Batch 00001.05.2026 Fed PR Batch 00001.05.2026 Fed PR Batch 00001.05.2026 Fed	10,727.16 8,238.97 8,238.97 1,926.86 1,926.86
Total for this ACH Check for Vendor DNB:				31,058.82
ACH	OR-REV MAY 26 PR	Oregon Dept. of Revenue PR Batch 00001.05.2026 Oregon W/Held	05/29/2026 PR Batch 00001.05.2026 Ore	8,331.63

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for this ACH Check for Vendor OR-REV:	8,331.63
ACH	PEBSCO MAY 26 PR MAY 26 PR	Nationwide Retirement Solutions PR Batch 00001.05.2026 Nationwide-Deferred C PR Batch 00001.05.2026 Roth Contribution	05/29/2026 PR Batch 00001.05.2026 Nati PR Batch 00001.05.2026 Nati	4,600.00 200.00
			Total for this ACH Check for Vendor PEBSCO:	4,800.00
			Total for 5/29/2026:	248,395.72
ACH	Pathpnt May 2026	Path Point Merchant Services LLC Credit card merchant processing fees - May	06/02/2026	3,057.14
			Total for this ACH Check for Vendor Pathpnt:	3,057.14
			Total for 6/2/2026:	3,057.14
ACH	Xpress INV-XPR036686	Xpress Bill Pay Web and phone transactions, maintenance and su	06/05/2026	4,127.93
			Total for this ACH Check for Vendor Xpress:	4,127.93
			Total for 6/5/2026:	4,127.93
			Report Total (10 checks):	255,580.79

# Accounts Payable

## Checks by Date - Detail by Check Date

User: christine  
 Printed: 6/4/2026 2:37 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	Cintas 4268257017 4269783140 9374807297	Cintas Corporation No. 3 Soap and paper products Soap and paper products 2 Waterbreak Cooler agreements	06/10/2026	23.13 32.38 90.00
Total for this ACH Check for Vendor Cintas:				145.51
ACH	Express 33984343	Express Services, Inc. Part-time Student Intern - F Strickland	06/10/2026	579.82
Total for this ACH Check for Vendor Express:				579.82
53381	WP May 2026	Avista Utilities Monthly natural gas service	06/10/2026	75.86
Total for Check Number 53381:				75.86
53382	BANNERMC AA050526 AA050726 AA051126a AA051126b AA051426 AA051826 AB050526 AB050726 CM050526 CM052226 CM052726 DEV051126 DEV051126fee DEV051426 DF051026a DF051026b DF051026c DF051326 DF051326fee DF051926 GO050726 HW050426 HW050626 HW050726 HW051226 HW052726a HW052726b JAKE051126 JAKE051926 JAKE052026 JB050826 JB052026a	BANNER BANK Amazon - Chair for Clay Staples - Drop Box Envelopes Amazon - Pump for Pollinator Garden Watering Amazon - Trail Cams for NTS Amazon - Mounts for Trail Cams at NTS Amazon - Sign/Notification Holders GOOD GUYS GARAGE-SERVICE 2023 F150 DEQ-TEST APPLICATION OGFOA-Spring Conf fee OGFOA-Dues FYE27 ACWA Annual Conf Fees DEQ FEEs level three certification application DEQ service fee Bagel tree for staff meeting Amazon - Supplies for Kyle's TV Amazon - Mice and mouse pads for two new lap Zoom - electronic meeting software for board me pCloud - website for transferring lar ge files International transfer fee - No receipt available KeyMetricSoftware-SQL Server backup softwar Bi-Mart-Work Pants Costco - Office Supplies Mountain Mikes-Budget Meeting Meal Costco - Allstate TV Warranty Costco - Kyle Office TV Simple In/Out - Location Monitoring Staples - Window, non-window Logo Envelopes SacStateWater-Correspondence Course PizzaPalace-SOOS-SL,KB,JB,RC,DF,AB,BM HomeDepot-Camel Tools, 2019 Service Truck S Subway - Medford Irrigation Solar Dedication-L PNCWA Annual Conference	06/10/2026	94.99 569.99 549.00 97.97 57.73 29.98 147.06 270.24 545.00 125.00 695.00 330.72 7.61 55.85 162.50 168.42 297.90 29.97 0.27 69.00 65.98 137.94 211.45 34.99 394.99 19.99 995.16 100.00 117.95 86.44 8.04 640.45

