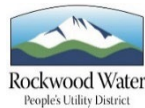


PRESIDENT, Tom Lewis
VICE PRESIDENT, Colby Riley
SECRETARY, Steve Okazaki



TREASURER, Larry Dixon
DIRECTOR, Kathy Zimmerman
GENERAL MANAGER, Kari J. Duncan

**REGULAR MEETING
ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
BOARD OF DIRECTORS**

December 21, 2022

6:00 p.m.

District Board Room or Via Zoom:

<https://us02web.zoom.us/j/89801414479?pwd=aVBkTWpNdUpzOWVmR2toTXgyODFqZz09>

Webinar ID: 898 0141 4479

Passcode: 577640

PRELIMINARY AGENDA

1. Approval of Agenda
2. Approval of Consent Agenda - Action
 - a. General Manager's Report - GM Duncan
 - b. Superintendent's Report - DS Crocker
 - c. Customer Service Report - OS Middleton
 - d. Engineer's Report - DE Hudson
 - e. Government Affairs Activities - GAC Clark
 - f. Financial Status – November 30, 2022
3. Approval of Minutes – November 16, 2022 Regular Board Meeting - Action
4. Approval of Bills - SA Zimmerman - Action
5. Public Comment on Non-Agenda Items
6. Outside Audit Report and Management Response - Presentation - Pauly Rogers and Co., PC - Review/Discussion/Action
7. Set January Board Meeting Date (Per Policy Series 1000, Article 4.0, Section 4.1) Fourth Wednesday in January is the 25th – Action
8. GDMP Overall Budget Review – GM Duncan - Review / Discussion
9. For the Good of the Order
10. Next Meeting - To Be Announced - Regular Board Meeting - 6:00 p.m.
 - a. Officer Elections
 - b. Swearing in of newly elected officers
 - c. Outgoing President Comments
 - d. Incoming President Comments

- e. Approve Budget Process and Schedule
- f. Set Board Meeting Dates for 2023
- g. Resolution for check signatures

11. Adjournment

MEMORANDUM

To: Board of Directors

From: Kari Duncan, General Manager

Date: December 12, 2022

Re: General Manager's Report – December 21st, 2022 Board Meeting

1. Production, project, financial, fiduciary, engineering and government affairs reports have been completed by staff and are provided.
2. The District recognizes Ben Jacobson, Maintenance Mechanic, who has worked with the District for 10 years as of December 26th 2022! Thank you, Ben, for your service!
3. The Package 4 Engineering Design of the Cascade Water Treatment Facility started in November. Gresham and Rockwood staff have participated in two workshops, one on public outreach and one on design and facility layout with the consultant, in addition to weekly progress meetings. Primary decisions under consideration include whether to locate the Vehicle storage building directly to the East of the Rockwood office building or further to the North-East of the property nearer Cascade Reservoir #2. Other decisions include the layout of the water treatment facility and workspaces for the operations staff that will operate and maintain this facility, as well as the availability of meeting and training space.
4. Cascade Reservoir #2 is nearing completion and is expected to be disinfected and filled with water just after the new year. Staff have been working closely with the contractor to develop a transition plan for commissioning the new reservoir and associated piping and taking Cascade Reservoir #1 offline to begin its rehabilitation. Well 7 is also nearing completion, however, is slightly behind schedule due to additional redevelopment work that will be necessary on the well.
5. I attended the Infrastructure Finance Authority Board meeting on December 5th. The Board reviewed and approved loans for two water treatment projects and one dam rehabilitation project. The IFA board also received an update on the BIL (Bipartisan Infrastructure Law) funding that is coming to States for infrastructure related projects. An important element of BIL is that much of the funding is targeted at specific needs including Lead line replacement, and treatment of emerging contaminants such as PFOS, Cyanotoxins and Manganese. Much of the funding is also targeted at providing 49% of the funding as forgivable loan to disadvantaged communities, identified as below the medium household income level.
6. Legislative updates: The GM was unable to attend the most recent SDAO legislative committee meeting, and will follow up with updates when the meeting minutes are

available. Topics of interest continue to be SDC's, Water Rights, changes in Statewide management of water resources the current updated regulations on Lead and future regulation on emerging contaminants such as PFOS/PFOA.



Rockwood Water
People's Utility District

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MEMORANDUM

To: Board of Directors

From: Andy Crocker, District Superintendent

Date: December 9, 2022

Re: Operations Update

Water distribution crews installed two new services, repaired one hydrant, one cast iron main break and one OD leak. Crews have finished installing a new section of 8" water main across SE Stark to connect with a capital project that replaces the water main on SE 157th. Crews also recently completed the final installations for Rockwood Rising and a large meter replacement at Boeing. Several of the staff will be completing education and preparing for certification exams. Operations and Distribution staff continue to upgrade large meters and install permanent water quality sample stations throughout the District. We anticipate inclement weather on the horizon and are prepared to respond to emergencies in difficult conditions.

Operations is preparing to transition groundwater storage to the new Cascade reservoir 2 tank, the tentative plan should have it in operation in January and we will continue to run groundwater as needed or for maintenance. The pipe loop study has been switched to treated groundwater and we expect to see water quality samples starting to give some conditional results helping to guide future treatment decisions. Operations staff have been working diligently with the contractor at the new well 8 (141st site) with accommodation during conditioning and capacity tests, results to come but the additional work seems to be paying off. We continue working with vendors on Advance Metering Infrastructure (AMI) pilots soon, these pilots consist of 10 services each and will give the District hands on experience with AMI.

Demand for November dropped from October; our average daily demand in November was 6.21 compared to the 6.91 million gallons per day (MGD) in October. Our month-to-month comparison for 2022 to 2021 had a slight reduction; Demands have tapered off and I expect to continue to see our offseason in the 6 MGD range.

FIELD PRODUCTION REPORT FY 2022/2023													
	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	
ACTIVITY													
Leak Repairs	0	3	1	1	1								
YTD	0	3	4	5	6								
CCF Loss	0	330	110	110	110								
Emergency repairs	1	0	1	1	1								
YTD	1	1	2	3	4								
CCF Loss	193	193	193	193	193								
Utility Locates	287	367	248	278	251								
YTD	287	654	902	1180	1431								
Meter Replacements	8	11	7	8	9								
YTD	8	19	26	34	43								
Water Service Installs	4	5	2	3	2								
YTD	4	9	11	14	16								
Fire Service Installs	0	0	0	0	1								
YTD	0	0	0	0	1								
Fire Hydrant repairs	1	2	1	2	1								
YTD	1	3	4	6	7								
Vault/Backflow inspections	3	2	2	3	2								
YTD	3	5	7	10	12								
Meter Boxes Repl.	7	5	6	11	8								
YTD	7	12	18	29	37								
Emergency calls	12	7	8	4	11								
YTD	12	19	27	31	42								



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MEMORANDUM

To: Board of Directors

From: Cathy Middleton, Office Supervisor

Date: December 6, 2022

Re: November Monthly Customer Service Production Report

The meter reader read 6,957 meters this month.

Of the 7,203 bills that were sent out this month, 1,126 of them were sent via e-mail. We estimated 7 reads in zone 1 and 14 in zone 3.

We mailed out 917 late notices and e-mailed 207 for a total of 1,124.

Of the 508 door hangers that were hung this month, we turned 122 of them off.

Customer assistance was given to 5 customers and 17 customers were sent to collections.

There were 42 maintenance orders done. They consisted of the following:

- 37 were to check high usage, verify read, and check if leaking
- 2 were to shut off/on for repairs
- 3 were to check the meter box

There were 2,415 phone calls and 637 walk-ins this month.

If you have any questions about this data, or would like to see other information, please let me know.

Customer Service Production Report FY 2022 - 2023

Function:	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Meter Reads	6,958	6,959	6,957	6,959	6,957								34,790
Estimates	2	1,624	2,607	61	21								4,315
Bills	7,252	7,591	7,312	7,110	7,203								36,468
Late Notices	1,188	1,557	1,181	1,400	1,124								6,450
Door Hangers	436	437	478	404	508								2,263
Turn Offs	68	54	124	53	122								421
Final Reads	73	75	76	48	35								307
New Accts	56	57	71	29	39								252
Bill Assistance	4	3	9	6	5								27
Collection Agency	22	17	14	14	17								84
Leak Adjustments	48	16	11	16	18								109
Phone Calls	2,246	2,529	2,448	2,240	2,415								11,878
Walk Ins	616	578	608	552	637								2,991
Work Orders	27	72	42	50	42								233
Misreads	-	-	-	4	-								4
Found On	-	-	-	-	-								-
Meters Pulled	-	-	-	-	-								-



Rockwood Water
People's Utility District

MEMORANDUM

To: Board of Directors

From: Jeremy Hudson, District Engineer

Date: December 14, 2022

Re: Engineer's Report: December 21, 2022 Board Meeting

Cascade Reservoir 2 (CR2) was wrapped with multiple layers of wire strand and shotcrete (spray the reservoir with a thin layer of concrete) was applied before and after each layer of wire wrap. The contractor is currently applying the final 1.5-inches of shotcrete and is weather dependent.

The contractor continues to wait for delivery for valves and fittings to complete the Cascade Well 7 (CW7) and 36" groundwater transmission mains (TM). The inlet/outlet lines for CR2 will be tied-in to our existing onsite waterlines, in January. This is needed to fill/test the new reservoir. Testing is scheduled for late January or early February. The installer is repairing the CW7 screen and will install the pump and motor soon. The Groundwater Development Projects (GDP) Package 1 includes the structural updates to Cascade Reservoir 1 (CR1) and the design for CR2, CW7 pump station (PS) and TM, Capital Improvement Project (CIP) ST4, and a portion of the proposed 36" groundwater TM Package 2B.

Package 4 design has begun and will take a year. Multiple workshops and weekly meetings are moving the design forward. Construction will begin at the end of 2023. Package 4 is a 25-30 million gallon per day (MGD) treatment facility and PS upgrade.

Package 3 is a 4 MGD treatment facility, reservoir upgrade and new wellhouse (CW8) located at 141st Avenue PS. Jacobs Engineering Group was selected to design the improvements and are preparing the scope. Design will begin in late December and will take a year. CW8 redevelopment is nearly complete. Schneider Water Services completed the redevelopment of the well and tested the aquifer to determine the well's capacity. The results were an improvement from the pre-redevelopment levels. GSI will evaluate the results and prepare a report later this month.

Package 2A is a TM project which moves water between an expanded Glendoveer Pressure Zone (PZ) and Main Zone. This project is in the design phase and construction is set to begin in Q3 of 2023.

The District's 20-year Water Master Plan (MP) update will be completed this fiscal year (FY). This project will determine what CIPs are recommended for the District. Master Plans are updated every 7-10 years and lists projects for the next 20 years. The last update was completed in 2013.

Current design and construction projects for this FY are described below.

FY 2022/2023:

ST20 – Located on SE 154th Avenue between SE Stark Street and E Burnside Street, this project replaces 1,120 lineal feet (lf) of 4” OD (Outside Diameter Steel) with 6” Ductile Iron (DI) lines.

