



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

REGULAR MONTHLY BOARD MEETING
November 8, 2017

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

AGENDA

REGULAR MONTHLY BOARD MEETING

December 13, 2017
RUSA Board Room
4:00 p.m.

Board of Directors

John Dunn, Chair
David Campos

Rob Lieberman, Vice Chair
Jerry Giese

Kelsey Wood

- 1. Call to Order**
- 2. Roll Call**
- 3. Consider Minutes**
 - a. November 8, 2017 Regular Board Meeting
- 4. Auditors Report to the Board**
 - a. Paul Nielson
- 5. Umpqua Fishery Enhancement Derby Sponsorship**
- 6. General Managers Report**
 - a. Brown Avenue Area Improvements Project Phase 5
 - i. Project update. Pay estimate #5
 - b. Back Nine Sanitary Sewer Phase 1
 - i. Project update
- 7. New Developments**
- 8. Staff Report**
- 9. Permits Issued**
- 10. CH2M Operations Report**
- 11. Accounts Payable**
- 12. Other Business**
 - a. SDAO Conference Registration
 - b. Roseburg Area Chamber of Commerce Award Banquet



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

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

Board Chair, John Dunn, called the regular monthly Board Meeting to order at 4:02 p.m. on November 8, 2017 at 1297 N.E. Grandview Drive.

ROLL CALL

Directors

Present: Board Chair John Dunn, Vice Chair Rob Lieberman, Jerry Griese, and David Campos

Absent: Kelsey Wood

Others present: General Manager Jim Baird, Finance Director Christine Morris, Collection System Superintendent Steve Lusch, Engineering Tech III Ryon Kershner, Accounting Clerk Angela Allen, and CH2M Project Manager Jade Mecham.

Ellen Montgomery and Tom Nigh were recognized for their years of service to RUSA over the years and wished well in their retirement.

Consideration of the minutes of the Regular Monthly Board Meeting of Wednesday, October 11, 2017.

Jerry Griese moved to approve the minutes, as presented, for the Wednesday, October 11th, 2017 Roseburg Urban Sanitary Authority Regular Monthly Meeting.

David Campos seconded the motion.

The motion passed unanimously.

Resolution No. 17-07, A Resolution Adopting A Discrimination Workplace Harassment Policy

There was a discussion regarding the Discrimination Workplace Harassment Policy. It will be placed in the Personnel Handbook in place of the existing policy.

Rob Lieberman moved to approve Resolution No. 17-07, A Resolution Adopting A Discrimination Workplace Harassment Policy.

Jerry Griese seconded the motion.

The motion passed unanimously.

General Managers Report

Brown Avenue Area Improvement – Phase V

The contractor has installed approximately 690 feet of new sewer main, 420 feet of building sewer, three manholes and surface restoration. The project is on schedule. The Contractor has submitted pay estimate #4 in the amount of \$194,683.75 with \$9,734.19 withheld as retainage for a pay request of \$184,949.56. The project Engineer recommended that RUSA accept this request and issue payment to the Contractor.

Staff recommends that the Board approve pay request #4 in the amount of \$184,949.56.

Jerry Griese moved to approve pay request #4 from The Contractor in the amount of \$184,949.56.

Rob Lieberman seconded the motion.

The motion passed unanimously.

Back Nine Sanitary Sewer Extension Project

The project construction is currently on hold due to a problem with the agreement between Douglas County and ODOT regarding the types of businesses that are able to move in to the space. There are discussions to amend the current agreement. Unsure of how long of a delay this will be, but hopefully will not delay it long enough to affect the construction in the spring.

Downtown Improvements Phase II- Sanitary Sewer Improvements

The City selected i.e. Engineering to provide the plans and specifications for the second phase of intersection improvement in the downtown core area. RUSA has three manholes, approximately 260 feet of sewer main line and several building sewers within the project limits. We will be including the sanitary sewer work in the City's project as we have done in the past. The estimated cost for the sanitary sewer portion of the project is approximately \$75,000. i.e. Engineering provided a "Not to Exceed" amount of \$5,000 or 6.6% of the expected construction cost.

Staff recommended that the Board direct the General Manager to enter into a contract with i.e. Engineering for the additional sanitary sewer design work within the project limits with a, "Not to Exceed", amount of \$5,000.

Rob Lieberman moved to approve the General Manager entering into a contract with i.e. Engineering for the additional sanitary sewer design work for a "Not to Exceed" amount of \$5,000.

Jerry Griese seconded the motion.

The motion passed unanimously.

Loma Vista Pump Station Design Study

The Loma Vista pump station was constructed in 1988 to provide service to the properties on the west side of RUSA's boundary adjacent to and including Loma Vista Drive. Over the years, several components have failed and needed to be replaced. Currently, the pumps need replacement and the installation of a valve vault assembly is recommended.

RUSA evaluated the estimated cost to replace and bring the pump station up to current standards for pump stations and the total cost is approximately \$80,000 to \$100,000. The current pump station property is very small, approximately 0.01 acres or 530 square feet. The current standard is 4,000 to 5,000 square feet.

Before RUSA invests up to \$100,000 dollars, staff recommended a design study to relocate the pump station south of the current location to a larger lot and an area that would provide service to several properties along Troost Street that currently are inside our service boundary that would require an additional pump station to be built.

Staff requested a "Not to Exceed" proposal from i.e. Engineering to prepare a design study to relocate the Loma Vista pump station approximately 650 feet south of the current location. The study will identify a property to move the pump station to as well as cost associated with a new pump station, gravity sewer and force main improvement and the additional properties that would be able to be served if the improvements were constructed. i.e. Engineering had submitted a proposal for \$13,900 to complete the design study

The City of Roseburg is looking at a comprehensive plan amendment to change the Urban Growth Boundary (UGB) to include properties to the west of the current UGB boundary. The study will evaluate the properties to the west that could be served if the UGB boundary is moved.

Staff recommended that the Board direct the General Manager to enter into a contract with i.e. Engineering to provide a design study for the relocation and construction of the Loma Vista Pump Station in the, "Not to Exceed", amount of \$13,900.

David Campos moved to approve the General Manager entering into a contract with i.e. Engineering to provide a design study for the relocation and construction of the Loma Vista Pump Station for a "Not to Exceed" amount of \$13,900.

Rob Lieberman seconded the motion.

The motion passed unanimously.

WWTP Roof Leak Insurance Claim

RUSA has received a check from Umpqua Roofing's insurance company for \$170,000. We have requested that SDAO provide payment of our claim for the remainder of the costs associated with the repairs and equipment damaged by the two roof leaks caused by the roofing contractor. The total cost incurred by RUSA was \$182,978.71. The settlement from CNA is \$170,000 with \$12,978.71 as the amount remaining that we have requested that SDAO pay on our claim. This amount reflects the difference between replacement cost and depreciated value of some of the components that were damaged.

RUSA Natural Treatment System Annual Monitoring and Performance Evaluation for 2017, and Farm Plan Update

CH2M has been providing the NTS Annual Monitoring and Farm Plan Update that is required by the DEQ. We have received a proposal to provide the required evaluation and updated plan in the amount of \$65,640.

Jade Mecham, Project Manager with CH2M Operations, and Jim Baird, General Manager, have been discussing the pending contract extension for the operations and management of RUSA's WWTP and the value add that CH2M can provide as part of the contract. The current contract includes a section detailing "Out of Scope" projects and the method of utilizing the services of CH2M for work not included in the contract. Jade and Jim discussed utilizing this service to complete the work required for the Monitoring and Performance Evaluation and Farm Plan update. The work done under the Out of Scope Agreement is marked up at 15% from the billing rate CH2M has established for work done for another CH2M division.

The Out of Scope Agreement total cost to RUSA would be \$38,870 to provide the required evaluation report and farm plan update. This will save RUSA \$26,770. Staff recommended that the Board direct the General Manager to enter into an Out of Scope Agreement with CH2M in the "Not to Exceed", amount of \$38,870 to provide the 2017 Monitoring and Performance Evaluation, and Farm Plan update.

Rob Lieberman made a motion to approve the General Manager enter into an Out of Scope Agreement with CH2M Operations to provide the required evaluation report and farm plan update.

David Campos seconded the motion.

The motion passed unanimously.

CH2M Report

Jade Mecham, Project Manager, provided the First Quarter Expenditure Report for the Board to review. The Board will be receiving this report quarterly from this point forward.

Jade advised of some business that were out of compliance with their grease interceptors that were contacted and will be followed up on to insure they are not contributing grease to the sanitary sewer.

Accounts Payable

The Board reviewed the Accounts Payable Report and Addendum for the November 8th, 2017 Accounts Payable.

Rob Lieberman made a motion to approve the Accounts Payable and Addendum as presented. Jerry Griese seconded the motion.

The motion passed unanimously.

Other Business

None.

There being no further business to come before the Board, the meeting was adjourned at 4:51 p.m.

Respectfully submitted,



Angela Allen
Accounting Clerk

ROSEBURG URBAN SANITARY AUTHORITY

Roseburg, Oregon

**FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION**

YEARS ENDED JUNE 30, 2017 AND 2016

Prepared by:
RUSA Finance Department

ROSEBURG URBAN SANITARY AUTHORITY

Years ended June 30, 2017 and 2016

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INTRODUCTORY SECTION

ROSEBURG URBAN SANITARY AUTHORITY

For the Year Ended June 30, 2017

Board of Directors and Registered Agent

As of June 30, 2016

CHAIRMAN OF THE BOARD:

Term of Office

John Dunn
1440 SE Brush
Roseburg, OR 97470

7/1/2013 - 6/30/2017

BOARD MEMBERS:

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

7/1/2013 - 6/30/2017

Kelsey Wood
PO Box 1326
Roseburg, OR 97470

7/1/2015 - 6/30/2019

Jerry Griesse
1940 NW Dogwood
Roseburg, OR 97471

7/1/2015 - 6/30/2019

David Campos
1858 NE Sunset
Roseburg, OR 97471

12/9/2015 - 6/30/2019

REGISTERED AGENT AND OFFICER:

Ron Thames
1297 NE Grandview Drive
Roseburg, OR 97470

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Roseburg Urban Sanitary Authority
Roseburg, Oregon

Report on the Financial Statements

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, 2017, and 2016, and the related notes to the financial statements, which collectively comprise RUSA's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RUSA as of June 30, 2017 and 2016, and the changes in its financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 share 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, 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise RUSA's basic financial statements. The combining schedules and the budgeted and actual schedules on pages 29 through 39 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules and the budgeted and actual schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplemental schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The introductory section, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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 November 4, 2016 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 Paul Nielson, a member of the firm
for Isler CPA
November 4, 2016

ROSEBURG URBAN SANITARY AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years ended June 30, 2017 and 2016

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, 2017 by \$36,873, a decrease of \$(763). Of this amount, \$5,234 (unrestricted net position) may be used to meet ongoing obligations and \$30,471 is invested in capital assets net of accumulated depreciation and related debt.
- Total Operating Revenues were \$6,354, an increase of \$708 from the prior year. Operating expenses totaled \$5,758, a decrease of \$520 from the prior year. The difference between operating revenues and operating expenses resulted in operating income of \$596.
- RUSA has \$31,116 in capital assets, net of accumulated depreciation. This is a increase of \$651 from the prior year. RUSA also recognized \$1,638 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 Sheet, the Statement of Revenue, Expenses and Changes in Net Position and the Statement of Cash Flows. The Balance Sheet provides 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 Statement of Revenues, Expenses and Changes in Net Position presents 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 Statement of Cash Flows presents 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, 2017 and 2016

FINANCIAL ANALYSIS

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

	2017	2016	2015	Change 2016 - 2017	
				Amount	Percent %
Assets:					
Current assets	\$ 7,447	\$ 7,532	\$ 7,625	\$ (85)	(1.1)
Noncurrent receivables	64	89	113	(25)	(28.1)
Restricted cash	-	-	23	-	
Capital assets (net)	31,116	30,465	30,502	651	2.1
Net pension asset	-	-	247	-	
Total assets	38,627	38,086	38,510	541	1.4
Deferred outflow of resources	881	24	78	857	
Total assets and deferred outflows of resources	39,508	38,110	38,588	1,398	3.7
Liabilities:					
Current liabilities	228	269	247	(41)	(15.2)
Net pension liability	1,682	679	-	1,003	
Other long-term liabilities	645	901	1,224	(256)	(28.4)
Total liabilities	2,555	1,849	1,471	706	38.2
Deferred inflow of resources	80	151	499	(71)	
Net position:					
Net investment in capital assets	30,471	29,564	29,278	907	3.1
Restricted	1,168	1,098	1,164	70	6.4
Unrestricted	5,234	5,448	6,176	(214)	(3.9)
Total net position	\$ 36,873	\$ 36,110	\$ 36,618	\$ 763	2.1

Total assets increased for this fiscal year by \$541. Current assets decreased by \$85 as a direct result of an increase in spending. In prior years the Authority's cash reserves were being spent for the construction of the Natural Treatment System and the rehabilitation of existing sewer lines.