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	JB052026b	Northwest Biosolids Annual Conf.		695.00
	JB052126	Applebees-Lunch;Jim,Christine,Kelsey		76.26
	JB052726	ACWA Annual Conference		695.00
	NW051326	SAFEWAY- Snacks for Board Meeting		9.00
	RK043026a	Oregon Tool & Supply-Marking Paint for NTS		17.90
	RK043026b	Home Depot- Grade Stakes, Markers, Marking P		43.52
	RK051326a	Oregon DEQ- Renew Waste Water Certification		174.72
	RK051326b	Oregon DEQ- Renew Waste Water Certification-		4.02
	RK051326c	Douglas County Clerk- Deed Lookup		360.00
	RK051326fee	Douglas County Clerk- Deed Lookup-Credit Car		8.96
	RK051426a	Flury Supply Co- Pump hose and Fiting for NTS		150.70
	RK051426b	Home Depot-Extension Cord for NTS Pump		147.50
	SL050526	Amazon - Phone Case		25.64
	SL051326	VRBO - Lodging fo PNCWA - Steve		489.87
	SL051426	VRBO - Lodging service fee for PNCWA - Steve		53.00
	SO050726	Column - Goedeck Trunk Rehabilitation Project		269.55
	SO051326	DEQ - Renewal of Collections I Certification		174.72
	SO051326fee	DEQ - Convenience Fee - Collections I Renewal		4.02
	SO051526	Bi Mart - SD Cards (2) for game cameras, roll of		33.57
	SO052226	Bi Mart - Insecticide spray, pliers, trowel		24.97
			Total for Check Number 53382:	10,575.50
53383	BATT PLU P91996585	Batteries Plus #208 UPS for Finance Director	06/10/2026	244.95
			Total for Check Number 53383:	244.95
53384	ORMS 216667	Chaves Consulting, Inc Monthly digital document storage fees	06/10/2026	516.81
			Total for Check Number 53384:	516.81
53385	WATER May 2026 Admin May 2026 CSB May 2026 High May 2026 LV May 2026 Winch May 2026 WRF	City of Roseburg Water Usage-Admin Bldg Water Usage-Collection Storage Bldge Water Usage Highland PS Water Usage Loma Vista PS Water Usage Winchester PS Water Usage WRF	06/10/2026 330-3470-00 320-1832-00 360-3420-00 360-3420-00 360-3420-00 320-1830-00	276.80 37.82 399.64 37.82 735.66 1,338.63
			Total for Check Number 53385:	2,826.37
53386	DJC 745869783	Daily Journal of Commerce Inc Advertising for bids for Goedeck Trunk Rehab p	06/10/2026	244.02
			Total for Check Number 53386:	244.02
53387	DCCO-OP K49183	Douglas County Farmers' Co-op Landscape fabric for office landscaping project	06/10/2026	237.00
			Total for Check Number 53387:	237.00
53388	DCPW 802002	Douglas County Public Works Debris to dump	06/10/2026	10.00
			Total for Check Number 53388:	10.00
53389	DFN June 2026 Admin June 2026 Brbn June 2026 CSB	Douglas Fast Net Internet Services-Admin Internet Services-Bourbon St Internet Services-Collections Storage Bldg	06/10/2026 Service: 14806 Service: 205697 Service: 272962	223.99 102.58 100.69

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	June 2026 GateI	Internet Services-NTS Gate	Service: 271594	75.59
	June 2026 GateP	Phone Service-NTS Gate	Service: 5413914279	28.54
	June 2026 High	Internet Services-Highland PS	Service: 105797	78.59
	June 2026 Host	Admin Hosting		10.80
	June 2026 Keady	Internet Services-Keady Ct	Service: 106289	78.59
	June 2026 LV	Internet Services-Loma Vista P	Service: 205950	106.58
	June 2026 NBank	Internet Services-No. Bank PS	Service: 105793	75.59
	June 2026 NTS	Internet Services-NTS	Service: 237686	86.39
	June 2026 Ph/Ca	Phones/Security Cams	Service: 141784	101.19
	June 2026 Wilb1	Internet Services-Wilbur 1 PS	Service: 105796	75.59
	June 2026 Wilb2	Internet Services-Wilbur 2 PS	Service: 105794	75.59
	June 2026 Winch	Internet Services-Winchester P	Service: 105795	64.79
			Total for Check Number 53389:	1,285.09
53390	FLURY G 6830	Flury Supply Company Water fill hose repair - Camel	06/10/2026	13.10
			Total for Check Number 53390:	13.10
53391	GORDONGT 11827	Gordon GT & Associates, INC Pipe patch kits	06/10/2026	2,376.32
			Total for Check Number 53391:	2,376.32
53392	Peterbil 3140RB	Jackson Group Peterbilt Oil change and DOT inspection for 2001 5yd du	06/10/2026	641.11
			Total for Check Number 53392:	641.11
53393	Leeway 1680	Leeway Engineering Solutions, LLC Engineering Services for Geodeck Trunk Rehabi	06/10/2026	9,789.50
			Total for Check Number 53393:	9,789.50
53394	METRO IN686800	Metro Presort Inc Print, cut and mail utility bills - April	06/10/2026	3,761.07
			Total for Check Number 53394:	3,761.07
53395	NEILSON 102257 103084	Neilson Research Corporation NPDES Enhanced Sampling NPDES Enhanced Sampling	06/10/2026	4,738.00 1,522.00
			Total for Check Number 53395:	6,260.00
53396	NEXNET 29851 Admin 29851 WRF	Nexcom, LLC Monthly digital phone services - Admin Monthly digital phone services - WRF	06/10/2026	346.00 196.50
			Total for Check Number 53396:	542.50
53397	DEQ WQWSC2600017	Oregon DEQ Annual Operator Cert Program Support Fee 7/1/2	06/10/2026	2,434.64
			Total for Check Number 53397:	2,434.64
53398	OR-LIN 1382753 1388495	Oregon Linen, Inc. Laundry and mat services Laundry and mat services	06/10/2026	45.09 62.98
			Total for Check Number 53398:	108.07