ST21 - Located on SE 157th Avenue between SE Stark Street and E Burnside Street, this project replaces 1,102 lf of 4” OD with 6” DI lines.

ST7 & ST8 – These projects are located on NE 146th Avenue from NE Glisan Street to E Burnside Street, and NE Everett Street from NE 146th Avenue to the dead-end to the east. These replace 1,460 lf of 8” OD with 8” DI and 312 lf of 4” OD with 6” DI.

ST11 – This project is located on NE 217th Avenue from 340 feet south of NE Stark Street to NW 25th Street. ST11 replaces 1,172 lf of 8” OD with 12” DI. 340 lf of 12” DI was installed this last FY in preparation for two projects within this area.

City of Gresham managed GDMP Projects:

Package 2B – 36” TM, Cascade to the District’s Bella Vista and Gresham’s Grant Butte reservoirs. This project is in design currently between 30% and 60%.

Package 5 – 223rd & Stark Street, drilling a production well onsite this year and designing the wellhouse, water treatment facility and TM in 2023. The drilling of Cascade Well 6 has begun and are approximately 560 feet below ground surface. The design phase will begin early next year.

Package 6 – Kirk Park (CW9) wellhouse and TM construction bids were received this week and were within the Engineer’s most recent estimate. Gresham will evaluate the bids and intend to award the contract next month. This TM will terminate at our Cascade site and contribute to the finished water that is pumped to the Bella Vista/Grant Butte reservoirs.

Package 7 – CW10, this is currently a Gresham-only project. Designs are underway for drilling. The well will be located approximately ½-mile from 223rd & Stark Street. Raw water will be piped to the CW6 Water Treatment Facility.



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MEMORANDUM

To: Board of Directors

From: Nyla Clark, Government Affairs Coordinator

Date: December 7, 2022

Re: Government Affairs Activities

CONSERVATION

- The District has been participating in outreach campaigns with the Regional Water Providers Consortium on social media. During the month of December, the campaign is Resolve to be Ready.

EDUCATION/OUTREACH

- Planning has started for the 2023 Children's Clean Water Festival. The event will happen in person this year on Tuesday, April 25, 2023.

UPCOMING TRAINING & CONFERENCE OPPORTUNITIES

SDAO 2022 Training Schedule

SDAO Classes: You can view all SDAO training here along with full descriptions of trainings:
<https://www.sdao.com/calendar>

Please let Nyla know if you would like to attend any of these classes and she can help sign you up.

2023 SDAO Annual Conference

Thursday, February 9 - Sunday, February 12, 2023

Sunriver, Oregon

Registration now open, information included at the end of this report.

2023 Pacific Northwest Section/AWWA Conference

Wednesday, May 3 – Friday, May 5 2023

Kennewick, Washington

<https://www.pnws-awwa.org/conference/>

2023 AWWA Annual Conference and Exposition

Please note, the annual AWWA Conference is in Toronto Canada. Passports will be required.

Sunday, June 11 - Wednesday, June 14, 2022

Toronto, Canada

Registration now open, Early Bird Registration ends on April 21, 2023

<https://www.awwa.org/ace>

CONFERENCE HIGHLIGHTS

THURSDAY

WELCOMING RECEPTION

FRIDAY

KEYNOTE ADDRESS: **MEAGAN JOHNSON**

CAUCUS MEETINGS

Caucus meetings are scheduled for fire, irrigation, sanitary, water, park and recreation, ports, and at-large districts. This is an opportunity to meet with peers to conduct caucus business, discuss legislative issues, and make nominations for vacant SDAO

EXHIBITOR RECEPTION

Later in the day, exhibitors will be honored at a special exhibitor reception, complete with hors d'oeuvres and refreshments. Attendees will have an opportunity to win raffle prizes at the reception.

SATURDAY

ANNUAL BUSINESS MEETINGS & BOARD MEMBER ELECTIONS

The Annual Business Meeting will include a presentation of the previous year's annual report, audit and financial report, caucus meeting reports, board member elections, and other association business.

AWARDS BANQUET & ENTERTAINMENT

The Awards Program gives recognition to member districts for accomplishments which allow them to provide better services to the public and honors individuals who have contributed substantially to the improvement and successful operation of their organization. Join us after the banquet for the Dueling Pianos with Jeff & Rhiannon.

SUNDAY

BREAKFAST & RAFFLE DRAWING



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MEMORANDUM

To: Board of Directors

From: Kari Duncan, General Manager

Date: December 12, 2022

Re: Finance/Budget Report – November 2022

The Finance/Budget Report is provided below and on the attached spreadsheet. The numbers provide the general conditions of the District. As more data is accumulated through the year, better estimates will be made and course corrections implemented, if needed. Revenues for FY (Fiscal Year) 2022/2023 started lower in comparison to the same periods for FY 2021/2022 due to the moderate rate increase of 5.1% and record high water sales that occurred at the beginning of the previous FY. In addition, summertime meter reading estimates due to low staffing levels resulted in a delay of some summer revenues until later this fall and winter, because meters are typically estimated low, and then corrected on the following read and corresponding bill. This contributed to lower revenues earlier in the FY and a return to expected revenues later.

- Water sales revenue at the end of November 2022 (Period 5) showed a **3.3% increase** when compared to Period 5 in November 2021. The revenues reflect the higher water demands in the late summer and fall of this year, and some delayed summertime revenues resulting from the correction of estimated meter reads. The revenue is on track with the budget and continues to demonstrate that the District's ability to meet debt service requirements for the 2021 bond sales and WIFIA loan that is funding the Groundwater Development Plan.
- Overall revenue for Period 5 is **2.4% higher** than the same period in FY 2021/2022 reflecting the impact of the moderate rate increase, and average water demands in 2022. Please note that the groundwater payments to and from the City of Gresham for the Cascade Groundwater Supply Projects are removed from this calculation. The non-sales revenue in Period 5 FY 2021/2022 is **5.8% lower** than the same period in FY 2021/2022.
- Personal Services show a normal use pattern for this time of year, with 39% of budget expended after 42% of the fiscal year has been completed. Materials and Services expenditures are 22% of budget. Capital Outlay for non-Cascade Groundwater projects is at 6% of budget.

FISCAL YEAR 2022-23
NOVEMBER, 2022
REVENUES

Category		Budget	November 2022	November 2021	Variance	Year To Date	Projection	Balance of FY 21-22
100.3-01-0101	Beginning Fund Balance	10,419,346						
100.3-10	Water Sales	11,410,250	800,339	670,663	19%	5,400,607	11,797,518	6,396,911
100.3-20	Fees & Special Charges	357,270	25,587	30,321	-16%	137,605	360,270	222,665
100.3-40	Charges for Service	450,000	6,491	65,147	-90%	89,434	346,513	257,079
100.3-50	Investment Income	86,000	38,436	18,277	110%	138,774	236,453	97,679
100.3-60	Other Income	691,463	43,139	42,821	1%	299,882	1,047,237	747,355
100.3-90	Other Financing Sources	1,023,500	-	2,911		(3,170)	373,196	376,366
Total Revenue Budget		24,437,829	913,992	830,140		6,063,131	14,161,187	8,098,056
Annual Running Revenue (Includes Codes 100.3-10 thru -90)		14,018,483	913,992	830,140	10%	6,063,131		

Assumptions: Projections are based on the balance of prior year's actual revenue plus current revenue to date.

EXPENDITURES

		Budget	November 2022	Total To Date	% Expended
5.10-4000	Personnel Services	3,495,423	286,785	1,362,469	39%
5.20-5000	Material & Services	2,139,138	104,252	470,842	22%
	Water Purchase	3,004,860	244,943	1,195,250	40%
5.40-4000	Capital Outlay	2,136,709	7,831	144,492	7%
5.60-7000	Transfers	3,017,291	-	-	0%
5.70-7000	Contingency	1,400,000	-		
5.90-8000	Unappropriated Balance	5,742,179	-		
Total Expense Budget		20,935,600	643,812	3,173,053	15%
Annual Running Expense		10,776,130	643,812	3,173,053	29%

**ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MINUTES, REGULAR MEETING OF THE BOARD
November 16, 2022**

Rockwood Water Board Room and Zoom Video Conference

Board members present: Larry Dixon, Tom Lewis, Steve Okazaki, Colby Riley, Kathy Zimmerman.

Staff present: Kari Duncan, General Manager (GM); Andy Crocker, District Superintendent (DS); Jeremy Hudson, District Engineer (DE); Daniel Zimmerman, Senior Accountant (SA); Nyla Clark, Government Affairs Coordinator (GAC), Jeremy Hanson, Associate Engineer (AE), Cathy Middleton, Office Supervisor (OS); Joey Schlosser, Assistant Superintendent (AS)

Guests present:

Tommy Brooks, Cable Huston, Cori Johnson

President Tom Lewis called the meeting to order at 6:01 p.m.

APPROVAL OF THE AGENDA

President Lewis asked if there were any changes or updates to the agenda. **GM Duncan** noted there were no changes to the agenda.

Steve Okazaki moved to approve the agenda. Kathy Zimmerman seconded the motion. The motion was approved; none opposed.

APPROVAL OF THE CONSENT AGENDA

President Lewis asked if there were any changes or updates to the consent agenda. **GM Duncan** noted there were no changes to the consent agenda.

Colby Riley moved to approve the consent agenda. Larry Dixon seconded the motion. The motion was approved; none opposed.

APPROVAL OF MINUTES

President Lewis asked if there were any changes to the minutes. There were no changes.

Steve Okazaki moved to approve the minutes from the October 26, 2022, regular Board meeting. Kathy Zimmerman seconded the motion. The motion was approved; none opposed.

APPROVAL OF BILLS

President Lewis asked if there were any questions about the bills.

Larry Dixon asked about Page 25 (00372), 60 G Buckets, DS Crocker answered those are buckets for the excavator two new buckets in total were purchased.

Larry Dixon asked about Page 28 (01120), rw51 tailgate / rw12 stake racks, DS Crocker explained one of the dump trucks had a damaged tailgate that wouldn't open and close with the handle, so it needed to be replaced.

Colby Riley asked about the multiple privilege taxes paid on page 23, GM Duncan answered that we pay roughly 5% to operate in Gresham, Fairview and Portland. The privilege tax is that payment.

Kathy Zimmerman asked about Page 25 (10367), Property Tax paid to Multnomah County. Kathy Zimmerman asked why we are paying a property tax if the property was demoed. OS Middleton explained that she talked to Multnomah County and because the home was demolished after the cutoff date for taxes, we have to pay full property taxes this year, next year that will not be the case.

Colby Riley moved to approve the bills as presented. Kathy Zimmerman seconded the motion. The motion was approved; none opposed.

PUBLIC COMMENT

There were no public comments.

Disposal of District Surplus Property

AE Hanson explained that we have a large amount of IT equipment that is piling up around the District. There are only a few items that are worth any amount of money. AE Hanson is asking that he be allowed to donate or recycle these items rather than sell them for the small amount they are worth.

Colby Riley moved to approve the District to handle the donating surplus technology items, Kathy Zimmerman seconded motion passed unanimously.