Total liabilities increased by \$706 from last year. The decreases in long-term liabilities is related to the scheduled payment on the outstanding long-term debt. The increase in current liabilities is related to the increase in payables associated with capital projects.

Net position may serve as a useful indicator of the RUSA's financial position. As of June 30, 2017, assets exceeded liabilities by \$36,873, a 2.1 percent increase over the prior period. Investment in capital assets are considered unavailable for current expenditure and accounts for 82.6 percent of the total net position (81.9 percent of total net position at June 30, 2016). Unrestricted net position accounts for 14.2 percent of the total net position (15.1 percent of the total net position at June 30, 2016). 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 debt service and future system development.

ROSEBURG URBAN SANITARY AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years ended June 30, 2017 and 2016

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 2016 to 2017.

	2017	2016	2015	Change 2016 - 2017	
				Amount	Percent %
Operating revenues:					
User service fees	\$ 6,179	\$ 5,607	\$ 5,650	\$ 572	10.2
Other revenues	<u>175</u>	<u>39</u>	<u>36</u>	<u>136</u>	<u>348.7</u>
Total operating revenues	6,354	5,646	5,686	708	12.5
Nonoperating revenues:					
System development charges	132	108	113	24	22.2
Gain (loss) on sale of assets	1	-	50	1	-
Interest income	<u>64</u>	<u>57</u>	<u>51</u>	<u>7</u>	<u>12.3</u>
Total nonoperating revenues	<u>197</u>	<u>165</u>	<u>214</u>	<u>32</u>	<u>19.4</u>
Total revenues	<u>6,551</u>	<u>5,811</u>	<u>5,900</u>	<u>740</u>	<u>12.7</u>
Operating expenses:					
Personal services	1,663	2,193	1,173	(530)	(24.2)
Materials and services	2,457	2,435	2,208	22	0.9
Depreciation	<u>1,638</u>	<u>1,650</u>	<u>1,596</u>	<u>(12)</u>	<u>(0.7)</u>
Total operating expenses	5,758	6,278	4,977	(520)	(8.3)
Nonoperating expenses:					
Interest expense	<u>30</u>	<u>41</u>	<u>53</u>	<u>(11)</u>	
Change in net position	763	(508)	870	1,271	(250.2)
Net position-beginning (as restated)*	<u>36,110</u>	<u>36,618</u>	<u>35,748</u>	<u>(508)</u>	<u>(1.4)</u>
Net position-ending	<u>\$ 36,873</u>	<u>\$ 36,110</u>	<u>\$ 36,618</u>	<u>\$ 763</u>	

*Due to the implementation of GASB 68, a prior period adjustment of \$483 is reflected in the beginning balance for the fiscal year 2015.

Total operating revenues were comparable to the prior period. Other fees consist of miscellaneous collection service fees, title clearance fees and other miscellaneous income. Investment earnings had no significant change as interest rates did not change significantly. Operating expenses decreased by 8.3 percent as compared to the prior period. Personal services decreased by 24 percent due to the changes from determining pension related items in accordance with GASB 68, including recording a pension liability and deferred inflows/outflows related to pensions.

Nonoperating revenues increased by 19 percent over the prior year. System development charges increased 22 percent and no capital contributions of donated sewer lines were received this year.

ROSEBURG URBAN SANITARY AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years ended June 30, 2017 and 2016

CAPITAL ASSETS

At June 30, 2017, RUSA had \$31,117 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, 2017, RUSA had \$2,524 in additions.

Depreciation expense was \$1,638 and \$1,650 for the years ended June 30, 2017 and 2016, respectively.

RUSA's Capital Assets (net of depreciation)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Land	\$ 766	\$ 766	\$ 766
Construction in progress	788	230	104
Collection system and pump station	17,191	16,559	16,196
Treatment plants	11,626	12,165	12,607
Office building and rental houses	268	279	314
Equipment	478	466	515
Total	<u>\$ 31,117</u>	<u>\$ 30,465</u>	<u>\$ 30,502</u>

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

DEBT ADMINISTRATION

In August 1997, RUSA obtained loans to finance the Diamond Lake Boulevard sewer extension. These loans were obtained as part of a Local Improvement District (LID) and are secured by a lien on the property owners in the LID.

In September 2009, RUSA obtained loans to finance the Natural Treatment System (NTS). These loans totaled \$645 as of year end.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
LID debt	\$ -	\$ -	\$ 75
NTS debt	<u>645</u>	<u>901</u>	<u>1,148</u>
Total	<u>\$ 645</u>	<u>\$ 901</u>	<u>\$ 1,223</u>

Additional information on RUSA's debt can be found in the notes to the financial statements in the note titled Notes Payable.

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.

ROSEBURG URBAN SANITARY AUTHORITY

Balance Sheets

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,290,328	\$ 6,509,335
Receivables:		
Sewer service charges, net of allowance of \$8,620 for 2017 and 2016)	1,045,808	697,680
Assessment interest	17,600	17,123
Prepaid expenses	85,483	282,461
Due from OMI	<u>7,380</u>	<u>25,946</u>
Total current assets	<u>7,446,599</u>	<u>7,532,545</u>
Noncurrent assets:		
Assessments receivable	64,110	88,689
Capital assets - net	<u>31,116,034</u>	<u>30,464,983</u>
Total noncurrent assets	<u>31,180,144</u>	<u>30,553,672</u>
Total assets	38,626,743	38,086,217
DEFERRED OUTFLOW OF RESOURCES		
Deferred outflow of resources related to pensions	881,214	23,838
Total assets and deferred outflow of resources	<u>\$ 39,507,957</u>	<u>\$ 38,110,055</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 130,015	\$ 171,331
Accrued payroll liabilities	83,044	76,302
Accrued interest payable	15,044	21,033
Current portion of notes payable	<u>266,949</u>	<u>256,682</u>
Total current liabilities	495,052	525,348
Notes payable, net of current portion	377,803	644,752
Net pension liability	<u>1,682,405</u>	<u>679,209</u>
Total liabilities	<u>2,555,260</u>	<u>1,849,309</u>
DEFERRED INFLOW OF RESOURCES		
Deferred inflow of resources related to pensions	<u>79,508</u>	<u>150,547</u>
NET POSITION:		
Net investment in capital assets	30,471,282	29,563,549
Restricted for future development, collection system	1,168,052	1,098,151
Unrestricted	<u>5,233,854</u>	<u>5,448,499</u>
Total net position	<u>36,873,188</u>	<u>36,110,199</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 39,507,956</u>	<u>\$ 38,110,055</u>

See accompanying notes to financial statements.

ROSEBURG URBAN SANITARY AUTHORITY

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating revenues:		
User service fees	\$ 6,179,431	\$ 5,607,085
Other revenue	<u>174,494</u>	<u>38,904</u>
Total operating revenues	<u>6,353,925</u>	<u>5,645,989</u>
Operating expenses:		
Personal services	1,662,811	2,192,755
Materials and services	2,457,003	2,435,021
Depreciation	<u>1,638,300</u>	<u>1,650,283</u>
Total operating expenses	<u>5,758,114</u>	<u>6,278,059</u>
Operating income (loss)	<u>595,811</u>	<u>(632,070)</u>
Nonoperating revenues and expenses		
Investment earnings	64,314	56,892
Interest expense	(30,068)	(41,014)
Gain (loss) on sale of capital assets	<u>1,093</u>	<u>-</u>
Total nonoperating revenue and expenses	<u>35,339</u>	<u>15,878</u>
Income (loss) before contributions	631,150	(616,192)
Capital contributions:		
System development charges	<u>131,839</u>	<u>108,558</u>
Change in net position	762,989	(507,634)
Net position - beginning of year.	<u>36,110,199</u>	<u>36,617,833</u>
Net position - end of year	<u>\$ 36,873,188</u>	<u>\$ 36,110,199</u>

See accompanying notes to financial statements.

ROSEBURG URBAN SANITARY AUTHORITY

Statements of Cash Flows

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 6,029,899	\$ 5,704,202
Payments to suppliers	(2,260,190)	(2,440,604)
Payments to employees	<u>(1,581,288)</u>	<u>(1,553,157)</u>
Net cash provided by operating activities	<u>2,188,421</u>	<u>1,710,441</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(2,311,936)	(1,600,419)
Connection fees and other capital contributions	131,839	108,558
Principal paid on notes payable	(256,682)	(322,181)
Interest paid on notes payable	(36,057)	(47,699)
Proceeds from sale of capital assets	<u>1,093</u>	<u>-</u>
Net cash used by capital and related financing activities	<u>(2,471,743)</u>	<u>(1,861,741)</u>
Cash flows from investing activities:		
Interest received on investments	<u>\$ 64,315</u>	<u>56,892</u>
Net cash provided by investing activities	<u>64,315</u>	<u>56,892</u>
Net increase (decrease) in cash and cash equivalents	(219,007)	(94,408)
Cash and cash equivalents, July 1	<u>6,509,335</u>	<u>6,603,743</u>
Cash and cash equivalents, June 30	<u><u>\$ 6,290,328</u></u>	<u><u>\$ 6,509,335</u></u>

continued on next page
See accompanying notes to financial statements.

ROSEBURG URBAN SANITARY AUTHORITY

Statements of Cash Flows, Continued

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 595,811	\$ (632,070)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	1,638,300	1,650,283
Net (reduction) increase of expense under GASB 68	74,781	632,322
Changes in operating assets and liabilities:		
Sewer service charges receivable	(324,026)	58,213
Prepaid expenses	196,978	(79,373)
Due from OMI	18,566	65,935
Accrued payroll liabilities	6,742	7,276
Accounts payable	<u>(18,731)</u>	<u>7,855</u>
Net cash provided by operating activities	<u>\$ 2,188,421</u>	<u>\$ 1,710,441</u>

See accompanying notes to financial statements.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

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 Diamond Lake LID fund is being used to account for the retirement of the Oregon Clean Water State Revolving Loan Fund. The loan was paid in full during the fiscal year ended June 30, 2016. Future revenues will consist of the collection of assessments and interest from benefited property owners.

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.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

I. Summary of significant accounting policies (continued)

B. Basis of accounting (continued)

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.

The Administration Building fund was established to account for monies designated for construction, expansion, or improvement of the administrative building and grounds.

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.

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, liabilities, 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 uncollectible 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 \$241,515 and \$239,986 at June 30, 2017 and 2016 respectively.

Assessments receivable represent the uncollected amounts levied against benefited property for the cost of local improvements. Assessments 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%.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, 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 estimated fair 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

In the year an asset is placed in service, one-half year's depreciation is recorded.

4. Compensated absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Authority does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred.

5. 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.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

D. Assets, liabilities, and net position (continued)

6. 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.

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.
- Debt service in the Diamond Lake LID and Treatment Plant Expansion funds.
- Capital outlay 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, 2017 and 2016. Appropriations lapse as of year-end.

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

III. Detailed notes

A. Cash and cash equivalents

Cash and cash equivalents at fair value at June 30 are comprised of:

	2017	2016
Cash on hand	\$ 500	\$ 500
Deposits with Financial Institutions	682,802	561,451
Certificate of deposit, nonnegotiable	1,075,025	1,069,562
Local Government Investment Pool	4,532,001	4,877,822
Total cash and cash equivalents	<u>\$ 6,290,328</u>	<u>\$ 6,509,335</u>

Reported on the balance sheet as follows:

Cash and cash equivalents	<u>\$ 6,290,328</u>	<u>\$ 6,509,335</u>
	<u>\$ 6,290,328</u>	<u>\$ 6,509,335</u>

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

III. Detailed notes (continued)

A. Cash and cash equivalents (continued)

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/>. RUSA's investment in the LGIP is stated at fair value.