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
53399	PPL	Pacific Power	06/10/2026	
	May 2026 411LM	Usage-411 LM-Storage Bldg		29.26
	May 2026 425LM	Power Usage-425 Long Meadow		17.77
	May 2026 Admin	Power Usage-Admin Bldg		43.72
	May 2026 Brbn	Power Usage-310 Bourbon St PS		83.55
	May 2026 Gate	Power Usage-140 LM-NTS Gate		25.12
	May 2026 High	Power Usage-Highland PS		833.70
	May 2026 Keady	Power Usage-Keady Ct PS		90.21
	May 2026 LV	Power Usage-Loma Vista PS		102.89
	May 2026 NBank	Power Usage-North Bank PS		173.71
	May 2026 NTS	Contract/Power Usage-NTS PS		13,617.36
	May 2026 SBank	Power Usage-South Bank PS		1,487.92
	May 2026 Wilb1	Power Usage-Wilbur 1 PS		173.25
	May 2026 Wilb2	Power Usage-Wilbur 2 PS		194.95
	May 2026 WRF	Power Usage-WWTP 1		25,420.68
	May 2026 WRF2	Power Usage-WWTP 2		33.02
			Total for Check Number 53399:	42,327.11
53400	Peterson N3007501 N3007501frt	Peterson Equipment trailer - Sourcewell contract 092922- Freight	06/10/2026	
				32,001.20
				1,990.00
			Total for Check Number 53400:	33,991.20
53401	RSBG-DIS 1482838	Roseburg Disposal Company Monthly garbage service	06/10/2026	
				70.00
			Total for Check Number 53401:	70.00
53402	SERV-CTR INV/2026/01064	The Service Center Padlocks, Re-key 6 doors, keys	06/10/2026	
				1,315.00
			Total for Check Number 53402:	1,315.00
53403	Shirtclf CL44226 CL44629	Shirtcliff Oil Co. Vehicle fuel usage 5/1 - 5/15 Vehicle fuel usage 5/16 - 5/31	06/10/2026	
				2,008.65
				921.93
			Total for Check Number 53403:	2,930.58
53404	SPRBRK INV-023811	Springbrook Holding Company LLC Annual subscription/maintenance fee for finance	06/10/2026	
				50,952.08
			Total for Check Number 53404:	50,952.08
53405	SHRED-IT 8014302806	Stericycle, Inc. Monthly document shredding services	06/10/2026	
				107.32
			Total for Check Number 53405:	107.32
53406	SUNRISE SI00130	Sunrise Enterprises, Inc Monthly janitorial services	06/10/2026	
				595.00
			Total for Check Number 53406:	595.00
53407	TEKMAN 105103 105103 105103 105103 105103	TEKMANAGEMENT, INC. Server Maint & monitoring Backup & Recovery Services DNS Filter (security) Priveleged Access Mgmt Software Penetration Testing	06/10/2026	
				1,707.70
				565.00
				32.00
				41.80
				253.84

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	105103	Cloud storage-server backups		108.00
	105103	Encryption of laptops		107.25
	105103 MFA	Secure Multi-Factor Authentication \$91.20/mo		91.20
	105103 Ninja	NinjaOne for Workstations and Phones billed at :		400.00
Total for Check Number 53407:				3,306.79
53408	DYER 41393	The Dyer Partnership Engineers & Planners	06/10/2026	
	41394	Pre-design and design for storm damage repair o		540.00
	41395	Design of Sewer Main on Fremont St to elimin		4,144.00
		Engineer to secure a no rise certificate for Newtc		10,355.00
Total for Check Number 53408:				15,039.00
53409	UBWA	Umpqua Basin Water Association	06/10/2026	
	May 2026 411LM	Water - 411 Long Meadows Ln		28.04
	May 2026 606LM	Water - 606 Long Meadows Ln		28.00
	May 2026 Brbn	Water - 310 Bourbon St		28.00
Total for Check Number 53409:				84.04
53410	UMPS&G 4119544	Umpqua Sand & Gravel	06/10/2026	
		Disposal fee for cleaning check dams at NTS		2,400.00
Total for Check Number 53410:				2,400.00
53411	WSM 1011-26	WASTEWATER SOLIDS MANAGEMEN	06/10/2026	
		Cleaning & Inspection of Digester #3		83,690.00
Total for Check Number 53411:				83,690.00
Total for 6/10/2026:				279,475.36
Report Total (33 checks):				279,475.36