RESOLUTION NO. RWPUD 22/23-003 AMENDING POLICY MANUAL

Steve Okazaki made a motion to approve Resolution No. RWPUD 22/23-003 Resolution To Amend Policy Manual, Colby Riley Seconded the motion, motion passed unanimously

GROUNDWATER MODELING

As part of the Cascade Groundwater Alliance (CGA) work, the District and the City of Gresham Commissioned our Hydrogeologist of Record to undergo a comprehensive groundwater modeling effort to answer key questions about the reliability of the groundwater wells. During this presentation the results of this modeling effort were shared.

The full slide presentation is available online at: <https://rwpud.org/wp-content/uploads/GSI-Wellfield-Operational-Study-RWPUD-Board-Mtg-2022-11-16.pdf>

EXECUTIVE SESSION ORS 192.660 (2)(f)

Steve Okazaki moved to suspend the regular Board meeting and go into executive session in accordance ORS 192.660 (2)(f) consider information or records that are exempt by law from public inspection. Larry Dixon seconded the motion. The motion was approved; none opposed.

The Board recessed into executive session at 7:29 p.m.

**President Lewis reconvened the Board meeting at 8:04 p.m.
There was no action during executive session.**

BOARD COMPENSATION

The Board discussed their thoughts and opinions on board compensation. After much discussion the board asked GM Duncan to provide information on what similar special districts offer their

boards as compensation. GM Duncan agreed to provide this information at a future board meeting.

FOR THE GOOD OF THE ORDER

Kathy Zimmerman noted that the annual holiday celebration will be on December 8 and asked GM Duncan if the District will provide the same level of gift cards as last year.

GM Duncan explained that this year there will be both a staff lunch on December 8 and an employee appreciation banquet in January/February. Because the banquet had been cancelled in past years the District increased the gift cards from \$50 to \$100. GM Duncan asked the board what they would like to do this year. The Board discussed that they would like the gift cards to remain \$100 for staff.

GM Duncan congratulated GAC Clark on being accepted into the Northwest Women's Leadership Academy (NWWLA).

GM Duncan informed the board that cyber security training will be made available soon.

NEXT MEETING

President Lewis reminded everyone the next Board meeting will be Wednesday, December 21, 2022 at 6:00 p.m.

ADJOURNMENT

Colby Riley made a motion to adjourn the meeting. Kathy Zimmerman seconded the motion. The motion was approved; none opposed.

The meeting was adjourned 8:26 p.m.

Secretary



Rockwood Water
People's Utility District

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MEMORANDUM

To: Board of Directors

From: Daniel Zimmerman, Senior Accountant

Date: December 8, 2022

Re: Checklist and Financial Report

Enclosed is the checklist for your review. The total amount of the checks listed for your approval is \$1,921,383.07. Additionally, there were two payroll cycles, a final payroll check, and a board payroll totaling \$126,664.46. If you have any questions regarding any of the checks listed, please don't hesitate to call Kari or myself anytime.

The cash balances on November 30, 2022 are as follows:

Restricted Cash - \$2,684,726.88
Unrestricted Cash - \$19,595,743.73

MONTHLY FINANCIAL MONITORING CHECKLIST

BOARD OF DIRECTORS MEETING: 12/21/2022

FOR THE PERIOD **November 2022**

- | | |
|---|-----|
| 1. Were books balanced and reconciled (General & Trust)?
If no, why not? | Yes |
| 2. Are YTD revenues and expenditures tracking per budget plan?
If no, explain variances or flags. | Yes |
| 3. Were all payroll liabilities paid in a timely manner?
If no, explain why not. | Yes |
| 4. Were required payroll reports (Federal, State) filed in a timely manner?
If no, explain why not. | Yes |
| 5. Were any cases of fraud detected and addressed?
If yes, explain situation and actions taken and underway. | No |
| 6. Were any changes made to the internal control system?
If yes, describe changes. | No |
| 7. Were all cash and investment accounts reconciled per schedule (LGIP)?
If no, explain why not. | Yes |



Rockwood Water District, OR

Rockwood Water
People's Utility District

Check Report

By Check Number

Date Range: 11/08/2022 - 12/08/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
Bank Code: UMPQUA BANK-UMPQUA BANK						
09999	PIP PRINTING AND DOCUMENT	11/30/2022	Regular	0.00	-1,813.50	52604
00637	COMCAST CABLE	11/10/2022	Regular	0.00	111.85	52660
INV0002115	Invoice	11/10/2022	148TH/DIVISION INTERNET	0.00	111.85	
00461	ALLWOOD RECYCLERS, INC.	11/10/2022	Regular	0.00	56.00	52661
228055	Invoice	11/10/2022	Yard debris disposal	0.00	21.00	
229365	Invoice	11/10/2022	Yard debris disposal	0.00	35.00	
00981	CENTURYLINK	11/10/2022	Regular	0.00	45.28	52662
INV0002090	Invoice	11/10/2022	SE 148TH TELEMETRY	0.00	45.28	
00793	CITY OF GRESHAM	11/10/2022	Regular	0.00	2,001.90	52663
INV0002091	Invoice	11/10/2022	NW 1ST SEWER/STORMWATER	0.00	2,001.90	
11479	DAVID MATTSON	11/10/2022	Regular	0.00	344.98	52664
INV0002113	Invoice	11/10/2022	SAFETY GEAR REIMBURSEMENT	0.00	344.98	
01187	FISERV	11/10/2022	Regular	0.00	20.00	52665
INV0002087	Invoice	11/10/2022	RETURNED HOME BANKING PAYMENT	0.00	20.00	
00427	GRAINGER	11/10/2022	Regular	0.00	22.75	52666
9506278986	Invoice	11/10/2022	Foam Rubber	0.00	22.75	
00085	H.D. FOWLER COMPANY	11/10/2022	Regular	0.00	6,517.25	52667
I6259693	Invoice	11/10/2022	Parts For Meter Changeouts	0.00	6,517.25	
00842	HUNT, BRIAN	11/10/2022	Regular	0.00	70.00	52668
INV0002118	Invoice	11/10/2022	ON CALL MILEAGE	0.00	70.00	
11481	JERED WEISSERT	11/10/2022	Regular	0.00	1,181.57	52669
INV0002117	Invoice	11/10/2022	NEW SERVICE INSTALL REFUND	0.00	1,181.57	
01137	JW UNDERGROUND INC	11/10/2022	Regular	0.00	867.61	52670
44912	Invoice	11/10/2022	Tickets for Job 328	0.00	867.61	
00753	KNIFE RIVER CORPORATE NW	11/10/2022	Regular	0.00	261.69	52671
2893882	Invoice	11/10/2022	JOB 328 - Crushed Rock	0.00	261.69	
00396	METRO OVERHEAD DOOR, INC	11/10/2022	Regular	0.00	358.00	52672
228561	Invoice	11/10/2022	gate repair	0.00	358.00	
11401	NICHOLAS HENRY	11/10/2022	Regular	0.00	73.79	52673
INV0002093	Invoice	11/10/2022	RAINGEAR REIMBURSEMENT	0.00	73.79	
00159	OREGONIAN	11/10/2022	Regular	0.00	63.92	52674
10300-20544769	Invoice	11/10/2022	NEWSPAPER SUBSCRIPTION RENEWAL	0.00	63.92	
00360	PARKROSE HARDWARE	11/10/2022	Regular	0.00	151.83	52675
H52354/P	Invoice	11/10/2022	whole saw . hardware. drill bits	0.00	151.83	
00172	PARR LUMBER COMPANY	11/10/2022	Regular	0.00	229.04	52676
60012696	Invoice	11/10/2022	Concrete Bags 60LBS	0.00	229.04	
01173	PITNEY BOWES GLOBAL FINANCIAL	11/10/2022	Regular	0.00	129.00	52677
3316507261	Invoice	11/10/2022	Postage Machine Quarterly Fee	0.00	129.00	
00225	PORTER W. YETT COMPANY	11/10/2022	Regular	0.00	1,565.60	52678
24769	Invoice	11/10/2022	Asphalt Misc/WO-124 - Asphalt	0.00	1,565.60	

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Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
00181	PORTLAND GENERAL ELECTRIC	11/10/2022	Regular	0.00	16,225.52	52679
INV0002116	Invoice	11/10/2022	Portland General Electric	0.00	16,225.52	
00899	POTTER WEBSTER COMPANY	11/10/2022	Regular	0.00	205.68	52680
144P474256	Invoice	11/10/2022	trailer hardware	0.00	205.68	
00189	QUILL CORPORATION	11/10/2022	Regular	0.00	126.25	52681
28584919	Invoice	11/10/2022	LABEL MAKER TAPE, DISHSOAP, DOOR HAN...	0.00	126.25	
01009	RICOH USA, INC	11/10/2022	Regular	0.00	242.82	52682
5065876044	Invoice	11/10/2022	Monthly Copier Fee	0.00	242.82	
00020	SAIF CORPORATION	11/10/2022	Regular	0.00	1,950.68	52683
1000948394	Invoice	11/10/2022	WORKERS COMP INSURANCE PAYMENT	0.00	1,950.68	
00866	TRAFFIC SAFETY SUPPLY CO, INC	11/10/2022	Regular	0.00	675.00	52684
INV054011	Invoice	11/10/2022	Blue Pavement Markers	0.00	675.00	
00504	TRUCKPRO LLC SIX STATES	11/10/2022	Regular	0.00	20.54	52685
289-0011174	Invoice	11/10/2022	trailer dust cap	0.00	20.54	
00221	WASTE MANAGEMENT, INC	11/10/2022	Regular	0.00	271.18	52686
1433253-1574-3	Invoice	11/10/2022	GARBAGE SERVICE	0.00	271.18	
11482	CHARITY HINES	11/17/2022	Regular	0.00	300.00	52687
INV0002169	Invoice	11/17/2022	CLOSED ACCOUNT REFUND	0.00	300.00	
11482	CHARITY HINES	11/30/2022	Regular	0.00	-300.00	52687
00251	ADT COMMERCIAL LLC	11/17/2022	Regular	0.00	114.41	52688
INV0002152	Invoice	11/17/2022	Alarm Service November 2022	0.00	114.41	
00442	ADVANCED AUTO PARTS	11/17/2022	Regular	0.00	97.14	52689
5744-825379	Invoice	11/17/2022	vac battery	0.00	97.14	
00231	ADVENTIST HEALTH OCCUPATIONAL MEDICINE	11/17/2022	Regular	0.00	99.00	52690
95514	Invoice	11/17/2022	DOT exam	0.00	99.00	
00883	ASSET CONTROL, INC	11/17/2022	Regular	0.00	463.17	52691
59829	Invoice	11/17/2022	Background checks	0.00	463.17	
11377	Atlas Technical Consultants, LLC	11/17/2022	Regular	0.00	2,195.00	52692
201434	Invoice	11/17/2022	JOB 313 PACKAGE #1	0.00	2,195.00	
00048	CABLE, HUSTON, BENEDICT, ET AL	11/17/2022	Regular	0.00	744.00	52693
123631	Invoice	11/17/2022	Legal Services	0.00	744.00	
00637	COMCAST CABLE	11/17/2022	Regular	0.00	406.70	52694
INV0002120	Invoice	11/17/2022	INTERNET	0.00	406.70	
00066	CONSOLIDATED SUPPLY COMPANY	11/17/2022	Regular	0.00	4,631.61	52695
S011041836.001	Invoice	11/17/2022	Parts for Job 328	0.00	2,944.18	
S011089013.001	Invoice	11/17/2022	10" CI Repair Band	0.00	1,687.43	
11476	CONSOR	11/17/2022	Regular	0.00	49,740.08	52696
N202855OR.00-27	Invoice	11/17/2022	JOB 313 PACKAGE #1	0.00	923.97	
N202964OR.00-22	Invoice	11/17/2022	JOB 315 PROGRAM MANAGEMENT ASSISTA...	0.00	5,929.58	
N213113OR.00-17	Invoice	11/17/2022	JOB 313 CONSTRUCTION MANAGEMENT SERV..	0.00	42,886.53	
01147	CRYSTAL GREENS LANDSCAPING INC	11/17/2022	Regular	0.00	549.50	52697
143892	Invoice	11/17/2022	Landscaping - Cleaveland Site	0.00	549.50	
01069	CY GRAPHICS, INC	11/17/2022	Regular	0.00	129.00	52698
20630	Invoice	11/17/2022	Embroidered Vests and Set up	0.00	129.00	
00747	GENERAL PACIFIC, INC	11/17/2022	Regular	0.00	1,663.00	52699
1450168	Invoice	11/17/2022	Valves	0.00	1,663.00	