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. At June 30, 2017 and 2016, the Authority's deposits at various financial institutions had a bank value of \$- and \$2,003,930, respectively.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

III. Detailed notes (continued)

B. Capital assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>2016</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>2017</u>
Capital assets not being depreciated:				
Land	\$ 766,026	\$ -	\$ -	\$ 766,026
Construction in progress	<u>229,795</u>	<u>793,189</u>	<u>(234,957)</u>	<u>788,027</u>
Total capital assets not being depreciated	<u>995,821</u>	<u>793,189</u>	<u>(234,957)</u>	<u>1,554,053</u>
Capital assets being depreciated:				
Collection system and pump station	30,460,088	1,283,957	-	31,744,045
Treatment plants	26,719,848	337,035	-	27,056,883
Office building and rental houses	812,900	23,300	-	836,200
Equipment	<u>2,054,862</u>	<u>86,827</u>	<u>(13,515)</u>	<u>2,128,174</u>
Total capital assets being depreciated	<u>60,047,698</u>	<u>1,731,119</u>	<u>(13,515)</u>	<u>61,765,302</u>
Less accumulated depreciation for:				
Collection system and pump station	(13,901,570)	(651,688)	-	(14,553,258)
Treatment plants	(14,554,355)	(877,013)	-	(15,431,368)
Office building and rental houses	(534,123)	(34,235)	-	(568,358)
Equipment	<u>(1,588,488)</u>	<u>(75,364)</u>	<u>13,515</u>	<u>(1,650,337)</u>
Total accumulated depreciation	<u>(30,578,536)</u>	<u>(1,638,300)</u>	<u>13,515</u>	<u>(32,203,321)</u>
Total capital assets, being depreciated, net	<u>29,469,162</u>	<u>92,819</u>	<u>-</u>	<u>29,561,981</u>
Total capital assets, net	<u>\$ 30,464,983</u>	<u>\$ 886,008</u>	<u>\$ (234,957)</u>	<u>\$ 31,116,034</u>

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

III. Detailed notes (continued)

B. Capital assets (continued)

Capital asset activity for the year ended June 30, 2016 was as follows:

	2015	Additions	Transfers and Retirements	2016
Capital assets not being depreciated:				
Land	\$ 766,026	\$ -	\$ -	\$ 766,026
Construction in progress	103,511	229,795	(103,511)	229,795
Total capital assets not being depreciated	869,537	229,795	(103,511)	995,821
Capital assets being depreciated:				
Collection system and pump station	29,466,867	945,592	47,629	30,460,088
Treatment plants	26,257,431	406,535	55,882	26,719,848
Office building and rental houses	812,900	-	-	812,900
Equipment	2,023,347	31,515	-	2,054,862
Total capital assets being depreciated	58,560,545	1,383,642	103,511	60,047,698
Less accumulated depreciation for:				
Collection system and pump station	(13,270,742)	(630,828)	-	(13,901,570)
Treatment plants	(13,650,382)	(903,973)	-	(14,554,355)
Office building and rental houses	(498,824)	(35,299)	-	(534,123)
Equipment	(1,508,305)	(80,183)	-	(1,588,488)
Total accumulated depreciation	(28,928,253)	(1,650,283)	-	(30,578,536)
Total capital assets, being depreciated, net	29,632,292	(266,641)	103,511	29,469,162
Total capital assets, net	\$ 30,501,829	\$ (36,846)	\$ -	\$ 30,464,983

C. Notes payable

The following loan agreements were entered into in August 1997 to finance the Diamond Lake Boulevard (DLID) sewer extension:

The Oregon Clean Water State Revolving Loan Fund (CWSRF) agreement allowed the Authority to borrow \$787,280 at an annual interest rate of 3.69%. Payments were due semi-annually through September 1, 2018. This loan was paid in full during the fiscal year ended June 30, 2016. The total annual principal and interest payments were \$23,153. In addition, an annual bank loan servicing fee of .5% of the outstanding balance was payable on September 1 of each year. The agreement required RUSA to establish reserves of \$23,153, which were reported as restricted cash on the balance sheet for the year ended June 30, 2015.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

III. Detailed notes (continued)

C. Notes payable (continued)

Oregon Economic Development Department Loan (OEDD) agreement. The Authority was awarded a Financial Assistance Award Contract on September 15, 2009. The contract is between the Authority and the State of Oregon, acting by and through its Economic and Community Development Department (OECDD), awarding a non-revolving loan in the maximum aggregate principal amount of \$8,743,000 at 4%. The use of this loan was limited to the Natural Treatment System project, which included a one-to-five acre irrigation storage pond, a two-acre constructed wetland pond, 200 acres of spray irrigation and 40 acres of drip irrigation. The Authority made the first payment of \$938,641 on December 1, 2012. Remaining payments of \$292,740 will be made each December 1 until the loan is paid in full. Interest will be at 4% per annum and will be computed on the basis of a 360-day year, consisting of twelve thirty-day months. The loan matures on December 1, 2019.

A summary of the changes in notes payable for the year ended June 30, 2017 follows:

	Beginning Balance	Principal Payments	Principal Borrowed	Ending Balance	Due Within One Year
OEDD Loan - NTS	<u>901,434</u>	<u>(256,682)</u>	<u>-</u>	<u>644,752</u>	<u>266,949</u>
Total notes payable	<u>\$ 901,434</u>	<u>\$ (256,682)</u>	<u>\$ -</u>	<u>\$ 644,752</u>	<u>\$ 266,949</u>

A summary of the changes in notes payable for the year ended June 30, 2016 follows:

	Beginning Balance	Principal Payments	Principal Borrowed	Ending Balance	Due Within One Year
CWSRF	\$ 75,371	\$ (75,371)	\$ -	\$ -	\$ -
OEDD Loan - NTS	<u>1,148,244</u>	<u>(246,810)</u>	<u>-</u>	<u>901,434</u>	<u>256,682</u>
Total notes payable	<u>\$ 1,223,615</u>	<u>\$ (322,181)</u>	<u>\$ -</u>	<u>\$ 901,434</u>	<u>\$ 256,682</u>

Annual debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest and Fees	Total
2017	\$ 256,682	\$ 36,057	\$ 292,739
2018	266,949	25,790	292,739
2019	100,176	15,112	115,288
2020	<u>-</u>	<u>4,007</u>	<u>4,007</u>
	<u>\$ 623,807</u>	<u>\$ 80,966</u>	<u>\$ 704,773</u>

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

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, 2018. Amounts paid to OMI for the contracted services were \$1,439,188 and \$1,435,234 for the years ended June 30, 2017 and 2016, respectively.

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

Risk Pooling

The Authority has elected to participate in the State and Local Government Rate Pool (SLGRP). Pooling allows separate employers to be part of one group for the purpose of determining employer pension costs and contribution rates. Pool participants share pension assets and future pension liabilities and surpluses. Employers in the pool jointly fund the future pension costs of all of the pooled participants.

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.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

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.

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.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2%.

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.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

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 (COLA). The COLA is capped at 2%.

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, 2014 actuarial valuation which became effective July 1, 2016. Employer contributions for the year ended June 30, 2017 were \$132,726. The rates in effect for the fiscal year ended June 30, 2017 were 14.63 percent for Tier One/Tier Two General Services and 8.10 percent for OPSRP Pension Program General Services, and 6 percent for OPSRP Individual Account Program. The Authority has elected not to make the payments on behalf of its employees for the OPSRP Individual Account Program.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

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, 2017, the Authority reported a liability of \$1,682,405 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2014 rolled forward to June 30, 2016. 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, 2016, the Authority's proportion was 0.01121 percent, which was changed from its proportion measure as of June 30, 2014 of 0.0118 percent.

For the year ended June 30, 2016, the Authority recognized pension expense of \$207,507. At June 30, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between expected and actual experience	\$ 55,661	\$ -
Change in assumptions	358,817	
Net difference between projected and actual earnings on pension plan investments	332,373	-
Changes in proportion share	12,218	33,542
Changes in proportion and differences between contributions and proportionate share of contributions	2,795	45,966
Contributions subsequent to the measurement date	119,350	-
Total	<u>\$ 881,214</u>	<u>\$ 79,508</u>

Deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows	Deferred Inflows
2017	\$ 150,071	\$ 13,540
2018	150,071	13,540
2019	310,804	28,043
2020	238,104	21,483
2021	32,164	2,902
Total	<u>\$ 881,214</u>	<u>\$ 79,508</u>

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

Actuarial Assumptions:

The employer contribution rates effective July 1, 2015, through June 30, 2017, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2014
Measurement Date	June 30, 2016
Experience Study Report	2014, published September 2015
Actuarial Cost Method	Entry Age normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent (reduced from 2.75%)
Investment Rate of return	7.50 percent (reduced from 7.75%)
Discount Rate	7.50 percent (reduced from 7.75%)
Projected Salary Increases	3.50 percent (reduced from 3.75%)
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/.15%) In accordance with Moro decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active Members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.</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 2014 Experience Study which reviewed experience for the four-year period ending on December 31, 2014.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. 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.

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	OIC Target
Cash	0.0 %	3.0 %	0.0 %
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	13.5	21.5	17.5
Real Estate	9.5	15.5	12.5
Alternative Equity	0.0	12.5	12.5
Opportunity Portfolio	0.0	3.0	0.0
Total			<u>100.0 %</u>

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00 %	4.00 %
Short-Term Bonds	8.00 %	3.61 %
Bank/Leveraged loans	3.00 %	5.42 %
High Yield Bonds	1.00 %	6.20 %
Large/Mid Cap US Equities	15.75 %	6.70 %
Small Cap US Equities	1.30 %	6.99 %
Micro cap US equities	1.30 %	7.01 %
Developed Foreign Equities	13.13 %	6.73 %
Emerging Foreign Equities	4.12 %	7.25 %
Non-US small cap Equities	1.88 %	7.22 %
Private Equity	17.50 %	7.97 %
Real Estate (Property)	10.00 %	5.84 %
Real Estate (REITS)	2.50 %	6.69 %
Hedge fund of funds - diversified	2.50 %	4.64 %
Hedge fund - event-driven	0.63 %	6.72 %
Timber	1.88 %	5.85 %
Farmland	1.88 %	6.37 %
Infrastructure	3.75 %	7.13 %
Commodities	1.88 %	4.58 %
Total	<u>100.00 %</u>	
Assumed Inflation - Mean		2.50 %

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.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

IV. Other information (continued)

C. Pension Plan (continued)

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 7.5 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 7.5 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of net pension liability (asset)	\$ 2,716,524	\$ 1,682,405	\$ 818,063

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Assumptions and Other Inputs

Changes in actuarial methods and assumptions implemented since the December 31, 2013 valuation are described in the 2014 Experience Study (Study), published September 2015.

Changes in assumptions from that Study are reported in the table of actuarial methods and assumptions. modifications to the allocation of actuarial accrued liabilities, administrative expense assumptions, healthcare cost inflation, and mortality tables can be found in the Study at:
<http://www.oregon.gov/PERS/Documents/Financials/Actuary/2015/Experience-Study.pdf>.

Changes in Plan Assumptions Subsequent to Measurement Date

At its July 28, 2017 meeting, the PERS Board lowered the assumed earning rate from 7.5% to 7.2%, adding \$2.1 billion to the System's unfunded liability.

ROSEBURG URBAN SANITARY AUTHORITY

Notes to Financial Statements

June 30, 2017 and 2016

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.

REQUIRED SUPPLEMENTARY INFORMATION

ROSEBURG URBAN SANITARY AUTHORITY

Required Supplementary Information

Year Ended June 30, 2017

Schedule of the Proportionate Share of the Net Pension Liability

Oregon Public Employees Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (asset)	0.011207 %	0.011800 %	0.010909%
Proportionate share of the net pension liability (asset)	\$ 1,682,405	\$ 679,209	\$ (247,277)
Covered payroll	\$ 944,835	\$ 944,835	\$ 962,964
Proportionate share of the pension liability (asset) as a percentage of its covered employee payroll	178.06 %	71.89 %	(25.68)%
Plan net position as a percentage of the total pension liability	80.50 %	91.88 %	103.59 %

Schedule of Pension Contributions

Oregon Public Employees Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 119,582	\$ 119,582	\$ 84,204
Contributions in relation to the contractually required contribution	<u>119,582</u>	<u>119,582</u>	<u>84,204</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 944,835	\$ 944,835	\$ 962,964
Contributions as a percentage of covered employee payroll	12.66 %	12.66 %	8.74 %

Amounts presented are for the measurement period reported during the fiscal year, which for FY 2017 is the July 1, 2015-June 30, 2016.