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Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
00813	GS1 WATER SOLUTIONS, INC	11/17/2022	Regular	0.00	6,757.50	52700
00134.021-13	Invoice	11/17/2022	JOB 329 GROUNDWATER MODELING	0.00	6,757.50	
00300	HACH COMPANY, INC	11/17/2022	Regular	0.00	1,464.66	52701
13332514	Invoice	11/17/2022	CL17 reagents & online pH probes	0.00	1,464.66	
11378	HR Answers	11/17/2022	Regular	0.00	320.00	52702
51745	Invoice	11/17/2022	Water Worker Job Description consulting	0.00	320.00	
01137	JW UNDERGROUND INC	11/17/2022	Regular	0.00	728.43	52703
45116	Invoice	11/17/2022	Cut offs for Gresham Sanitary	0.00	299.59	
45117	Invoice	11/17/2022	Dirt Dump	0.00	428.84	
00015	KAISER PERMANENTE	11/17/2022	Regular	0.00	21,014.08	52704
0016184379	Invoice	11/17/2022	EMPL MED/DENTAL INSURANCE	0.00	21,014.08	
00753	KNIFE RIVER CORPORATE NW	11/17/2022	Regular	0.00	268.52	52705
2896238	Invoice	11/17/2022	JW Rock	0.00	268.52	
00135	NOLAN'S POINT S	11/17/2022	Regular	0.00	313.28	52706
0270782	Invoice	11/17/2022	mx1 trailer tires	0.00	313.28	
01125	NORTHSTAR CHEMICAL INC	11/17/2022	Regular	0.00	5,560.00	52707
239421	Invoice	11/17/2022	1500 gal sodium hypochlorite	0.00	5,560.00	
11414	NYLA CLARK	11/17/2022	Regular	0.00	187.50	52708
INV0002163	Invoice	11/17/2022	NW WOMENS LEADERSHIP ACADEMY MILE...	0.00	187.50	
00144	OFFICE DEPOT, INC.	11/17/2022	Regular	0.00	269.96	52709
272191832001	Invoice	11/17/2022	Covid tests/Toner	0.00	187.50	
273740501001	Invoice	11/17/2022	OFFICE SUPPLIES	0.00	132.92	
273740783001	Invoice	11/17/2022	OFFICE SUPPLIES	0.00	17.99	
CM0000093	Credit Memo	11/17/2022	Double Paid off invoice and statement	0.00	-68.45	
01083	OREGON SECRETARY OF STATE	11/17/2022	Regular	0.00	300.00	52710
INV0002136	Invoice	11/17/2022	Audit Filing Fee FY21-22	0.00	300.00	
00940	O'REILLY AUTO PARTS	11/17/2022	Regular	0.00	179.98	52711
2514-382905	Invoice	11/17/2022	vac air filters	0.00	110.44	
2514-383123	Invoice	11/17/2022	141st gen coolant	0.00	69.54	
01057	OXARC, INC	11/17/2022	Regular	0.00	51.52	52712
0031671633	Invoice	11/17/2022	propane fill	0.00	51.52	
01195	PACHECO, JEDIDIAH	11/17/2022	Regular	0.00	56.25	52713
INV0002164	Invoice	11/17/2022	ON CALL MILEAGE	0.00	56.25	
00360	PARKROSE HARDWARE	11/17/2022	Regular	0.00	127.96	52714
H57262/P	Invoice	11/17/2022	Bush and tree trimmers	0.00	127.96	
00173	PAULY ROGERS & CO., P.C.	11/17/2022	Regular	0.00	11,925.00	52715
13700	Invoice	11/17/2022	FY21-22 Audit Services Wrap up	0.00	11,925.00	
01124	PAVELCOMM INC.	11/17/2022	Regular	0.00	445.05	52716
228155	Invoice	11/17/2022	Managed Switch for Network	0.00	445.05	
00225	PORTER W. YETT COMPANY	11/17/2022	Regular	0.00	1,376.00	52717
24811	Invoice	11/17/2022	Asphalt	0.00	1,376.00	
00181	PORTLAND GENERAL ELECTRIC	11/17/2022	Regular	0.00	3,046.30	52718
INV0002119	Invoice	11/17/2022	Portland General Electric	0.00	3,046.30	
00899	POTTER WEBSTER COMPANY	11/17/2022	Regular	0.00	63.62	52719
144P475340	Invoice	11/17/2022	trailer lights	0.00	63.62	
00189	QUILL CORPORATION	11/17/2022	Regular	0.00	180.06	52720

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Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
28798530	Invoice	11/17/2022	OFFICE SUPPLIES	0.00	69.98	
28818058	Invoice	11/17/2022	OFFICE SUPPLIES	0.00	110.08	
01266	TRUELOOK	11/17/2022	Regular	0.00	349.00	52721
1000062638	Invoice	11/17/2022	Video Time Lapse Service for Reservior Proje...	0.00	349.00	
01167	ULINE	11/17/2022	Regular	0.00	665.25	52722
155692417	Invoice	11/17/2022	Storage Racks	0.00	665.25	
11459	ZENNER	11/17/2022	Regular	0.00	155.06	52723
0072678-IN	Invoice	11/17/2022	Meters for Zenner Meter AMI Pilot	0.00	85.28	
0072722-IN	Invoice	11/17/2022	Meters for Zenner Meter AMI Pilot	0.00	69.78	
01254	ZIPLY FIBER	11/17/2022	Regular	0.00	1,263.95	52724
INV0002121	Invoice	11/17/2022	Ziply Fiber	0.00	1,263.95	
11441	DEPARTMENT OF JUSTICE	11/17/2022	Regular	0.00	264.00	52725
INV0002179	Invoice	11/18/2022	CHILD SUPPORT	0.00	264.00	
00014	OREGON AFSCME	11/17/2022	Regular	0.00	456.07	52726
INV0002193	Invoice	11/18/2022	Union Dues	0.00	456.07	
01174	PURCHASE POWER	11/17/2022	Regular	0.00	201.00	52727
INV000217 0	Invoice	11/17/2022	POSTAGE REFILL FOR MACHINE	0.00	201.00	
00022	UNITED WAY OF THE COLUMBIA-WILLAMETTE	11/17/2022	Regular	0.00	92.50	52728
INV0002194	Invoice	11/18/2022	United Way	0.00	92.50	
00073	DELUXE FUEL OIL INC.	11/23/2022	Regular	0.00	3,205.67	52730
163393	Invoice	11/23/2022	on road / off road diesel	0.00	2,742.00	
163394	Invoice	11/23/2022	on road / off road diesel	0.00	463.67	
00427	GRAINGER	11/23/2022	Regular	0.00	1,996.74	52731
9517861366	Invoice	11/23/2022	Office Supplies, Safety Supplies and Boots	0.00	832.31	
9519660626	Invoice	11/23/2022	Jockey pump for Bon Al PS	0.00	1,164.43	
00759	HARBOR FREIGHT TOOLS	11/23/2022	Regular	0.00	84.95	52732
Tran 935528	Invoice	11/23/2022	battery charger dremal tool	0.00	84.95	
01137	JW UNDERGROUND INC	11/23/2022	Regular	0.00	1,715.77	52733
45279	Invoice	11/23/2022	JW Dirt Dump for 1136 NE 181st	0.00	108.00	
45280	Invoice	11/23/2022	Job 328 Dump Tickets	0.00	972.38	
45281	Invoice	11/23/2022	WO-156 - Install Green Sample Station	0.00	635.39	
00948	OLD REPUBLIC SURETY GROUP	11/23/2022	Regular	0.00	188.00	52734
YPO0268042	Invoice	11/23/2022	Treasurer Bond	0.00	188.00	
00360	PARKROSE HARDWARE	11/23/2022	Regular	0.00	86.06	52735
H31233	Invoice	11/23/2022	hardware	0.00	47.63	
H62057/P & H620...	Invoice	11/23/2022	fasteners	0.00	21.87	
H62569/P	Invoice	11/23/2022	zip ties hardware	0.00	16.56	
01124	PAVELCOMM INC.	11/23/2022	Regular	0.00	2,985.81	52736
228289	Invoice	11/23/2022	Pavelcomm Managed IT Services	0.00	2,985.81	
00225	PORTER W. YETT COMPANY	11/23/2022	Regular	0.00	984.15	52737
24829	Invoice	11/23/2022	Cold Mix	0.00	984.15	
00184	PORTLAND WATER BUREAU	11/23/2022	Regular	0.00	966.30	52738
10422180	Invoice	11/23/2022	PBOT Permit Job 328	0.00	966.30	
00188	PRECISION IMAGES	11/23/2022	Regular	0.00	22.63	52739
66007A	Invoice	11/23/2022	Name Plate for Board Room	0.00	22.63	
00724	RDO	11/23/2022	Regular	0.00	161.03	52740