Notes to Required Supplementary Information

Changes of Assumptions

Details and a comprehensive list of changes in methods and assumptions can be found in the 2014 Experience Study for the System, which was published on September 23, 2015. The report can be found at:

<http://www.oregon.gov/pers/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

SUPPLEMENTARY INFORMATION

ROSEBURG URBAN SANITARY AUTHORITY

Combining Balance Sheet - All Funds Used for Budgetary Reporting

June 30, 2017

	General Fund	Infrastructure Replacement Reserve Fund	Diamond Lake LID Fund	Asset Acquisition and Replacement Fund	Plant Equipment Replacement Fund	Administration Building	Treatment Plant Expansion Reserve Fund	Collection System Expansion Fund	Total
ASSETS									
Cash and cash equivalents	\$ 2,757,612	\$ 67,898	\$ 41,769	\$ 785,625	\$ 1,235,185	\$ 64,809	\$ 238,909	\$ 1,098,521	\$ 6,290,328
Sewer service charges, net of allowance	975,220	-	-	-	-	-	-	-	975,220
Grant and contract	-	-	-	-	-	-	-	70,588	70,588
Prepaid expenses	85,483	-	-	-	-	-	-	-	85,483
Due from OMI	7,380	-	-	-	-	-	-	-	7,380
Assessments receivable	-	-	64,110	-	-	-	-	-	64,110
Accrued interest receivable	-	-	17,600	-	-	-	-	-	17,600
Total assets	\$ 3,825,695	\$ 67,898	\$ 123,479	\$ 785,625	\$ 1,235,185	\$ 64,809	\$ 238,909	\$ 1,169,109	\$ 7,510,709
LIABILITIES									
Accounts payable	\$ 79,441	\$ 11,403	\$ -	\$ -	\$ 38,114	\$ -	\$ -	\$ 1,057	\$ 130,015
Accrued payroll liabilities	83,044	-	-	-	-	-	-	-	83,044
Unavailable revenue	-	-	64,110	-	-	-	-	-	64,110
Total liabilities	162,485	11,403	64,110	-	38,114	-	-	1,057	277,169
FUND BALANCES									
Unappropriated	<u>3,663,210</u>	<u>56,495</u>	<u>59,369</u>	<u>785,625</u>	<u>1,197,071</u>	<u>64,809</u>	<u>238,909</u>	<u>1,168,052</u>	<u>7,233,540</u>
Total liabilities and fund balances	\$ 3,825,695	\$ 67,898	\$ 123,479	\$ 785,625	\$ 1,235,185	\$ 64,809	\$ 238,909	\$ 1,169,109	\$ 7,510,709

Reconciliation to GAAP basis balance sheet:

Unappropriated fund balance	\$ 7,233,540
Capital assets, net	31,116,034
Unavailable revenue	64,110
Long-term debt	(644,752)
Net pension liability	(1,682,405)
Deferred outflows related to pensions	881,214
Deferred inflows related to pensions	(79,508)
Accrued interest	(15,044)
Ending net position	\$ 36,873,189

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, 2017

	General Fund	Infrastructure Replacement Reserve Fund	Diamond Lake LID Fund	Asset Acquisition and Replacement Fund	Plant Equipment Replacement Fund	Administration Building Fund	Treatment Plant Expansion Reserve Fund	Collection System Expansion Fund	Total
Revenues:									
User service fees	\$ 4,931,539	\$ 254,497	\$ -	\$ 1,017,974	\$ -	\$ -	\$ -	\$ -	\$ 6,204,010
Other revenue	79,326	-	24,580	-	-	-	-	70,588	174,494
System development charges	-	-	-	-	-	-	45,457	86,382	131,839
Investment earnings	21,360	1,535	4,287	11,568	9,757	662	2,840	12,305	64,314
Sale of capital assets	1,093	-	-	-	-	-	-	-	1,093
Total revenues	<u>5,033,318</u>	<u>256,032</u>	<u>28,867</u>	<u>1,029,542</u>	<u>9,757</u>	<u>662</u>	<u>48,297</u>	<u>169,275</u>	<u>6,575,750</u>
Expenditures:									
Personal services	1,588,030	-	-	-	-	-	-	-	1,588,030
Materials and services	2,349,865	-	-	-	-	-	-	-	2,349,865
Capital outlay	179,970	1,235,524	-	-	736,072	-	145,548	99,375	2,396,489
Debt service	-	-	-	-	-	-	292,739	-	292,739
Total expenditures	<u>4,117,865</u>	<u>1,235,524</u>	<u>-</u>	<u>-</u>	<u>736,072</u>	<u>-</u>	<u>438,287</u>	<u>99,375</u>	<u>6,627,123</u>
Excess (deficiency) of revenues over (under) expenditures	915,453	(979,492)	28,867	1,029,542	(726,315)	662	(389,990)	69,900	(51,373)
Other financing sources (uses):									
Transfers in	-	800,000	-	-	500,000	-	600,000	-	1,900,000
Transfers out	<u>(300,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>(1,550,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,900,000)</u>
Change in fund balance	615,453	(179,492)	(21,133)	(520,458)	(226,315)	662	210,010	69,900	(51,373)
Beginning fund balance	<u>3,047,757</u>	<u>235,987</u>	<u>80,502</u>	<u>1,306,083</u>	<u>1,423,386</u>	<u>64,147</u>	<u>28,899</u>	<u>1,098,152</u>	<u>7,284,913</u>
Ending fund balance	<u>\$ 3,663,210</u>	<u>\$ 56,495</u>	<u>\$ 59,369</u>	<u>\$ 785,625</u>	<u>\$ 1,197,071</u>	<u>\$ 64,809</u>	<u>\$ 238,909</u>	<u>\$ 1,168,052</u>	<u>\$ 7,233,540</u>

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

Change in fund balance	\$ (51,373)
Amounts reported in the statement of activities are different because:	
Unavailable income previously recognized	(24,579)
Expenditures for capital assets	2,289,351
Depreciation	(1,638,300)
Change in assets, liabilities, deferred inflow and outflows related to pensions	(74,781)
Debt principal payments	256,682
Change in accrued interest	5,989
Change in net position	<u>\$ 762,989</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Appropriated Expenditures and Other Budgetary Requirements - Budgetary Basis

General Fund

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance With Final Budget
APPROPRIATIONS			
Expenditures:			
Administration and engineering	\$ 1,155,800	\$ 1,010,660	\$ 145,140
Treatment	2,094,500	1,943,596	150,904
Collection	1,091,300	846,723	244,577
Finance	<u>340,000</u>	<u>316,885</u>	<u>23,115</u>
Total appropriated expenditures	4,681,600	4,117,864	563,736
Transfers and Contingency:			
Transfer to Infrastructure Replacement	800,000	800,000	-
Reserve Fund	150,000	-	150,000
Operating contingency	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total appropriated expenditures and other requirements	5,631,600	4,917,864	713,736
Unappropriated ending working capital	<u>773,200</u>	<u>3,663,210</u>	<u>(2,890,010)</u>
Total requirements	<u>\$ 6,404,800</u>	<u>\$ 8,581,074</u>	<u>\$ (2,176,274)</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

General Fund

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance With Final Budget
RESOURCES			
Revenues:			
User service fees	\$ 4,340,700	\$ 4,931,539	\$ 590,839
Other fees	42,100	79,326	37,226
Interest income	17,000	21,360	4,360
Sale of capital assets	5,000	1,093	(3,907)
Total revenues	4,404,800	5,033,318	628,518
Beginning fund balance	1,500,000	3,047,757	1,547,757
Total resources	<u>\$ 5,904,800</u>	<u>\$ 8,081,075</u>	<u>\$ 2,176,275</u>
REQUIREMENTS			
Expenditures:			
Personal services:			
Administration and engineering	\$ 755,100	\$ 672,503	\$ 82,597
Collections	690,600	676,130	14,470
Finance	238,600	239,397	(797)
Total personal services	1,684,300	1,588,030	96,270
Materials and services:			
Administration and engineering	287,600	249,389	38,211
Treatment	2,069,500	1,937,418	132,082
Collection	141,700	98,853	42,847
Finance	78,900	64,205	14,695
Total materials and services	2,577,700	2,349,865	227,835
Capital outlay:			
Administration and engineering	113,100	88,768	24,332
Treatment	25,000	6,178	18,822
Collection	259,000	71,740	187,260
Finance	22,500	13,284	9,216
Total capital outlay	419,600	179,970	239,630
Total expenditures	4,681,600	4,117,865	563,735
Transfers out	300,000	300,000	-
Operating contingency	150,000	-	150,000
Ending fund balance	773,200	3,663,210	(2,890,010)
Total requirements	<u>\$ 5,904,800</u>	<u>\$ 8,081,075</u>	<u>\$ (2,176,275)</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Infrastructure Replacement Reserve Fund

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
User service fees	\$ 253,800	\$ 254,497	\$ 697
Interest income	<u>1,900</u>	<u>1,535</u>	<u>(365)</u>
Total revenues	255,700	256,032	332
Transfers in	800,000	800,000	-
Beginning fund balance	<u>250,000</u>	<u>235,987</u>	<u>(14,013)</u>
Total resources	<u>\$ 1,305,700</u>	<u>\$ 1,292,019</u>	<u>\$ (13,681)</u>
REQUIREMENTS			
Expenditures:			
Capital outlay	\$ 1,305,700	\$ 1,235,524	\$ 70,176
Ending fund balance	<u>-</u>	<u>56,495</u>	<u>(56,495)</u>
Total requirements	<u>\$ 1,305,700</u>	<u>\$ 1,292,019</u>	<u>\$ 13,681</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Diamond Lake LID Fund

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
Interest income	\$ 6,760	\$ 4,287	\$ (2,473)
LID assessments	<u>16,800</u>	<u>24,580</u>	<u>7,780</u>
Total revenues	23,560	28,867	5,307
Beginning fund balance	<u>26,440</u>	<u>80,502</u>	<u>54,062</u>
Total resources	<u><u>\$ 50,000</u></u>	<u><u>\$ 109,369</u></u>	<u><u>\$ 59,369</u></u>
REQUIREMENTS			
Expenditures:			
Total expenditures	-	-	-
Transfers	50,000	50,000	-
Ending fund balance	<u>-</u>	<u>59,369</u>	<u>(59,369)</u>
Total requirements	<u><u>\$ 50,000</u></u>	<u><u>\$ 109,369</u></u>	<u><u>\$ (59,369)</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, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
User service fees	\$ 1,020,000	\$ 1,017,974	\$ (2,026)
Interest income	<u>6,600</u>	<u>11,568</u>	<u>4,968</u>
Total revenues	1,026,600	1,029,542	2,942
Beginning fund balance	<u>-</u>	<u>1,306,083</u>	<u>1,306,083</u>
Total resources	<u>\$ 1,026,600</u>	<u>\$ 2,335,625</u>	<u>\$ 1,309,025</u>
REQUIREMENTS			
Expenditures:			
Total expenditures	\$ -	\$ -	\$ -
Transfers out	1,550,000	1,550,000	-
Ending fund balance	<u>(523,400)</u>	<u>785,625</u>	<u>(1,309,025)</u>
Total requirements	<u>\$ 1,026,600</u>	<u>\$ 2,335,625</u>	<u>\$ (1,309,025)</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, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
Interest income	\$ 6,600	\$ 9,757	\$ 3,157
Transfers in	500,000	500,000	-
Beginning fund balance	<u>1,426,100</u>	<u>1,423,386</u>	<u>(2,714)</u>
Total resources	<u>\$ 1,932,700</u>	<u>\$ 1,933,143</u>	<u>\$ 443</u>
REQUIREMENTS			
Expenditures:			
Capital outlay	\$ 1,932,700	\$ 736,072	\$ 1,196,628
Ending fund balance	<u>-</u>	<u>1,197,071</u>	<u>(1,197,071)</u>
Total requirements	<u>\$ 1,932,700</u>	<u>\$ 1,933,143</u>	<u>\$ (443)</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Administration Building Fund

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
Interest income	\$ 650	\$ 662	\$ 12
Beginning fund balance	<u>-</u>	<u>64,147</u>	<u>64,147</u>
Total resources	<u>\$ 650</u>	<u>\$ 64,809</u>	<u>\$ 64,159</u>
REQUIREMENTS			
Expenditures:			
Capital outlay	\$ 20,000	\$ -	\$ 20,000
Ending fund balance	<u>(19,350)</u>	<u>64,809</u>	<u>(84,159)</u>
Total requirements	<u>\$ 650</u>	<u>\$ 64,809</u>	<u>\$ (64,159)</u>

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, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
System development charges	\$ 33,300	\$ 45,457	\$ 12,157
Interest income	<u>1,600</u>	<u>2,840</u>	<u>1,240</u>
Total revenues	34,900	48,297	13,397
Transfers in	600,000	600,000	-
Beginning fund balance	<u>20,000</u>	<u>28,899</u>	<u>8,899</u>
Total resources	<u>\$ 654,900</u>	<u>\$ 677,196</u>	<u>\$ 22,296</u>
REQUIREMENTS			
Expenditures:			
Debt service:			
Principal payments	\$ 257,000	\$ 256,682	\$ 318
Interest payments	<u>36,500</u>	<u>36,057</u>	<u>443</u>
Total debt service	293,500	292,739	761
Capital outlay	<u>361,400</u>	<u>145,548</u>	<u>215,852</u>
Total expenditures	654,900	438,287	216,613
Other Financing Sources			
Ending fund balance	<u>-</u>	<u>238,909</u>	<u>(238,909)</u>
Total requirements	<u>\$ 654,900</u>	<u>\$ 677,196</u>	<u>\$ (22,296)</u>

ROSEBURG URBAN SANITARY AUTHORITY

Schedule of Budgeted and Actual Resources and Requirements - Budgetary Basis

Collection System Expansion Fund

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
RESOURCES			
Revenues:			
System development charges	\$ 63,000	\$ 86,382	\$ 23,382
Interest income	14,700	12,305	(2,395)
Other	<u>70,588</u>	<u>70,588</u>	<u>-</u>
Total revenues	148,288	169,275	20,987
Beginning fund balance	<u>1,090,400</u>	<u>1,098,152</u>	<u>7,752</u>
Total resources	<u>\$ 1,238,688</u>	<u>\$ 1,267,427</u>	<u>\$ 28,739</u>
REQUIREMENTS			
Expenditures:			
Capital outlay	\$ 1,238,688	\$ 99,375	\$ 1,139,313
Ending fund balance	<u>-</u>	<u>1,168,052</u>	<u>(1,168,052)</u>
Total requirements	<u>\$ 1,238,688</u>	<u>\$ 1,267,427</u>	<u>\$ (28,739)</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, 2017, and have issued our report thereon dated November 4, 2016. 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 Paul Nielson, a member of the firm
for Isler CPA
November 4, 2016



3000 Stewart Parkway, Suite 104
Roseburg, OR 97471
Office (541) 672-0757

UMPQUA FISHERY



ROSEBURG AREA
Chamber Of
Commerce

P.O. Box 1026,
Roseburg, OR 97470
Office (541) 672-2648

October 30, 2017

Roseburg Urban Sanitary Authority
Ron Thames
PO Box 1185
Roseburg, OR 97470

Dear Ron:

On behalf of the Umpqua Fishery Enhancement Derby Steering Committee and the Roseburg Area Chamber of Commerce, we are excited to announce dates for the **26th Annual Fish Derby Spectacular** to be held **January 31 – February 3, 2018**. We are thrilled to again showcase **Willie Boats** as the Title Sponsor. This distinctive community event has grown into a prestigious Oregon tradition; directly raising funds for the Umpqua Basin fishery. Our 'catch-and-release' Steelhead Derby not only attracts anglers statewide, but also the finest fishing guides in the Northwest – making this an exceptionally unique experience for all participants!