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P2756777	Invoice	11/23/2022	vac v- belts	0.00	161.03	
01167	ULINE	11/23/2022	Regular	0.00	410.69	52741
156186265	Invoice	11/23/2022	Nitrile Gloves	0.00	410.69	
10253	INTERNAL REVENUE SERVICE	11/23/2022	Regular	0.00	2,105.54	52742
CP128	Invoice	11/23/2022	2ND QUARTER TAX PAYMENT	0.00	2,105.54	
11379	Kari Duncan	11/23/2022	Regular	0.00	208.75	52743
INV0002252	Invoice	11/23/2022	WATER UTILITY COUNCIL MEETING MILEAGE	0.00	208.75	
01004	LIFEMAP ASSURANCE COMPANY	11/23/2022	Regular	0.00	2,048.18	52744
IN0804553	Invoice	11/23/2022	EMPL LIFE/DISB INSURANCE	0.00	2,048.18	
01021	OHA-DRINKING WATER SERVICES	11/23/2022	Regular	0.00	530.00	52745
INV0002253	Invoice	11/23/2022	WATER CERTS	0.00	530.00	
00159	OREGONIAN	11/23/2022	Regular	0.00	47.94	52746
INV0002254	Invoice	11/23/2022	NEWSPAPER SUBSCRIPTION RENEWAL	0.00	47.94	
11394	ACI PAYMENTS, INC	12/01/2022	Regular	0.00	97.85	52747
4674112822	Invoice	12/01/2022	Home Banking Fees	0.00	97.85	
00442	ADVANCED AUTO PARTS	12/01/2022	Regular	0.00	58.85	52748
5744-827085	Invoice	12/01/2022	motor oil	0.00	58.85	
11377	Atlas Technical Consultants, LLC	12/01/2022	Regular	0.00	4,215.00	52749
25300	Invoice	12/01/2022	Job 313 - Reservoir Progress Inspections	0.00	4,215.00	
01029	CARDMEMBER SERVICE	12/01/2022	Regular	0.00	13,525.61	52750
CM0000111	Credit Memo	12/01/2022	Returned Wall Charger	0.00	-11.99	
CM0000112	Credit Memo	12/01/2022	Returned Wrong Size Vests	0.00	-149.97	
INV0002307	Invoice	12/01/2022	ABPA Cross Connection renewal class DB/BJ	0.00	460.00	
INV0002308	Invoice	12/01/2022	drinking fountain filter	0.00	65.01	
INV0002309	Invoice	12/01/2022	mx2 hydro repair	0.00	9.72	
INV0002310	Invoice	12/01/2022	Booster pump for pipe loop	0.00	165.00	
INV0002311	Invoice	12/01/2022	Zoom Video Conferencing	0.00	80.00	
INV0002312	Invoice	12/01/2022	Microsoft Licenses E1 and E3	0.00	558.00	
INV0002313	Invoice	12/01/2022	Printing News Letters	0.00	1,813.50	
INV0002314	Invoice	12/01/2022	Drinks for November Staff Meeting	0.00	20.97	
INV0002315	Invoice	12/01/2022	Staff Meeting Food - October 2022	0.00	246.20	
INV0002316	Invoice	12/01/2022	WALL CHARGERS	0.00	26.98	
INV0002317	Invoice	12/01/2022	WIRELESS KEYBOARD & MOUSE	0.00	68.97	
INV0002318	Invoice	12/01/2022	Hotel for NWWLA Training	0.00	388.08	
INV0002319	Invoice	12/01/2022	Total Rental table and chairs rental	0.00	158.50	
INV0002320	Invoice	12/01/2022	Lodging Tri State Water Utlility Council SeaTac	0.00	236.52	
INV0002321	Invoice	12/01/2022	AWWA Membership Renewal	0.00	4,253.00	
INV0002322	Invoice	12/01/2022	Job Posting on PNWS-AWWA	0.00	90.00	
INV0002323	Invoice	12/01/2022	Gresham Permit ROW-22-06723	0.00	315.03	
INV0002324	Invoice	12/01/2022	COG permit 22-06697	0.00	315.03	
INV0002325	Invoice	12/01/2022	Gresham Sani Serv Permit 22-06498 - RWPU...	0.00	315.03	
INV0002326	Invoice	12/01/2022	Food and drinks- Operations Kickoff	0.00	20.97	
INV0002327	Invoice	12/01/2022	Glass Pitcher for Board Room	0.00	19.99	
INV0002328	Invoice	12/01/2022	Board Room Plaques	0.00	64.10	
INV0002329	Invoice	12/01/2022	Coffee for Board Meeting	0.00	21.48	
INV0002330	Invoice	12/01/2022	Hotel Deposit for SDAO Conference	0.00	126.85	
INV0002331	Invoice	12/01/2022	Hotel Deposit for SDAO Conference	0.00	126.85	
INV0002332	Invoice	12/01/2022	Hotel Deposit for SDAO Conference	0.00	126.85	
INV0002333	Invoice	12/01/2022	Hotel Deposit for SDAO Conference	0.00	126.85	
INV0002334	Invoice	12/01/2022	EMPLOYEE GIFT CARDS	0.00	2,610.65	
INV0002335	Invoice	12/01/2022	Name Plates for Board Room	0.00	12.82	
INV0002336	Invoice	12/01/2022	Vests	0.00	175.49	
INV0002337	Invoice	12/01/2022	10 yr computer replacement monitors & per...	0.00	475.95	

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INV0002338	Invoice	12/01/2022	Turkey & Ham for Holiday Lunch	0.00	193.18	
	Void		12/01/2022 Regular	0.00	0.00	52751
00059	COAST PAVEMENT SERVICES, INC	12/01/2022	Regular	0.00	260.00	52752
4674112822	Invoice	12/01/2022	Parking Lot Sweeps - November 2022	0.00	260.00	
01147	CRYSTAL GREENS LANDSCAPING INC	12/01/2022	Regular	0.00	1,170.00	52753
152862	Invoice	12/01/2022	Landscaping - Main Office - November 2022	0.00	560.00	
152863	Invoice	12/01/2022	Landscaping - NW First - November 2022	0.00	610.00	
00073	DELUXE FUEL OIL INC.	12/01/2022	Regular	0.00	2,179.85	52754
165429	Invoice	12/01/2022	gas	0.00	2,179.85	
00748	FERGUSON ENTERPRISES #3007	12/01/2022	Regular	0.00	245.73	52755
SEATTLE-0895044	Invoice	12/01/2022	3/4 Double Check	0.00	245.73	
11483	G. LEAHY JR	12/01/2022	Regular	0.00	66.63	52756
INV0002289	Invoice	12/01/2022	HYDRANT RENTAL REFUND	0.00	66.63	
00427	GRAINGER	12/01/2022	Regular	0.00	135.40	52757
9523973734	Invoice	12/01/2022	Deionized water for pipe loop sampling	0.00	135.40	
01137	JW UNDERGROUND INC	12/01/2022	Regular	0.00	108.00	52758
45410	Invoice	12/01/2022	1136 NE 181st Bore	0.00	108.00	
00940	O'REILLY AUTO PARTS	12/01/2022	Regular	0.00	20.61	52759
2514-369676	Invoice	12/01/2022	fuel filter	0.00	34.56	
CM0000110	Credit Memo	12/01/2022	Returned Item	0.00	-13.95	
00178	PLATT ELECTRIC SUPPLY INC.	12/01/2022	Regular	0.00	303.12	52760
2270698	Invoice	12/01/2022	2" Pipe Ground Clamp	0.00	303.12	
00899	POTTER WEBSTER COMPANY	12/01/2022	Regular	0.00	25.08	52761
144P476581	Invoice	12/01/2022	trailer plug ins	0.00	25.08	
00458	PREMIER RUBBER LLC	12/01/2022	Regular	0.00	493.85	52762
0422399-IN & 042...	Invoice	12/01/2022	mx2 hydro hose/ vac 3" hose	0.00	493.85	
00189	QUILL CORPORATION	12/01/2022	Regular	0.00	293.89	52763
29022193	Invoice	12/01/2022	OFFICE SUPPLIES MULTI.	0.00	228.90	
29023051	Invoice	12/01/2022	OFFICE SUPPLIES MULTI.	0.00	64.99	
11440	Schneider Water Services	12/01/2022	Regular	0.00	40,327.50	52764
13386	Invoice	12/01/2022	Cascade Well 8 Redev/Split Job 331 & Job 3...	0.00	40,327.50	
01167	ULINE	12/01/2022	Regular	0.00	716.20	52765
156578335	Invoice	12/01/2022	Paper Products	0.00	716.20	
01224	AT&T MOBILITY	12/01/2022	Regular	0.00	1,819.53	52766
INV0002290	Invoice	12/01/2022	CELL PHONES	0.00	1,819.53	
11482	CHARITY HINES	12/01/2022	Regular	0.00	300.00	52767
INV0002296	Invoice	12/01/2022	CLOSED ACCOUNT REFUND	0.00	300.00	
11441	DEPARTMENT OF JUSTICE	12/01/2022	Regular	0.00	264.00	52768
INV0002264	Invoice	12/01/2022	PAYMENT ID 21DR17205	0.00	264.00	
00139	NORTHWEST NATURAL GAS COMPANY	12/01/2022	Regular	0.00	1,276.54	52769
INV0002285	Invoice	12/01/2022	HEATING	0.00	1,276.54	
00014	OREGON AFSCME	12/01/2022	Regular	0.00	456.07	52770
INV0002262	Invoice	12/01/2022	UNION DUES	0.00	456.07	
00022	UNITED WAY OF THE COLUMBIA-WILLAMETTE	12/01/2022	Regular	0.00	92.50	52771
INV0002279	Invoice	12/01/2022	United Way	0.00	92.50	
00184	PORTLAND WATER BUREAU	12/07/2022	Regular	0.00	244,943.44	52772