"The Derby" is an excellent opportunity to promote this partnership and foster a community-based commitment to fishery enhancement. Last year's 2017 Derby Banquet/Auction featured over **600 attendees**, whose combined efforts, along with generous contributions by our sponsors and supporters, raised over **\$80,000** toward fishery enhancement, restoration and educational projects! "The Derby" has now contributed more than **\$1.38 million** toward enhancement projects. **But, the bigger story is...** all contributions are earmarked for "matching funds" projects, which translate to a tremendous multi-million dollar investment in our Umpqua Basin fishery! We extend our sincerest appreciation to all who have supported these outstanding efforts... **THANK YOU!**

As a valued Derby Sponsor, we are asking for your help again this year. May we count on you to participate as a **\$500 Chinook Sponsor**? Your generous sponsorship will include:

- Your Name prominently displayed in the Derby Auction Booklet and Special Promotional Materials.
- Up to Four (4) Complimentary Meal Tickets and Eight (8) Beer/Wine Tickets to the Derby Banquet/ Auction – Friday, February 2, 2018. *
- Tax Deductible Contribution Receipt – Charitable 501 (c) 3 Tax ID Number 57-1222364.

The Derby Committee and partners sincerely appreciate your continued support and hope you will join us for the **26th Annual Fish Derby!** To be listed in the Auction Booklet, please return your contribution to us no later than **Friday, January 5, 2018**. A member of the fundraising committee will be in contact with you in the near future.

Thank you for your generous support,

Paul Beck, Sponsorship Chair
UFED Committee

***Please RSVP your attendance to the Banquet**

Complete and return the enclosed RSVP Card (**by January 15**), or by calling Tina at 672-0757, or via email: tina@dougstimmer.org to allow for an accurate dinner count, and assure banquet seating for you and your guests. Thank you!

UMPQUA FISHERY



2018 Umpqua Fishery Enhancement Derby \$500 Chinook Sponsorship Tax ID# 57-1222364

- ☐ **YES!** I would like to support the Umpqua basin fishery as a **Derby Chinook Sponsor**. Enclosed is my check for \$500.
- ☐ **YES!** I would like to be a **Derby Chinook Sponsor** and will mail a check before January 5, 2018.
- ☐ **No,** I'm unable to be a Derby Chinook Sponsor this year; however, I would like to **contribute a donation item** to the Friday night auction. Please have a member of the auction committee contact me.

PLEASE PRINT CLEARLY:

Name

Company

Mailing Address

City

State

Zip

Phone Number

Email Address

To assure your name is listed in the Derby Auction Booklet,
Please return this form along with your
check payable to "Umpqua Fishery Enhancement Derby" by January 5, 2018 to:

**Umpqua Fishery Enhancement Derby
3000 Stewart Parkway, Suite 104
Roseburg, OR 97471**

If you have questions, or need additional information, please call
Tina at Douglas Timber Operators, (541) 672-0757 or email tina@doug timber.org

GENERAL MANAGERS REPORT

Date: 12/7/17

To: Roseburg Urban Sanitary Authority
Board of Directors

From: James V. Baird
General Manager

Re: General Managers Informational Report to the Board

Brown Avenue Area Improvements Phase V

The main line and service line installation was completed last month. The contractor has filled and abandoned the pipe and structures. The surface restoration has been completed. The contractor is working to complete the items on the final punch list. The Contractor has submitted pay estimate #5 in the amount of \$74,983.00 with \$3,749.15 withheld as retainage for a pay request of \$71,233.85. The project Engineer has recommended that RUSA accept this request and issue payment to the Contractor.

Staff recommends that the Board approve pay request #5 in the amount of \$71,233.85.

Back Nine Sanitary Sewer Extension Phase I

The project construction is continuing with an estimated projected completion date of December 21st, 2017.



809 SE PINE STREET
POST OFFICE BOX 1271
ROSEBURG, OR 97470

(541) 673-0166
FAX: (541) 440-9392

December 5, 2017

Roseburg Urban Sanitary Authority
ATTN: Jim Baird
P.O. Box 1185
Roseburg, OR 97470

RE: Brown Avenue Area Improvements, Phase 5
Pay Request #5

Dear Mr. Baird;

Pay Request #5 for work completed on the above project, as submitted by Cradar Enterprises, Inc. and reviewed by i.e. Engineering Inc., was found to be correct and in accordance with the Contract Documents.

It is recommended that Roseburg Urban Sanitary Authority accept this request and issue payment to the Contractor for the amount of \$71,233.85

Enclosed is a copy of the invoice and breakdown of costs. Please call me at (541) 673-0166 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Derek M. Miller".

Derek M. Miller, P.E.

Project Engineer

Cradar Enterprises, Inc.

GENERAL CONTRACTOR

CCB LICENSE #51492

1051 MELROSE ROAD, ROSEBURG, OREGON 97471

PHONE (541) 673-3268 FAX (541) 673-0056

Invoice

Date	Invoice #
12/1/2017	002865

Bill To
RUSA P.O. BOX 1185 ROSEBURG, OR 97470

P.O. No.	Terms	Project
		9113 - BROWN AV...

Quantity	Description	Rate	Amount
1	PAY APPLICATION #5 - SCHEDULE A & B (\$74,983.00 - RETAINAGE @ 5% \$3,749.15 = \$71,233.85)	71,233.85	71,233.85
		Total	\$71,233.85

TO: **RUSA**
1297 NE Grandview Drive
Roseburg, OR 97470

ATTN: **Derek Miller, PE**

Pay Estimate #5
Schedule A & B

Contractor Name
Brown Avenue, Phase 5

PROJECT:
September 27, 2017

DATE:
10/26/2017-11/25/2017

WORK TO

ESTIMATE NO.
5

VENDOR NO.:

CONTRACTOR EARNED ESTIMATE

ITEM	DESCRIPTION	UNITS	QTY	UNIT PRICE	TOTAL CONT.	PREVIOUS QTY	PREVIOUS AMOUNT	PRESENT QTY	PRESENT AMOUNT	TOTAL QTY	TOTAL AMOUNT	BALANCE TO COMPLETE
Brown Ave. Improvement, Phase 5												
1	Mobilization	LS	1	\$ 116,940.00	\$ 116,940.00	1.00	\$ 116,940.00	0.00	\$ -	1.00	\$ 116,940.00	\$ -
2	Temporary Signs	LS	1	\$ 8,500.00	\$ 8,500.00	1.00	\$ 8,500.00	0.00	\$ -	1.00	\$ 8,500.00	\$ -
3	Temporary Barricades, Type III	LS	1	\$ 1,100.00	\$ 1,100.00	1.00	\$ 1,100.00	0.00	\$ -	1.00	\$ 1,100.00	\$ -
4	Flagger	Hour	110	\$ 40.00	\$ 4,400.00	94.00	\$ 3,760.00	27.00	\$ 1,080.00	121.00	\$ 4,840.00	\$ (440.00)
5	Construction Survey Work	LS	1	\$ 12,000.00	\$ 12,000.00	1.00	\$ 12,000.00	0.00	\$ -	1.00	\$ 12,000.00	\$ -
6	4" Sanitary Sewer Pipe, 10' Deep	LF	957	\$ 75.00	\$ 71,775.00	1115.00	\$ 83,625.00	0.00	\$ -	1115.00	\$ 83,625.00	\$ (11,850.00)
7	4" Sanitary Sewer Pipe, 15' Deep	LF	313	\$ 125.00	\$ 39,125.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	\$ 39,125.00
8	4" Sanitary Sewer Pipe, 20' Deep	LF	45	\$ 140.00	\$ 6,300.00	70.00	\$ 9,800.00	0.00	\$ -	70.00	\$ 9,800.00	\$ (3,500.00)
9	8" Sanitary Sewer Pipe, 10' Deep	LF	1,574	\$ 73.00	\$ 114,902.00	1558.00	\$ 113,734.00	0.00	\$ -	1558.00	\$ 113,734.00	\$ 1,168.00
10	8" Sanitary Sewer Pipe, 15' Deep	LF	493	\$ 125.00	\$ 61,625.00	430.00	\$ 53,750.00	0.00	\$ -	430.00	\$ 53,750.00	\$ 7,875.00
11	8" Sanitary Sewer Pipe, 20' Deep	LF	246	\$ 155.00	\$ 38,130.00	282.00	\$ 43,710.00	0.00	\$ -	282.00	\$ 43,710.00	\$ (5,580.00)
12	Inside Drop, Y & CO @ Sta. 75+34.6	LS	1	\$ 2,200.00	\$ 2,200.00	1.00	\$ 2,200.00	1.00	\$ 2,200.00	2.00	\$ 4,400.00	\$ (2,200.00)
13	Pipe Tees, 8"	Each	55	\$ 150.00	\$ 8,250.00	53.00	\$ 7,950.00	0.00	\$ -	53.00	\$ 7,950.00	\$ 300.00
14	Manhole, 10' Deep	Each	11	\$ 7,250.00	\$ 79,750.00	10.00	\$ 72,500.00	0.00	\$ -	10.00	\$ 72,500.00	\$ 7,250.00
15	Manhole, 15' Deep	Each	1	\$ 8,900.00	\$ 8,900.00	1.00	\$ 8,900.00	0.00	\$ -	1.00	\$ 8,900.00	\$ -
16	Remove Abandoned Structures	Each	4	\$ 900.00	\$ 3,600.00	3.00	\$ 2,700.00	0.00	\$ -	3.00	\$ 2,700.00	\$ 900.00
17	Filling Abandoned Structures	Each	2	\$ 900.00	\$ 1,800.00	0.00	\$ -	1.00	\$ 900.00	1.00	\$ 900.00	\$ 900.00
18	Filling Abandoned Pipe in Place	LF	678	\$ 5.00	\$ 3,390.00	0.00	\$ -	350.00	\$ 1,750.00	350.00	\$ 1,750.00	\$ 1,640.00
19	AC Trench Resurfacing	SF	10,660	\$ 7.00	\$ 74,620.00	8615.00	\$ 60,305.00	9087.00	\$ 63,609.00	17702.00	\$ 123,914.00	\$ (49,294.00)
20	Concrete Sidewalks	SF	560	\$ 14.00	\$ 7,840.00	490.40	\$ 6,865.60	46.00	\$ 644.00	536.40	\$ 7,509.60	\$ 330.40
21	Concrete Driveways	SF	180	\$ 20.00	\$ 3,600.00	224.00	\$ 4,480.00	0.00	\$ -	224.00	\$ 4,480.00	\$ (880.00)
22	Concrete Curb and Gutter	LF	152	\$ 50.00	\$ 7,600.00	113.00	\$ 5,650.00	82.00	\$ 4,100.00	195.00	\$ 9,750.00	\$ (2,150.00)
23	Trench Resurfacing-Gravel	SF	550	\$ 1.00	\$ 550.00	550.00	\$ 550.00	0.00	\$ -	550.00	\$ 550.00	\$ -
24	Trench Resurfacing-Grass Seed	SF	920	\$ 2.00	\$ 1,840.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	\$ 1,840.00
25	Additional Sawcut per Parallel Pipe Detail	SF	450	\$ 2.00	\$ 900.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	\$ 900.00
26	Additional Excavation & Backfill per Parallel Detail	CY	155	\$ 45.00	\$ 6,975.00	1322.00	\$ 59,490.00	0.00	\$ -	1322.00	\$ 59,490.00	\$ (52,515.00)
27	Remove & Replace Bollard, Curb & Fence	LS	1	\$ 2,500.00	\$ 2,500.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	\$ 2,500.00

Approved Change Orders / Extra Work

1	PR#1 (Gas Main)	LS	1	\$ 3,983.50	\$ 3,983.50	1.00	\$ 3,983.50	0.00	\$ -	1.00	\$ 3,983.50	\$ -
2	PR#2 (Rosemond MH Core Drilling)	LS	1	\$ 700.00	\$ 700.00	0.00	\$ -	1.00	\$ 700.00	1.00	\$ 700.00	\$ -
3	PR#3 (H2O Conflicts on Umpqua)	LS	1	\$ 6,385.75	\$ 6,385.75	1.00	\$ 6,385.75	0.00	\$ -	1.00	\$ 6,385.75	\$ -
4	PR#4 (Fairhaven Overlay)	LS	1	\$ 15,345.00	\$ 15,345.00	1.00	\$ 15,345.00	0.00	\$ -	1.00	\$ 15,345.00	\$ -

ORIGINAL CONTRACT \$ 689,112.00

CURRENT CONTRACT \$ 715,526.25

TOTAL PREVIOUS PERIOD \$ 704,223.85

TOTAL THIS PERIOD \$ 74,983.00

TOTAL WORK TO DATE \$ 779,206.85

LESS RETAINAGE \$ 38,960.34

SUBTOTAL \$ 740,246.50

5% \$ 35,211.19

5% \$ 3,749.15

5% \$ 38,960.34

\$ 779,206.85

LESS: PREVIOUS PAYMENTS

AMOUNT DUE THIS PERIOD

\$ 669,012.65

\$ 71,233.85

INTERNAL _____

CREDIT INV.

CONTRACT CHANGE ORDER
Brown Avenue Area Improvements, Phase 5

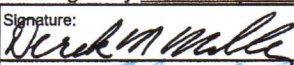

Contractor: Cradar Enterprises
 1051 Melrose Road
 Roseburg, OR 97471

Owner: RUSA
 Project: Brown Avenue Area Improvements, Phase 5

Date: 11/2/17

CHANGE ORDER # 3

This Change Order amends all preceding contract documents and correspondence which pertain to the subject of this order and authorizes the following changes in work:

DESCRIPTION OF CHANGE	CONTRACT COST DECREASE	CONTRACT COST INCREASE
PR # 2 Core drill sewer manhole to adjust to field changed caused by the lack of easement at credit union		\$700.00
TOTALS	\$0.00	\$700.00
NET CHANGE IN CONTRACT PRICE	\$700.00	
ORIGINAL CONTRACT TOTAL	\$689,112.00	
CHANGE ORDER NO. 1	\$3,983.50	
CHANGE ORDER NO. 2	\$21,730.75	
CHANGE ORDER NO. 3	\$700.00	
CURRENT CONTRACT TOTAL PRIOR TO THIS CHANGE ORDER	\$714,826.25	
CHANGE ORDER NO. 2	\$700.00	
CURRENT CONTRACT TOTAL INCLUDING THIS AND PREVIOUS CHANGE ORDERS:	\$715,526.25	
Contract time will be increased/decreased/unchanged by <u>0</u> days as a result of this change.		
APPROVED (Project Engineer)	Signature: 	Date: 12/5/17
ACCEPTED (Contractor)	Signature: 	Date: 12-5-2017
APPROVED: RUSA	Signature:	Date:

ROSEBURG URBAN SANITARY AUTHORITY

NEW DEVELOPMENTS AND PROJECTS

DEVELOPMENTS:

- Edenbower sewer main extension
 - Pinnacle Western Engineering is designing a sewer main extension to provide service to property east of Stephens street. This project is on hold.
- Oakridge Court Apartments
 - The plans and specifications have been approved. This project is on hold.
- Troost Street Subdivision
 - The construction of the improvement for the subdivision is complete. The Engineers certification, certified test results and as-built drawings are pending.
- Newton Creek Manor
 - The owner, NeighborWorks Umpqua, has chosen to provide sewer service to the manufactured home park with a private sewer system. There is a small section of public main line that will be constructed as part of the improvement to the park. The project has been reviewed by Staff and CH2M. The plans and specifications have been approved, with minor corrections required, for construction.
- Umpqua Health Newton Creek Campus
 - A pre-construction meeting was held November 30th. The contractor is scheduled to begin construction in the middle of January of 2018.

Preliminary Design

- Downtown Intersection Improvements Phase II
- Black Avenue Street Improvements
- Loma Vista Pump Station Improvement Study
- Loosley – Woodside Avenue subdivision
- Tabor – Military Avenue subdivision
- Townsend Lane – Lookingglass subdivision

PROJECTS:

- Brown Avenue Area Improvements Phase V
 - Construction is ongoing. Project completion is scheduled for November 11th.
- Cascade Court main line extension – Joint City RUSA project
 - Cradar Enterprises has completed the work on this project. The punch list items have been completed. Engineers certification and as-built drawings are still pending.
- Back Nine
 - The Contractor is installing the force main. Once completed with the force main the Contractor will move back to installing the remainder of the gravity sewer. Construction is scheduled to be completed by the end of the year, weather permitting.
- NW Black Avenue Sanitary Sewer Improvement
 - 3J Consulting is in the design stage of this project.

ROSEBURG URBAN SANITARY AUTHORITY

NOVEMBER 2017 STAFF REPORTS

COLLECTION DEPARTMENT:

- Completed 34 work orders.
- Completed CCTV of 11,587 feet of mainline.
- Completed cleaning of 42,949 feet of mainline.
- Completed 10 manhole inspections.
- Repaired 3 manholes.
- Completed 1 spot repair.

ENGINEERING DEPARTMENT:

- Completed 172 underground utility locate requests.
- Issued 7 permits and completed 8 inspections.
- Construction is nearing completion on the Brown Avenue Area Improvements Phase V. The Contractor has completed all of work associated with this project. There is a pending punch list of items to be completed.
- Construction continues with the Back Nine Sanitary Sewer Extension project. The contractor is continuing to install the sewer main and force main.
- Construction on the Cascade Court Project is complete. The City is finalizing the construction costs with the contractor. The As-Built drawings and Engineer's letter of certification is pending.
- The Contractor has completed the installation of the sanitary sewer for the O'Brien heights subdivision. The contractor has completed the project. Pending As-built drawing, certified test results and the Engineers letter of Inspection and Certification of Proper Construction.

FINANCE DEPARTMENT:

- Vacancy Credits: 6 were processed, for a total of \$400.00 in November.
- Credit cards/eChecks: 549 payments totaling \$26,371.01 were collected in October. 61 payments received at the counter, 18 by voice response system, and 470 on-line.
- Automatic Payments: 1,930 customer accounts are signed up. Received \$76,733.81 or approximately 13.95% of monthly billing.
- Ellen's last day was November 14th, Jessica started on November 15th.

The following are permits issued during the month of November, 2017:

1) NEW CONNECTIONS

(Construction of new single family residential units)

Single Family Residential:

- 2151 NE Alabaster Ave

Commercial:

(Construction of new commercial structure(s)/facilities)

- None

2) RELAY PERMITS

(Repair and/or replacement of an existing building sewer line(s))

- 1902 W Bertha
- 1446 SE Overlook
- 2144 NW Kline
- 190 W Berdine
- 526 W Maple

3) DEMOLITION PERMITS

(Demolition of an existing structure)

- None

4) MAIN LINE EXTENSIONS

(Extension of an existing and/or new sanitary sewer main line)

- None

5) MAINS AND LATERALS

(Installation of new sanitary sewer main line(s))

- None

6) SERVICE CONNECTIONS

(Existing stub-out to a property line)

- None

7) TAP CUTS

(Tap cut for connection to sanitary sewer main line)

- None

8) MANHOLE CORE DRILL

(Core drill manhole to connect sanitary sewer line and/or sanitary sewer main line)

- None

9) PLAN REVIEW

(Fee to review plans for new developments, subdivisions, etc.)

- None



TO: Jim Baird, General Manager-RUSA
FROM: Jade Mecham, Project Manager *Jade Mecham*
DATE: December 6, 2017
SUBJECT: November 2017 Monthly Report

OPERATIONAL ACTIVITIES

- The treatment facility averaged 93% BOD removal and 94% Total Suspended Solids Removal during the month with a requirement of no less than 85% removal for each.
- The facility electrical consumption (based on meter readings) for November 2017, was 218,000 KWHRS with a total Effluent flow of 133.22 million gallons, all went to the river at Outfall 001. The November 2016 electrical consumption was 239,000 KWHRS with a total Effluent flow of 148.71 million gallons, of which .03 million gallons went to the Natural Treatment System (NTS) at Outfall 002 and the remaining 148.68 million gallons going to the river at Outfall 001.
- Flow going to the NTS was redirected to the river at outfall 001 at the beginning of the month.
- The HDPE irrigation lines at the NTS were chlorinated and flushed, then the system was drained down.
- The #1 secondary clarifier was put back in service for the wet season.
- The biosolids generated at the plant are all going to the screw press for dewatering through the winter season.

PRETREATMENT ACTIVITIES

The following pretreatment inspections were completed in November:

- The update to the pretreatment Implementation Manual was sent into the DEQ for review and approval.
- *Umpqua Dairy*: Semi-annual inspection and pH meter test were completed, they were found to be within the established limits.
- *Denny's*: Follow up tank inspection. The tank had been pumped.
- *Elmers*: Follow up tank inspection. The tank had been pumped.
- *Jack in the Box*: Interceptor was in satisfactory condition.
- *VA Canteen*: The interceptor was very full. They will put in a requisition for pumping at a shorter interval. Follow up inspection required.

NATURAL TREATMENT SYSTEM (NTS)

- Chlorinated all irrigation lines.
- Drained all irrigation lines at the pump station
- Installed 400' of woven wire fencing around 411 to try to keep sheep out of the area.
- Sheep were brought in at the beginning of the month.

MAINTENANCE ACTIVITIES

- Replaced smoke detector sensors for the Blower building HVAC system.
- Replaced the unit heart in the Primary composite sampler.
- Replaced the cracked PVC fitting for the sump pumps piping on the Primary Clarifier #1.
- Repaired a water leak on the strainer for the #1 Gas Compressor.
- Installed 12-inch extension boards on the side wall of the sludge storage area to aid in maximizing the amount of sludge storage.
- Installed radiator overflow containers on both emergency generators at the plant.
- Repaired the door handles for the Influent and Blower building.
- Replaced all the yard light bulbs with LED bulbs (see attached).
- Had EC power equipment replace the radiator for the Blower building emergency generator.
- Repaired the corroded power connections for the power meter base at the Wilbur #2 Station.

LABORATORY ACTIVITIES

- We are in our normal winter testing which requires: BOD's 3 times a week, TSS 3 times a week, pH daily, Chlorine Residual Daily average, Ammonia once a week, E. Coli 3 times a week.
- Number of QAQC results for permit: 107
14 BOD's 30 pH 14 Fecal/E. Coli
14 TSS 30 Cl2 Res. 5 Ammonia
- Precision results: Accuracy Results:
In Control: 107 In Control: 93
Out of control: 0 Out of Control: 0
- On 11/28/17, we sampled Lab water and shipped to NRC for testing.

PERSONNEL/COMMUNITY SERVICE ACTIVITIES

- None to report.

UPCOMING EVENTS

OPERATIONS/NTS:

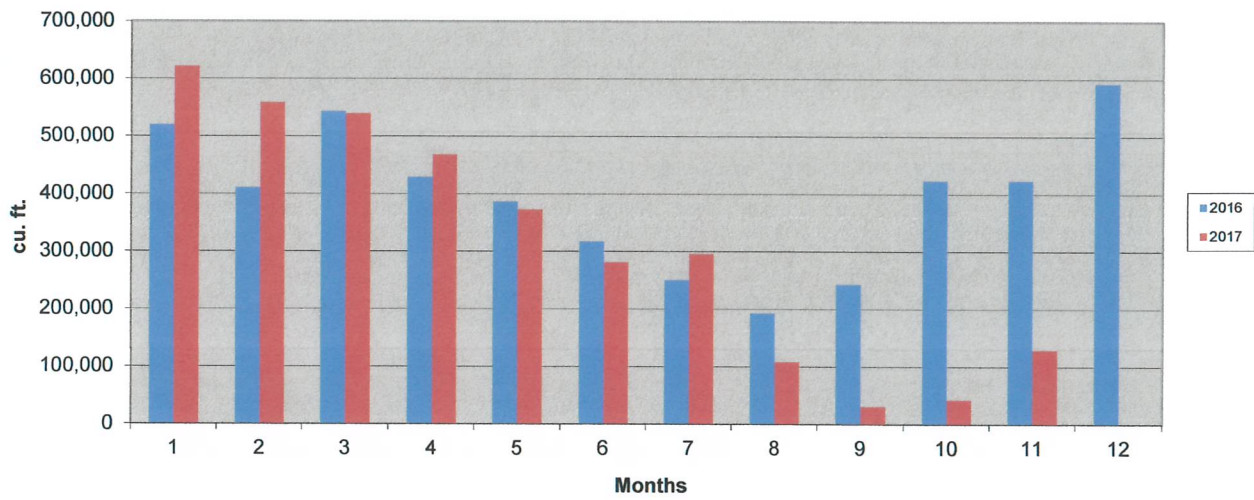
- Schedule for planting of willow cuttings.
- Organizing supplies at 411.