Check Report

Date Range: 11/08/2022 - 12/08/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
INV0002366	Invoice	11/30/2022	Wholesale Water Purchase November 2022	0.00	244,943.44	
00251	ADT COMMERCIAL LLC	12/08/2022	12/08/2022 Regular	0.00	114.41	52774
INV0002373	Invoice	12/08/2022	Alarm Monitoring Service December 2022	0.00	114.41	
00005	BACKFLOW MANAGEMENT, INC.	12/08/2022	12/08/2022 Regular	0.00	560.00	52775
93022-123	Invoice	12/08/2022	Education Classes	0.00	560.00	
00001	CHAVES CONSULTING, INC.	12/08/2022	12/08/2022 Regular	0.00	4,584.69	52776
211589	Invoice	12/08/2022	Bill Printing & Mailing	0.00	4,584.69	
00793	CITY OF GRESHAM	12/08/2022	12/08/2022 Regular	0.00	196,796.33	52777
60645	Invoice	12/08/2022	Job 334, Groundwater Development Project ...	0.00	86,117.85	
60646	Invoice	12/08/2022	Package 5 - Cascade Well6 Site, 223rd & Stark	0.00	110,678.48	
00066	CONSOLIDATED SUPPLY COMPANY	12/08/2022	12/08/2022 Regular	0.00	98.60	52778
S011132742.001	Invoice	12/08/2022	Pipe Lube	0.00	98.60	
11476	CONSOR	12/08/2022	12/08/2022 Regular	0.00	44,095.64	52779
N202855OR.00-28	Invoice	12/08/2022	JOB 313 PACKAGE #1	0.00	2,532.63	
N213113OR.00-18	Invoice	12/08/2022	JOB 313 CONSTRUCTION MANAGEMENT SERV..	0.00	41,563.01	
01147	CRYSTAL GREENS LANDSCAPING INC	12/08/2022	12/08/2022 Regular	0.00	549.50	52780
155478	Invoice	12/08/2022	Landscaping - Cleveland Site	0.00	549.50	
00759	HARBOR FREIGHT TOOLS	12/08/2022	12/08/2022 Regular	0.00	464.97	52781
939042	Invoice	12/08/2022	Demo Tool	0.00	464.97	
00460	HUMAN SOLUTIONS, INC	12/08/2022	12/08/2022 Regular	0.00	126.00	52782
INV0002372	Invoice	12/08/2022	Customer Assistance September 2022	0.00	126.00	
01137	JW UNDERGROUND INC	12/08/2022	12/08/2022 Regular	0.00	827.23	52783
45409	Invoice	12/08/2022	Dirt Dump For 19801 NE Halsey	0.00	108.00	
45566	Invoice	12/08/2022	Dirt Dump For 19801 NE Halsey	0.00	594.62	
45567	Invoice	12/08/2022	Dirt Dump For 19801 NE Halsey	0.00	124.61	
01239	LOVETT SERVICES	12/08/2022	12/08/2022 Regular	0.00	5,030.00	52784
35605	Invoice	12/08/2022	19801 NE Halsey Bore	0.00	5,030.00	
00604	LOWE'S	12/08/2022	12/08/2022 Regular	0.00	135.27	52785
924322	Invoice	12/08/2022	Power strip and plywood for shelving	0.00	55.11	
924396	Invoice	12/08/2022	Sod	0.00	22.61	
924539	Invoice	12/08/2022	Bags of Bark	0.00	10.77	
924586	Invoice	12/08/2022	Sod	0.00	7.92	
924703	Invoice	12/08/2022	screwdriver	0.00	11.36	
924717	Invoice	12/08/2022	saw blades	0.00	27.50	
01047	OGLETREE, DEAKINS, NASH, SMOAK	12/08/2022	12/08/2022 Regular	0.00	487.50	52786
90819020	Invoice	12/08/2022	Legal Services	0.00	487.50	
01021	OHA-DRINKING WATER SERVICES	12/08/2022	12/08/2022 Regular	0.00	350.00	52787
INV0002341	Invoice	12/08/2022	2023 annual cross connection fee	0.00	350.00	
00017	OREGON DEPARTMENT OF REVENUE	12/08/2022	12/08/2022 Regular	0.00	297.00	52788
L0661339424	Invoice	12/08/2022	Hazardous substance possession fee	0.00	297.00	
00940	O'REILLY AUTO PARTS	12/08/2022	12/08/2022 Regular	0.00	700.37	52789
2514-387400	Invoice	12/08/2022	sign board	0.00	581.98	
2514-388340	Invoice	12/08/2022	sign board	0.00	118.39	
00976	PETERSON	12/08/2022	12/08/2022 Regular	0.00	605.74	52790
SW290080859	Invoice	12/08/2022	cleveland gen set repair	0.00	605.74	
00189	QUILL CORPORATION	12/08/2022	12/08/2022 Regular	0.00	239.75	52791
29174442	Invoice	12/08/2022	Office Supplies	0.00	17.59	
29174448	Invoice	12/08/2022	office supplies	0.00	22.59	

Check Report

Date Range: 11/08/2022 - 12/08/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
2919200	Invoice	12/08/2022	Office Supplies	0.00	184.98	
29192112	Invoice	12/08/2022	office supplies	0.00	14.59	
01009	RICOH USA, INC	12/08/2022	Regular	0.00	209.66	52792
5066190297	Invoice	12/08/2022	Copier - Monthly Fees	0.00	209.66	
11440	Schneider Water Services	12/08/2022	Regular	0.00	41,325.00	52793
13455	Invoice	12/08/2022	JOB 331 - Cascade Well 8 Redevelopment	0.00	41,325.00	
00866	TRAFFIC SAFETY SUPPLY CO, INC	12/08/2022	Regular	0.00	2,215.75	52794
INV054956	Invoice	12/08/2022	Flushing Signs & Barricades	0.00	2,215.75	
00981	CENTURYLINK	12/08/2022	Regular	0.00	45.28	52795
INV0002415	Invoice	12/08/2022	SE 148TH TELEMETRY	0.00	45.28	
11486	CINDY & RANDY OLLISON	12/08/2022	Regular	0.00	216.28	52796
INV0002416	Invoice	12/08/2022	CLOSED ACCOUNT REFUND	0.00	216.28	
00813	GSI WATER SOLUTIONS, INC	12/08/2022	Regular	0.00	14,443.48	52797
00134.019	Invoice	12/08/2022	JOB 309 CASCADE # 9	0.00	6,515.00	
00134.022-10R	Invoice	12/08/2022	JOB 331 CASCADE #8 DEVELOPMENT AND T...	0.00	7,928.48	
11408	LAUZON CONTRACTING, LLC	12/08/2022	Regular	0.00	75.94	52798
INV0002413	Invoice	12/08/2022	HYDRANT DEPOSIT REFUND	0.00	75.94	
00017	OREGON DEPARTMENT OF REVENUE	12/08/2022	Regular	0.00	-432.58	52799
00017	OREGON DEPARTMENT OF REVENUE	12/08/2022	Regular	0.00	432.58	52799
INV0002405	Invoice	12/08/2022	STATE INCOME TAX	0.00	432.58	
00026	ROCKWOOD WATER PUD	12/08/2022	Regular	0.00	135.59	52800
INV0002411	Invoice	12/08/2022	PETTY CASH	0.00	135.59	
00021	SPECIAL DISTRICTS OF OREGON	12/08/2022	Regular	0.00	26,631.07	52801
INV0002414	Invoice	12/08/2022	EMPL MED/DENT INSURANCE	0.00	26,631.07	
01183	STROH, JESSE	12/08/2022	Regular	0.00	17.50	52802
INV0002412	Invoice	12/08/2022	ON CALL MILEAGE	0.00	17.50	
00221	WASTE MANAGEMENT, INC	12/08/2022	Regular	0.00	271.18	52803
1442983-1574-4	Invoice	12/08/2022	GARBAGE SERVICE	0.00	271.18	
00883	ASSET CONTROL, INC	12/08/2022	Regular	0.00	133.17	52804
60353	Invoice	12/08/2022	Background Check for Janitor Team	0.00	133.17	
00018	PERS	11/08/2022	Bank Draft	0.00	46,190.57	DFT0000529
INV0002092	Invoice	11/10/2022	PERS PAYABLE	0.00	46,190.57	
10253	INTERNAL REVENUE SERVICE	11/17/2022	Bank Draft	0.00	31.00	DFT0000530
INV0002165	Invoice	11/17/2022	SOCIAL SECURITY TAX BOARD	0.00	31.00	
10253	INTERNAL REVENUE SERVICE	11/17/2022	Bank Draft	0.00	7.30	DFT0000531
INV0002166	Invoice	11/17/2022	MEDICARE TAX BOARD	0.00	7.30	
11381	Global Payments Integrated	11/17/2022	Bank Draft	0.00	1,120.57	DFT0000532
INV0002167	Invoice	11/17/2022	ONLINE PAYMENT FEES	0.00	1,120.57	
11381	Global Payments Integrated	11/17/2022	Bank Draft	0.00	8,207.44	DFT0000533
INV0002168	Invoice	11/17/2022	ONLINE PAYMENT FEES	0.00	8,207.44	
11396	ROTSCHY	11/17/2022	Bank Draft	0.00	579,610.32	DFT0000534
ROT-7	Invoice	11/17/2022	JOB 313 PACKAGE #1	0.00	579,610.32	
00024	ICMA RETIREMENT TRUST-457	11/18/2022	Bank Draft	0.00	2,646.37	DFT0000535
INV0002173	Invoice	11/18/2022	Deferred Compensation	0.00	2,646.37	
00016	NATIONWIDE RETIREMENT SOLUTION	11/18/2022	Bank Draft	0.00	640.00	DFT0000537

Check Report

Date Range: 11/08/2022 - 12/08/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
INV0002175	Invoice	11/18/2022	457 Deferred Comp	0.00	640.00	
01211	HRA VEBA PLAN CONTRIBUTIONS	11/18/2022	Bank Draft	0.00	1,315.00	DFT0000538
INV0002181	Invoice	11/18/2022	HRA VEBA	0.00	1,315.00	
10253	INTERNAL REVENUE SERVICE	11/18/2022	Bank Draft	0.00	9,372.65	DFT0000546
INV0002196	Invoice	11/18/2022	FED TAX WITHHOLDING	0.00	9,372.65	
00017	OREGON DEPARTMENT OF REVENUE	11/18/2022	Bank Draft	0.00	5,860.64	DFT0000547
INV0002197	Invoice	11/18/2022	STATE INCOME TAX	0.00	5,860.64	
10253	INTERNAL REVENUE SERVICE	11/18/2022	Bank Draft	0.00	10,815.50	DFT0000548
INV0002198	Invoice	11/18/2022	SOCIAL SECURITY TAX	0.00	10,815.50	
10253	INTERNAL REVENUE SERVICE	11/18/2022	Bank Draft	0.00	2,529.42	DFT0000549
INV0002199	Invoice	11/18/2022	MEDICARE TAX	0.00	2,529.42	
00733	UMPQUA BANK	11/23/2022	Bank Draft	0.00	581.70	DFT0000589
INV0002255	Invoice	11/23/2022	BANK FEES	0.00	581.70	
00024	ICMA RETIREMENT TRUST-457	12/02/2022	Bank Draft	0.00	1,362.05	DFT0000590
INV0002258	Invoice	12/01/2022	Deferred Compensation	0.00	1,362.05	
00016	NATIONWIDE RETIREMENT SOLUTION	12/02/2022	Bank Draft	0.00	640.00	DFT0000592
INV0002260	Invoice	12/01/2022	457 Deferred Comp	0.00	640.00	
01211	HRA VEBA PLAN CONTRIBUTIONS	12/02/2022	Bank Draft	0.00	1,315.00	DFT0000594
INV0002267	Invoice	12/01/2022	HRA VEBA	0.00	1,315.00	
10253	INTERNAL REVENUE SERVICE	12/02/2022	Bank Draft	0.00	9,308.16	DFT0000601
INV0002281	Invoice	12/01/2022	FED TAX WITHHOLDING PAYROLL	0.00	9,308.16	
00017	OREGON DEPARTMENT OF REVENUE	12/02/2022	Bank Draft	0.00	5,881.70	DFT0000602
INV0002282	Invoice	12/01/2022	STATE INCOME TAX PAYROLL	0.00	5,881.70	
10253	INTERNAL REVENUE SERVICE	12/02/2022	Bank Draft	0.00	9,884.96	DFT0000603
INV0002283	Invoice	12/01/2022	SOCIAL SECURITY TAX PAYROLL	0.00	9,884.96	
10253	INTERNAL REVENUE SERVICE	12/02/2022	Bank Draft	0.00	2,472.70	DFT0000604
INV0002284	Invoice	12/01/2022	MEDICARE TAX PAYROLL	0.00	2,472.70	
10253	INTERNAL REVENUE SERVICE	12/08/2022	Bank Draft	0.00	705.84	DFT0000618
INV0002383	Invoice	12/08/2022	FED TAX WITHHOLDING	0.00	705.84	
10253	INTERNAL REVENUE SERVICE	12/08/2022	Bank Draft	0.00	711.40	DFT0000620
INV0002385	Invoice	12/08/2022	SOCIAL SECURITY TAX	0.00	711.40	
10253	INTERNAL REVENUE SERVICE	12/08/2022	Bank Draft	0.00	166.38	DFT0000637
INV0002399	Invoice	12/08/2022	MEDICARE TAX	0.00	166.38	
00018	PERS	12/07/2022	Bank Draft	0.00	71,707.66	DFT0000638
INV0002407	Invoice	12/08/2022	11/4, 11/18, 12/2 PERS PAYABLE	0.00	71,707.66	
00069	US BANK	12/08/2022	Bank Draft	0.00	323,175.00	DFT0000639
INV0002369	Invoice	12/08/2022	BOND - Interest Payment	0.00	323,175.00	
00733	UMPQUA BANK	12/08/2022	Bank Draft	0.00	220.44	DFT0000642
INV0002420	Invoice	11/30/2022	DEPOSIT SLIPS	0.00	220.44	
00017	OREGON DEPARTMENT OF REVENUE	12/08/2022	Bank Draft	0.00	432.58	DFT0000643
INV0002421	Invoice	12/08/2022	STATE PAYROLL TAX	0.00	432.58	
00017	OREGON DEPARTMENT OF REVENUE	12/08/2022	Bank Draft	0.00	432.58	DFT0000644
INV0002423	Invoice	12/08/2022	STATE PAYROLL TAX	0.00	432.58	
00733	UMPQUA BANK	12/08/2022	Bank Draft	0.00	220.44	DFT0000645