MAINTENANCE:

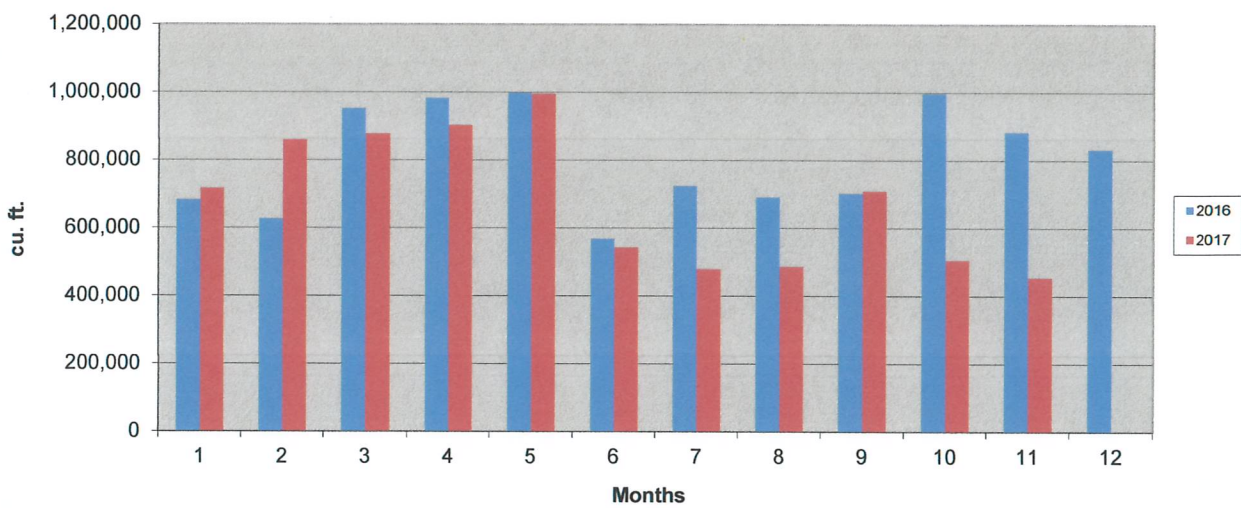
- Install Vacuum prime system for the #2 pump at Wilbur #2
- Rebuild the W-3 Strainer
- Replace mechanical seal on #3 RAS pump.

Enclosures: Boiler/Flare Gas Usage graphs
12 Month Moving Avg.
Violation Win-Limit Report
LED Yard Lights upgrade

BOILER GAS USAGE



FLARE GAS USAGE



12 MONTH MOVING AVERAGES

Month/Year	Plnt Inf Q Average MGD	Plnt Inf Average lbs/day CBOD /BOD	Plnt Inf Average lbs/day TSS
Dec-16	7.16	7106	5971
Jan-17	7.47	6853	5171
Feb-17	5.95	7396	6078
Mar-17	7.11	7531	6048
Apr-17	5.28	8807	6297
May-17	3.72	6888	6019
Jun-17	3.28	7194	5772
Jul-17	2.98	6661	5493
Aug-17	2.94	6326	5492
Sep-17	2.86	6750	5176
Oct-17	3.30	7816	6550
Nov-17	4.45	9093	7534
SUM	56.50	88421	71601
AVE	4.71	7368	5967
MAX	7.47	9093	7534
MIN	2.86	6326	5171

Limit Summary: (** designates values exceeding limit)

No values exceeding limit.

Location/Parameter	Units	Limit	Actual
Plnt Ef			
BOD 5 - BOD 5 Day 20 Deg C			
Average	MG/L	30	18.21
Max Weekly Avg (Wed Rule) , Beginning: 11/5/2017	MG/L	45	27
Average Loading	lb/day	3800	625
Max WeeklyAvg (Wed Rule) Loading, Beginning: 11/5/2017	lb/day	5600.00	919
Plnt Ef			
pH Lab - pH Lab Standard Units			
Minimum , 11/5/2017	S.U.	6.10	6.50
Maximum , 11/16/2017	S.U.	8.50	7.31
Plnt Ef			
Solids TSS - Total Suspended Solids TSS			
Average	MG/L	30.00	12.21
Plnt Ef			
Solids TSS - Total Suspended Solids TSS			
Max Weekly Avg (Wed Rule) , Beginning: 10/29/2017	MG/L	45.00	24.67
Plnt Ef			
Solids TSS - Total Suspended Solids TSS			
Average Loading	lb/day	3800.00	393.70
Plnt Ef - Effluent			
E Coli - E Coli			
Average	MPN	126.00	4
Max Weekly Avg (Wed Rule) , Beginning: 10/29/2017	MPN	406.00	14
Plnt Ef			
Cl2 Residual - Chlorine Total Residual			
Average	MG/L	.5	0.02
Plant TSS Removal Efficiency			
Avg % Removal (Lower Limit)	%	85.00	94
Plant BOD Removal Efficiency			
Avg % Removal (Lower Limit)	%	85.00	93
South Bank 004			
Flow Mgd - Flow Thru Treatment Plant Mgd			
Maximum	MGD	0.00	
Outfall #3 Flow			
Flow Mgd - Flow Thru Treatment Plant Mgd			
Sum	MGD	0.00	

Upgrade Yard Lighting bulbs with LED



All the outside yard lights have been upgraded to new LED bulbs. The maintenance staff did the installation and conversion of the new bulbs. The photo above shows the old 400-watt metal halide bulb alongside the new 100-watt LED bulb. The purchase cost of the new LED bulbs was offset going through the Oregon Energy Trust. The original cost to purchase a new LED bulb was \$98, with a rebate from the Energy trust of \$60 per bulb. With the final bulb cost of \$38 per bulb, saving considerably on the upfront cost. The new LED lighting has significant energy savings that will reduce the power cost for the outside lighting by 75%. Resulting in a total annual savings of approximately \$2763 per year. An additional benefit using the new LED bulbs are they will last just under 12 years as compared to every 4-5 years on the old bulbs. Also as a result of the new lighting the carbon footprint savings is equal to 13 tons of CO₂ generated by fossil fuels annually or 2 cars less on the road annually.

CASH DISBURSEMENT RECAP BOARD MEETING DECEMBER 13, 2017

Cash Disbursements Since the Last Board Meeting

All Funds:

Total of Prepaid Checks & ACH Transactions	149,734.67
Total of Regular Checks & ACH Transactions	<u>266,880.13</u>

Total Expenditures (not including Payroll)	<u>416,614.80</u>
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Payroll:

Net Payroll - November 2017	56,281.36
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All Checks & ACH Transactions since the Board Meeting of November 8, 2017	<u>472,896.16</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	DNB	Internal Revenue Service	11/30/2017	
	Nov 2017 PR	PR Batch 00001.11.2017 Federal Income Tax	PR Batch 00001.11.2017 Fed	7,549.05
	Nov 2017 PR	PR Batch 00001.11.2017 FICA - Employee	PR Batch 00001.11.2017 FIC	5,072.88
	Nov 2017 PR	PR Batch 00001.11.2017 FICA - Employer	PR Batch 00001.11.2017 FIC	5,072.88
	Nov 2017 PR	PR Batch 00001.11.2017 Medicare - Employee	PR Batch 00001.11.2017 Med	1,186.39
	Nov 2017 PR	PR Batch 00001.11.2017 Medicare - Employer	PR Batch 00001.11.2017 Med	1,186.39
Total for this ACH Check for Vendor DNB:				20,067.59
ACH	OR-Rev	Oregon Dept. of Revenue	11/30/2017	
	Nov 2017 PR	PR Batch 00001.11.2017 Oregon W/Held	PR Batch 00001.11.2017 Oreg	4,785.29
Total for this ACH Check for Vendor OR-Rev:				4,785.29
ACH	02669	PERS Deposit	11/30/2017	
	Nov 2017 PR	PR Batch 00001.11.2017 OPSRP-Not W/Held	PR Batch 00001.11.2017 OPS	3,564.67
	Nov 2017 PR	PR Batch 00001.11.2017 PERS - Not W/Held	PR Batch 00001.11.2017 PER	8,764.85
	Nov 2017 PR	PR Batch 00001.11.2017 PERS W/Held	PR Batch 00001.11.2017 PER	4,243.37
	Nov 2017 PR	PR Batch 00001.11.2017 PERS Pick-Up	PR Batch 00001.11.2017 PER	620.52
	PERS Nov 17	PERS Nov 17 PR-Rounding		0.04
Total for this ACH Check for Vendor 02669:				17,193.45
48006	CIS INS	CIS Trust	11/30/2017	
	Nov 2017 PR	PR Batch 00001.11.2017 Medical Ins w/RX	PR Batch 00001.11.2017 Med	24,216.06
	Nov 2017 PR	PR Batch 00001.11.2017 CCIS Insurance AD&E	PR Batch 00001.11.2017 CCI	19.89
	Nov 2017 PR	PR Batch 00001.11.2017 Dental & Vision	PR Batch 00001.11.2017 Den	2,625.23
	Nov 2017 PR	PR Batch 00001.11.2017 Voluntary Dependent L	PR Batch 00001.11.2017 Volu	32.56
	Nov 2017 PR	PR Batch 00001.11.2017 CCIS Insurance Long-T	PR Batch 00001.11.2017 CCI	237.94
	Nov 2017 PR	PR Batch 00001.11.2017 Life Insurance - Spouse	PR Batch 00001.11.2017 Life	200.04
	Nov 2017 PR	PR Batch 00001.11.2017 Life Insurance - er	PR Batch 00001.11.2017 Life	135.12
	Nov 2017 PR	PR Batch 00001.11.2017 Voluntary Life Insurance	PR Batch 00001.11.2017 Volu	284.00
	Nov 2017 PR	PR Batch 00001.11.2017 Short-Term Disability	PR Batch 00001.11.2017 Shor	76.73
Total for Check Number 48006:				27,827.57
48007	PEBS CO	Nationwide Retirement Solutions	11/30/2017	
	Nov 2017 PR	PR Batch 00001.11.2017 Roth Contribution	PR Batch 00001.11.2017 Roth	25.00
	Nov 2017 PR	PR Batch 00001.11.2017 PEBS CO	PR Batch 00001.11.2017 PEB	1,975.00
Total for Check Number 48007:				2,000.00
48008	BUTLER AU	Butler Automotive Inc	11/30/2017	
	Stock #55823	Admin Vehicle - 2018 Ford Edge		30,000.00
Total for Check Number 48008:				30,000.00
48009	Express	Express Services, Inc.	11/30/2017	
	19735216	Ellen payroll, week ending 11/5/17		1,179.75
	19757017	Ellen payroll, week ending 11/12/17		968.00
	19809656	Ellen & Jessica payroll, week ending 11/19/17		963.87

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	19835823	Jessica payroll, week ending 11/26/17		490.08
			Total for Check Number 48009:	3,601.70
48010	Comspan 5930	National LightNet LLC Monthly telephone service	11/30/2017	240.24
			Total for Check Number 48010:	240.24
48011	NITOR 13783	Nitor Solutions, Inc. Server; Switches; Server Rack; and other miscell	11/30/2017	40,189.57
			Total for Check Number 48011:	40,189.57
48012	PETTY AA 111317 AA 111417 CM 111417 SL 070317 TN 081017	Petty Cash c/o Angela Allen Costco - Retirement party supplies Walgreens - Retirement party supplies Coscto - Retirement party cake T-Mart - Bags of ice for field crew Grocery Outlet - Staff meeting snacks	11/30/2017	110.23 5.95 27.68 3.98 16.95
			Total for Check Number 48012:	164.79
48013	SHRED-IT 8123555655	Shred-It USA Monthly document shredding service	11/30/2017	77.00
			Total for Check Number 48013:	77.00
48014	SDAO CHG-15844	Special Districts Insurance Services Add new UTV to insurance coverage	11/30/2017	15.00
			Total for Check Number 48014:	15.00
48015	USPS NOV 2017	US Postal Service Postage for December utility bills	11/30/2017	2,492.38
			Total for Check Number 48015:	2,492.38
48016	VERIZON 9796301602 9796301602 EQ 9796301611	Verizon Wireless Monthly cellular service Cellular equipment Wireless for TV Van	11/30/2017	636.07 405.00 39.02
			Total for Check Number 48016:	1,080.09
			Total for 11/30/2017:	149,734.67
			Report Total (14 checks):	149,734.67