Check Report

Date Range: 11/08/2022 - 12/08/2022

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Payable #	Payable Type	Post Date	Payable Description	Discount Amount	Payable Amount	
INV0002422	Invoice	11/30/2022	DEPOSIT SLIPS	0.00	220.44	

Bank Code UMPQUA BANK Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	209	142	0.00	826,363.78
Manual Checks	0	0	0.00	0.00
Voided Checks	0	4	0.00	-2,546.08
Bank Drafts	30	30	0.00	1,097,565.37
EFT's	0	0	0.00	0.00
	239	176	0.00	1,921,383.07

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	209	142	0.00	826,363.78
Manual Checks	0	0	0.00	0.00
Voided Checks	0	4	0.00	-2,546.08
Bank Drafts	30	30	0.00	1,097,565.37
EFT's	0	0	0.00	0.00
	239	176	0.00	1,921,383.07

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH	11/2022	837,568.03
999	POOLED CASH	12/2022	1,083,815.04
			1,921,383.07



Rockwood Water District, OR

Detail vs Budget Report

Account Summary

Date Range: 11/01/2022 - 11/30/2022

Account	Name	Encumbrances	Fiscal Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining	% Remaining
101 - GENERAL FUND								
Revenue								
101-100-3010101	BEGINNING FUND BALANCE	0.00	-10,419,346.00	0.00	0.00	0.00	-10,419,346.00	-100.00%
101-100-3101100	WATER SALES	0.00	-11,410,250.00	-4,600,667.55	-800,339.08	-5,401,006.63	-6,009,243.37	-52.67%
101-100-3202100	BACKFLOW CHARGES	0.00	-40,000.00	-13,084.54	-1,790.18	-14,874.72	-25,125.28	-62.81%
101-100-3202200	SET-UP FEES	0.00	-27,270.00	-5,684.80	-1,368.00	-7,052.80	-20,217.20	-74.14%
101-100-3202300	LATE FEES	0.00	-290,000.00	-93,248.01	-22,429.01	-115,677.02	-174,322.98	-60.11%
101-100-3404100	SERVICE INSTALLATIONS	0.00	-250,000.00	-89,286.06	-315.00	-89,601.06	-160,398.94	-64.16%
101-100-3404200	SUB-DIVISION PROJECTS	0.00	-50,000.00	-9,688.21	0.00	-9,688.21	-40,311.79	-80.62%
101-100-3404300	OTHER SERVICE INCOME	0.00	-150,000.00	-25,650.11	-6,176.03	-31,826.14	-118,173.86	-78.78%
101-100-3505100	INTEREST INCOME	0.00	-70,000.00	-100,337.83	-38,436.15	-138,773.98	68,773.98	98.25%
101-100-3505200	RENTAL INCOME	0.00	-16,000.00	0.00	0.00	0.00	-16,000.00	-100.00%
101-100-3606100	SCRAP METAL SALES	0.00	-7,500.00	-973.31	0.00	-973.31	-6,526.69	-87.02%
101-100-3606600	OTHER MISC INCOME	0.00	-40,000.00	-15,697.96	-357.47	-16,055.43	-23,944.57	-59.86%
101-100-3606800	GRESHAM UTILITY TAX	0.00	-432,015.00	-169,269.19	-12,532.01	-181,801.20	-250,213.80	-57.92%
101-100-3606900	PORTLAND UTILITY TAX	0.00	-197,790.00	-65,470.51	-30,249.39	-95,719.90	-102,070.10	-51.61%
101-100-3607000	FAIRVIEW UTILITY TAX	0.00	-14,158.00	-5,471.99	0.00	-5,471.99	-8,686.01	-61.35%
101-100-3909200	INTERFUND TRANSFERS	0.00	-505,000.00	0.00	0.00	0.00	-505,000.00	-100.00%
101-100-3909300	FIXED ASSET DISPOSITION	0.00	-500,000.00	0.00	0.00	0.00	-500,000.00	-100.00%
101-100-3909500	OTHER GOVERNMENT AGENCIES	0.00	-18,500.00	-3,170.00	0.00	-3,170.00	-15,330.00	-82.86%
Revenue Totals:		0.00	-24,437,829.00	-5,197,700.07	-913,992.32	-6,111,692.39	-18,326,136.61	-74.99%
Expense								
101-100-5104450	SALARIES/WAGES	0.00	2,302,200.00	634,903.90	167,559.12	802,463.02	1,499,736.98	65.14%
101-100-5104500	OFFICE OVERTIME	0.00	1,000.00	168.35	0.00	168.35	831.65	83.17%
101-100-5104550	FIELD OVERTIME	0.00	16,000.00	5,343.53	3,151.87	8,495.40	7,504.60	46.90%
101-100-5104600	ON CALL DUTY	0.00	76,600.00	17,465.69	4,815.12	22,280.81	54,319.19	70.91%
101-100-5104610	WATER CERTIFICATIONS	-125.00	12,500.00	5,050.75	1,382.41	6,433.16	6,191.84	49.53%
101-100-5104620	EMPLOYEE BONUS	0.00	1,000.00	0.00	0.00	0.00	1,000.00	100.00%
101-100-5104630	MARKET BASED WAGE ADJUST	0.00	15,000.00	0.00	0.00	0.00	15,000.00	100.00%
101-100-5104800	SOCIAL SECURITY	0.00	141,700.00	40,432.36	12,720.41	53,152.77	88,547.23	62.49%
101-100-5104810	MEDICARE	0.00	33,200.00	9,505.20	2,482.55	11,987.75	21,212.25	63.89%
101-100-5104820	UNEMPLOYMENT INSURANCE	0.00	2,300.00	101.19	9.30	110.49	2,189.51	95.20%
101-100-5104830	TRI-MET	0.00	16,600.00	0.00	0.00	0.00	16,600.00	100.00%
101-100-5104840	WORKERS COMPENSATION	0.00	27,600.00	8,606.96	1,951.19	10,558.15	17,041.85	61.75%
101-100-5104900	P.E.R.S	0.00	606,500.00	177,119.98	46,208.44	223,328.42	383,171.58	63.18%
101-100-5104920	EMPLOYEE INSURANCE EXPENS	0.00	549,000.00	176,985.68	46,504.90	223,490.58	325,509.42	59.29%
101-100-5104930	OREGON PAID LEAVE LAW	0.00	4,400.00	0.00	0.00	0.00	4,400.00	100.00%

Detail vs Budget Report

Date Range: 11/01/2022 - 11/30/2022

Account	Name	Encumbrances	Fiscal Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining	% Remaining
101-100-5205010	WATER PURCHASES	0.00	3,088,892.00	950,306.92	244,943.44	1,195,250.36	1,893,641.64	61.30%
101-100-5205110	CONTRACT SERVICES	-3,115.81	125,430.00	38,826.28	5,467.19	44,293.47	84,252.34	67.17%
101-100-5205120	TECHNICAL & CONSULTING	0.00	65,000.00	-148,447.00	0.00	-148,447.00	213,447.00	328.38%
101-100-5205130	AUDITING	0.00	19,020.00	0.00	12,225.00	12,225.00	6,795.00	35.73%
101-100-5205140	LEGAL SERVICES	0.00	100,000.00	5,906.50	744.00	6,650.50	93,349.50	93.35%
101-100-5205210	TELEPHONE	0.00	42,140.00	12,959.16	1,517.64	14,476.80	27,663.20	65.65%
101-100-5205220	SEWER/STORM WATER	0.00	8,050.00	2,219.40	2,001.90	4,221.30	3,828.70	47.56%
101-100-5205230	HEATING/ELECTRICITY	0.00	16,500.00	3,243.74	881.78	4,125.52	12,374.48	75.00%
101-100-5205310	ENGINEERING SUPPLIES	0.00	1,000.00	831.59	0.00	831.59	168.41	16.84%
101-100-5205320	OFFICE SUPPLIES	2,117.33	24,000.00	26,541.57	-222.32	26,319.25	-4,436.58	-18.49%
101-100-5205330	POSTAGE	0.00	45,300.00	7,809.21	3,800.05	11,609.26	33,690.74	74.37%
101-100-5205410	CONSERVATION	0.00	56,350.00	2,192.12	50.00	2,242.12	54,107.88	96.02%
101-100-5205420	ELECTIONS/LEGAL ADVERTISE	0.00	3,000.00	445.95	0.00	445.95	2,554.05	85.14%
101-100-5205430	INSURANCE-GENERAL	0.00	96,839.00	30,010.00	7,502.50	37,512.50	59,326.50	61.26%
101-100-5205440	SAFETY GEAR & EQUIPMENT	-78.63	23,000.00	8,239.78	2,008.47	10,248.25	12,830.38	55.78%
101-100-5205450	TRAINING & EDUCATION	-320.40	41,500.00	3,866.66	2,700.25	6,566.91	35,253.49	84.95%
101-100-5205460	DUES/LICENSES/SUBSCRIPTNS	-778.00	93,766.00	49,897.13	2,159.86	52,056.99	42,487.01	45.31%
101-100-5205470	OFFICE EQUIPMENT	0.00	2,000.00	0.00	0.00	0.00	2,000.00	100.00%
101-100-5205510	COMPUTER/OFFICE EQUIPMENT	-40.97	7,400.00	919.00	486.02	1,405.02	6,035.95	81.57%
101-100-5205520	BLDG/GROUNDS MAINTENANCE	5,025.55	74,460.00	17,960.91	3,021.64	20,982.55	48,451.90	65.07%
101-100-5205530	SHOP EQUIPMENT MAINT	0.00	10,000.00	321.95	0.00	321.95	9,678.05	96.78%
101-100-5205540	VEHICLE MAINTENANCE	1,821.39	35,000.00	1,439.77	4,794.70	6,234.47	26,944.14	76.98%
101-100-5205550	TIRES	0.00	14,000.00	2,107.54	0.00	2,107.54	11,892.46	84.95%
101-100-5205560	GAS/LUBRICANTS & DISPOSAL	2,036.86	45,000.00	14,333.67	3,528.57	17,862.24	25,100.90	55.78%
101-100-5205570	SMALL EQUIPMENT/TOOLS	-131.48	10,000.00	5,473.91	331.40	5,805.31	4,326.17	43.26%
101-100-5205610	UTILITY OPERATING SUPPLY	10,304.95	300,000.00	48,073.12	31,528.55	79,601.67	210,093.38	70.03%
101-100-5205620	WATER SAMPLES/TESTING	0.00	65,000.00	4,952.32	2,990.00	7,942.32	57,057.68	87.78%
101-100-5205625	WATER QUALITY & NOTICES	0.00	8,000.00	0.00	0.00	0.00	8,000.00	100.00%
101-100-5205630	RESERVOIR MAINTENANCE	0.00	15,000.00	0.00	0.00	0.00	15,000.00	100.00%
101-100-5205640	METER MAINTENANCE	-155.06	40,000.00	705.26	155.06	860.32	39,294.74	98.24%
101-100-5205650	HYDRANT MAINTENANCE	348.80	3,000.00	2,890.39	0.00	2,890.39	-239.19	-7.97%
101-100-5205660	TELEMETRY	0.00	15,192.00	4,674.76	538.84	5,213.60	9,978.40	65.68%
101-100-5205670	PUMPING	0.00	41,720.00	12,428.55	3,364.48	15,793.03	25,926.97	62.15%
101-100-5205710	BOARD MEETING FEES	0.00	5,800.00	950.00	250.00	1,200.00	4,600.00	79.31%
101-100-5205720	DIRECTORS' EXPENSE	3,130.87	24,000.00	-35.00	210.63	175.63	20,693.50	86.22%
101-100-5205730	MANAGER'S EXPENSE	-247.61	7,000.00	269.14	557.04	826.18	6,421.43	91.73%
101-100-5205740	GENERAL OFFICE	39.56	64,900.00	38,057.19	10,408.88	48,466.07	16,394.37	25.26%
101-100-5205760	BAD DEBT EXPENSE	0.00	25,000.00	228.20	20.00	248.20	24,751.80	99.01%
101-100-5205770	GRESHAM UTILITY TAX	0.00	432,015.00	89,780.13	0.00	89,780.13	342,234.87	79.22%
101-100-5205780	PORTLAND UTILITY TAX	0.00	197,790.00	60,837.41	0.00	60,837.41	136,952.59	69.24%
101-100-5205790	FAIRVIEW UTILITY TAX	0.00	14,158.00	2,652.19	0.00	2,652.19	11,505.81	81.27%
101-100-5205800	CUSTOMER ASSISTANCE	0.00	60,000.00	3,780.00	1,230.00	5,010.00	54,990.00	91.65%
101-100-5205820	TAXES & ASSESSMENTS	0.00	3,100.00	8,747.50	0.00	8,747.50	-5,647.50	-182.18%
101-100-5406010	WATER SYSTEM	-5,855.72	722,200.00	53,719.94	54,144.02	107,863.96	620,191.76	85.88%