Accounts Payable

Checks by Date - Detail by Check Date

User: angie
Printed: 12/8/2017 1:18 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	ROCKYS	Rocky's Auto Repair	12/13/2017	
	7248	Lube, oil, filter, antifreeze for Sign Truck		59.25
	7257	Lube, oil, filter for 5 yard dump truck		145.80
Total for this ACH Check for Vendor ROCKYS:				205.05
ACH	STAPLES	Staples Credit Plan	12/13/2017	
	1936408801	Desk & credenza for engineering supr office		1,199.98
	1937756021	Door hanger paper		50.38
	1938023341	File folders, correction tape, kitchen supplies		86.36
	1939097991	Kitchen supplies		25.29
	1944137841	Pens and receipt books		32.57
	1944966811	Office assistant monitor cable		38.49
	1945035801	Ballpoint pens		28.39
	31966	Surge suppressors for Eng Supr Office		54.98
	32699	Surge suppressor, lightening cable for Eng Supr		37.49
	9404356631	Bookcase for Eng Supr Office		154.85
	9404357540	Extra desk piece for Eng Supr Office		139.99
	9779947391	Monitor cable for Angie		14.99
Total for this ACH Check for Vendor STAPLES:				1,863.76
48017	AIRGASUS	Airgas USA, LLC	12/13/2017	
	8070275237	Repair plasma cutter		275.05
Total for Check Number 48017:				275.05
48018	WP	Avista Utilities	12/13/2017	
	Nov 2017	Natural gas service		104.97
Total for Check Number 48018:				104.97
48019	BANNERMC	BANNER BANK	12/13/2017	
	AA 111417	Walgreens - Retirement gifts - Ellen, Tom		465.03
	AA 112417	Microsoft - Business Essentials Subscription		30.00
	CM 112417	Microsoft - Office 365 Business Premium Subsc		125.00
	DF 110717	Network Solutions - Domain name registration		169.92
	DF 111017	Network Solutions - Private name registration fo		9.99
	DF 111117	Network Solutions - Credit - Unable to process a		-44.98
	DF 111817	Newegg - 2 Monitors for Office Assistant desk		309.98
	DF 112817	Lowes - Extension cable for new monitors		7.98
	DR 112117	Pizza Palace - UBOS lunch - CM JB TN DR MC		57.73
	GO 110717	Ten Down - DCUCC lunch meeting GO		15.50
	JB 112517	Jerry's Home Imp - Office supplies		37.46
	MC 111517	Home Depot - Pipe fitting		5.77
	MC 112117	Pizza Palace - UBOS lunch		3.50
	MC 112117a	Home Depot - pipe fittings		34.14
	MC 112217	Home Depot - leaf blower		179.00
	MC 112717	Sportsmans Whse - Stool for TV Van		12.99
	MC 112717a	Home Depot - speed plug mortar		14.58

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	RK 110717	Ten Down - DCUCC lunch meeting RK		13.00
	RK 110917	Bagel Tree - Staff Meeting Snacks		35.75
	RK 110917a	Safeway - Staff Meeting Snacks		10.98
	RK 112717	Prof Land Surv - PLSO Conf Reg - Ryon		430.00
	SL 1107	Safeway - Board Meeting and Retirement Party :		82.81
	SL 111717	Lucity - ACT Conference Registration		850.00
	SO 110917	Roseburg Urgent Care - DOT physical		118.00
	TN 111517	Coastal - Propane tank		18.99
Total for Check Number 48019:				2,993.12
48020	BATT PLU	Batteries Plus #208	12/13/2017	
	858-307089	Replacement batteries for server battery backup		84.00
	858-307497	Replacement batteries for Christine battery backu		42.00
	858-308111	Replacement battery for mini-cam		21.00
Total for Check Number 48020:				147.00
48021	BROWNNW	Brown & Brown Northwest	12/13/2017	
	736706	Insurance broker services fee		4,635.00
	736706	Insurance broker services fee		4,635.00
Total for Check Number 48021:				9,270.00
48022	OMI	CH2MHill OMI	12/13/2017	
	66354	Professional services per agreement		120,453.57
Total for Check Number 48022:				120,453.57
48023	Chytka	Chytka Pest Control LLC	12/13/2017	
	125178	Monthly pest control service		40.00
Total for Check Number 48023:				40.00
48024	C ROSE	City of Roseburg	12/13/2017	
	INV03681	Right of Way Permit #88-17 for Oak St Spot Rep		30.00
Total for Check Number 48024:				30.00
48025	WATER	City of Roseburg	12/13/2017	
	INV03569	October Bulk water use and permit		96.90
	Nov 2017	Water service - admin bldg		224.52
	Oct 2017	Keady Ct Lift Station water service		39.44
Total for Check Number 48025:				360.86
48026	UB*00030	COMEAU FAMILY TRUST C-1	12/13/2017	
		Refund Check		60.74
		Refund Check		12.78
		Refund Check		3.20
Total for Check Number 48026:				76.72
48027	CORIX	Corix Water Products	12/13/2017	
	17713035015	Stock parts		565.43
	17713036214	Waterback Ln cleanout repair		4.95
Total for Check Number 48027:				570.38
48028	CRADAR	Cradar Enterprises, Inc	12/13/2017	
	002865	Pay estimate #5		74,983.00
	002865 Ret	Pay estimate #5 retainage		-3,749.15

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 48028:				71,233.85
48029	CUES 495847	Cues, Inc. Mini Cam	12/13/2017	10,475.00
Total for Check Number 48029:				10,475.00
48030	DEQ Kyle P Bartlett	Dept of Environmental Quality Kyle P Bartlett, Coll II - 13109, Trmnt I - 12872	12/13/2017	160.00
Total for Check Number 48030:				160.00
48031	DFN	Douglas Fast Net	12/13/2017	
	Dec 2017 Admin	Internet Services-Admin	Service: 14806	202.71
	Dec 2017 High	Internet Services-Highland PS	Service: 105797	64.14
	Dec 2017 Host	Admin Hosting		10.28
	Dec 2017 Keady	Internet Services-Keady Ct	Service: 106289	64.14
	Dec 2017 NB	Internet Services-No. Bank PS	Service: 105793	61.64
	Dec 2017 NTS	Internet Services-NTS	Service: 23920	51.37
	Dec 2017 Wilb1	Internet Services-Wilbur 1 PS	Service: 105796	64.14
	Dec 2017 Wilb2	Internet Services-Wilbur 2 PS	Service: 105794	61.64
	Dec 2017 Winch	Internet Services-Winchester P	Service: 105795	64.14
Total for Check Number 48031:				644.20
48032	EARTH 447998	EARTH20 Bottled water delivery	12/13/2017	38.20
Total for Check Number 48032:				38.20
48033	Express 19869752	Express Services, Inc. Payroll - Jessica week end 12/3/17	12/13/2017	816.80
Total for Check Number 48033:				816.80
48034	FASTENAL ORROS184463	Fastenal Company Sockets	12/13/2017	39.24
Total for Check Number 48034:				39.24
48035	GRAPHDIM 1033	Graphic Dimensions, Inc. Cut utility bills to mailing size	12/13/2017	30.70
Total for Check Number 48035:				30.70
48036	LYOUNG 70300270619	Lauren Young Tire Backhoe tire mount/dismount	12/13/2017	16.00
Total for Check Number 48036:				16.00
48037	LOWES 01688	Lowe's Soap	12/13/2017	9.49
Total for Check Number 48037:				9.49
48038	MSTRCR 2599J	MasterCare Cleaning Co Inc Monthly janitorial service	12/13/2017	390.00
Total for Check Number 48038:				390.00
48039	MTMCOMM 439212012017	MTM Communications Monthly answering service with holiday	12/13/2017	56.78

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 48039:	56.78
48040	Comspan 9759	National LightNet LLC Monthly telephone service	12/13/2017	247.93
			Total for Check Number 48040:	247.93
48041	OR-LIN 111632 114621 118964 121953 124868	Oregon Linen, Inc. Laundry service Laundry service Laundry service Laundry service Laundry service	12/13/2017	32.80 32.80 72.75 27.78 27.78
			Total for Check Number 48041:	193.91
48042	OR-TOOL 417110 767536	Oregon Tool & Supply Repair welder Tri-pod repair	12/13/2017	102.35 19.90
			Total for Check Number 48042:	122.25
48043	OR-RSBG Act 1463 Jan-Fe	Oregonian-Roseburg Distributor Newspaper delivery	12/13/2017	67.00
			Total for Check Number 48043:	67.00
48044	OHDDoor 101939 102309	Overhead Door Co. of Roseburg Lube, adjust and switch for shop doors Service call - track bent on barn door	12/13/2017	358.00 85.00
			Total for Check Number 48044:	443.00
48045	PPL Nov 2017 411LMS Nov 2017 425LM Nov 2017 Admin Nov 2017 HIGH Nov 2017 Keady Nov 2017 LMC Nov 2017 LVPS Nov 2017 NB Nov 2017 NTS Nov 2017 NTSG Nov 2017 SB Nov 2017 Wilb1 Nov 2017 Wilb2 Nov 2017 WWTP1 Nov 2017 WWTP2	Pacific Power Usage-411 LM-Storage Bldg Power Usage-425 Long Meadow Power Usage-Admin Bldg Power Usage-Highland PS Power usage - Keady Ct Contract-411 LM-Storage Bldg Power Usage-Loma Vista PS Power Usage-North Bank PS Contract/Power Usage-NTS PS Power Usage-140 LM-NTS Gate Power Usage-South Bank PS Power Usage-Wilbur 1 PS Power Usage-Wilbur 2 PS Power Usage-WWTP 1 Power Usage-WWTP 2	12/13/2017	29.08 10.63 589.39 2,073.51 192.68 12.63 150.05 142.41 5,103.80 19.94 1,625.11 112.89 167.28 18,971.14 28.10
			Total for Check Number 48045:	29,228.64
48046	Premium 20924	Premium Landscape, Inc. Monthly landscape maintenance	12/13/2017	180.25
			Total for Check Number 48046:	180.25
48047	QUILL 2827889	Quill Corporation Toner cartridges for TV Van printer	12/13/2017	465.98

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 48047:				465.98
48048	A&I 756629	Roseburg Auto & Truck Supply Non-skid tape	12/13/2017	19.99
Total for Check Number 48048:				19.99
48049	RSBG-DIS 996548	Roseburg Disposal Company Monthly garbage service	12/13/2017	56.50
Total for Check Number 48049:				56.50
48050	UB*00029	LOREN OR SHELBY SHAW Refund Check Refund Check Refund Check	12/13/2017	44.17 11.04 209.79
Total for Check Number 48050:				265.00
48051	SDAO CHG-15950	Special Districts Insurance Services Add 2018 Ford Edge	12/13/2017	66.00
Total for Check Number 48051:				66.00
48052	Stratton 2017-262	Stratton Brothers, Inc. Oak St spot repair asphalt patch	12/13/2017	524.00
Total for Check Number 48052:				524.00
48053	TECHUNL 319660	Technology Unlimited, Inc Check scanner maintenance renewal	12/13/2017	400.00
Total for Check Number 48053:				400.00
48054	UBWA Nov 2017 411LM Nov 2017 425LM Nov 2017 606LM	Umpqua Basin Water Association Water service 411 Long Meadows Water service 425 Long Meadows Water service 606 Long Meadows	12/13/2017	18.05 18.00 18.00
Total for Check Number 48054:				54.05
48055	UFED Dec 2017	Umpqua Fishery Enhancement Derby Umpqua Fishery Enhancement Derby Sponsor 2	12/13/2017	500.00
Total for Check Number 48055:				500.00
48056	UMPQUARF 17243	Umpqua Quarries, LLC Oak St spot repair - rock	12/13/2017	42.54
Total for Check Number 48056:				42.54
48057	UMP VLLY 1171	Umpqua Valley Asphalt LLC Asphalt Repair & Crack Sealing at RUSA's WW	12/13/2017	10,000.00
Total for Check Number 48057:				10,000.00
48058	USPS Bulk Mail Perm	US Postal Service Bulk mail permit #52	12/13/2017	225.00
Total for Check Number 48058:				225.00
48059	THE JERR	WECO	12/13/2017	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	CP-00019280	Fuel usage		1,386.54
			Total for Check Number 48059:	1,386.54
48060	West. Sy 21248	Western Systems Water Tank for Camel	12/13/2017	1,414.84
	21248 ftr	Water Tank for Camel - Freight charges		675.97
			Total for Check Number 48060:	2,090.81
			Total for 12/13/2017:	266,880.13
			Report Total (46 checks):	266,880.13