Detail vs Budget Report

Date Range: 11/01/2022 - 11/30/2022

Account	Name	Encumbrances	Fiscal Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining	% Remaining
101-100-5406020	NEW SERVICES	4,594.40	65,000.00	20,955.41	648.37	21,603.78	38,801.82	59.70%
101-100-5406030	METER UPGRADES	-6,517.25	50,000.00	8,416.00	6,517.25	14,933.25	41,584.00	83.17%
101-100-5406110	METER EQUIPMENT	1,000.00	25,000.00	441.00	0.00	441.00	23,559.00	94.24%
101-100-5406120	SHOP EQUIPMENT	0.00	8,800.00	75.80	0.00	75.80	8,724.20	99.14%
101-100-5406130	AUTOMOTIVE EQUIPMENT	0.00	240,000.00	4,245.24	0.00	4,245.24	235,754.76	98.23%
101-100-5406140	COMPUTER/OFFICE EQUIP	0.00	33,500.00	19,612.76	0.00	19,612.76	13,887.24	41.45%
101-100-5406210	BUILDINGS	-665.25	39,000.00	29,194.85	665.25	29,860.10	9,805.15	25.14%
101-100-5406220	LAND	0.00	500,000.00	0.00	0.00	0.00	500,000.00	100.00%
101-100-5607110	TRANSFER TO OTHER FUND	0.00	1,955,950.00	0.00	0.00	0.00	1,955,950.00	100.00%
101-100-5707210	CONTINGENCY	0.00	1,500,000.00	0.00	0.00	0.00	1,500,000.00	100.00%
Expense Totals:		12,388.53	14,314,372.00	2,528,741.51	697,955.77	3,226,697.28	11,075,286.19	77.37%
101 - GENERAL FUND Totals:		12,388.53	-10,123,457.00	-2,668,958.56	-216,036.55	-2,884,995.11	-7,250,850.42	
201 - SDC FUND-REIMBURSEMENT								
Revenue								
201-100-3010101	BEGINNING FUND BALANCE	0.00	-813,720.00	0.00	0.00	0.00	-813,720.00	-100.00%
201-100-3404500	SYSTEM DEVELOPMENT FEES	0.00	-250,000.00	-118,097.52	-1,439.90	-119,537.42	-130,462.58	-52.19%
201-100-3505100	INTEREST INCOME	0.00	-10,000.00	-9,533.89	-3,928.82	-13,462.71	3,462.71	34.63%
Revenue Totals:		0.00	-1,073,720.00	-127,631.41	-5,368.72	-133,000.13	-940,719.87	-87.61%
Expense								
201-100-5607110	TRANSFER TO OTHER FUND	0.00	300,000.00	0.00	0.00	0.00	300,000.00	100.00%
Expense Totals:		0.00	300,000.00	0.00	0.00	0.00	300,000.00	100.00%
201 - SDC FUND-REIMBURSEMENT Totals:		0.00	-773,720.00	-127,631.41	-5,368.72	-133,000.13	-640,719.87	
202 - SDC FUND-IMPROVEMENT								
Revenue								
202-100-3010101	BEGINNING FUND BALANCE	0.00	-312,475.00	0.00	0.00	0.00	-312,475.00	-100.00%
202-100-3404500	SYSTEM DEVELOPMENT FEES	0.00	-80,000.00	-35,275.48	-430.10	-35,705.58	-44,294.42	-55.37%
202-100-3505100	INTEREST INCOME	0.00	-1,200.00	-1,695.14	-725.43	-2,420.57	1,220.57	101.71%
Revenue Totals:		0.00	-393,675.00	-36,970.62	-1,155.53	-38,126.15	-355,548.85	-90.32%
202 - SDC FUND-IMPROVEMENT Totals:		0.00	-393,675.00	-36,970.62	-1,155.53	-38,126.15	-355,548.85	-90.32%
301 - DEBT RESERVE FUND								
Revenue								
301-100-3010101	BEGINNING FUND BALANCE	0.00	-1,688,373.00	0.00	0.00	0.00	-1,688,373.00	-100.00%
301-100-3505100	INTEREST INCOME	0.00	-6,000.00	-3,167.11	-1,231.27	-4,398.38	-1,601.62	-26.69%
301-100-3909200	INTERFUND TRANSFERS	0.00	-1,735,950.00	0.00	0.00	0.00	-1,735,950.00	-100.00%
Revenue Totals:		0.00	-3,430,323.00	-3,167.11	-1,231.27	-4,398.38	-3,425,924.62	-99.87%
Expense								
301-100-5607110	TRANS TO DEBT SERV FUND	0.00	1,479,150.00	0.00	0.00	0.00	1,479,150.00	100.00%
Expense Totals:		0.00	1,479,150.00	0.00	0.00	0.00	1,479,150.00	100.00%
301 - DEBT RESERVE FUND Totals:		0.00	-1,951,173.00	-3,167.11	-1,231.27	-4,398.38	-1,946,774.62	
401 - DEBT SERVICE FUND								

Detail vs Budget Report

Date Range: 11/01/2022 - 11/30/2022

Account	Name	Encumbrances	Fiscal Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining	% Remaining
Revenue								
401-100-3909200	INTERFUND TRANSFERS	0.00	-1,479,150.00	0.00	0.00	0.00	-1,479,150.00	-100.00%
	Revenue Totals:	0.00	-1,479,150.00	0.00	0.00	0.00	-1,479,150.00	-100.00%
Expense								
401-100-5507050	PAYMENTS ON FINANCING	0.00	790,000.00	0.00	0.00	0.00	790,000.00	100.00%
401-100-5507070	INTEREST EXPENSE	0.00	689,150.00	0.00	0.00	0.00	689,150.00	100.00%
	Expense Totals:	0.00	1,479,150.00	0.00	0.00	0.00	1,479,150.00	100.00%
	401 - DEBT SERVICE FUND Totals:	0.00	0.00	0.00	0.00	0.00	0.00	
501 - GROUND WATER PRODUCTION								
Revenue								
501-100-3010101	BEGINNING FUND BALANCE	0.00	-43,796.00	0.00	0.00	0.00	-43,796.00	-100.00%
501-100-3505100	INTEREST INCOME	0.00	-3,000.00	0.00	0.00	0.00	-3,000.00	-100.00%
501-100-3909200	INTERFUND TRANSFERS	0.00	-220,000.00	0.00	0.00	0.00	-220,000.00	-100.00%
501-100-3909400	CITY OF GRESHAM	0.00	-200,000.00	0.00	0.00	0.00	-200,000.00	-100.00%
	Revenue Totals:	0.00	-466,796.00	0.00	0.00	0.00	-466,796.00	-100.00%
Expense								
501-100-5205530	EQUIPMENT MAINTENANCE	-8,840.77	10,000.00	7,608.99	8,840.77	16,449.76	2,391.01	23.91%
501-100-5205610	OPERATING SUPPLIES	0.00	30,000.00	20,786.36	0.00	20,786.36	9,213.64	30.71%
501-100-5205615	WELLHEAD PROTECTION	0.00	70,000.00	70,000.00	0.00	70,000.00	0.00	0.00%
501-100-5205620	TESTING	0.00	5,000.00	332.90	0.00	332.90	4,667.10	93.34%
501-100-5205630	RESERVOIR MAINTENANCE	0.00	5,000.00	242.00	0.00	242.00	4,758.00	95.16%
501-100-5205670	PUMPING	0.00	235,000.00	149,924.34	15,025.56	164,949.90	70,050.10	29.81%
501-100-5607110	TRANSFER TO OTHER FUND	0.00	65,000.00	0.00	0.00	0.00	65,000.00	100.00%
	Expense Totals:	-8,840.77	420,000.00	248,894.59	23,866.33	272,760.92	156,079.85	37.16%
	501 - GROUND WATER PRODUCTION Totals:	-8,840.77	-46,796.00	248,894.59	23,866.33	272,760.92	-310,716.15	
601 - GW CONSTRUCTION FUND								
Revenue								
601-100-3010101	BEGINNING FUND BALANCE	0.00	-12,664,357.00	0.00	0.00	0.00	-12,664,357.00	-100.00%
601-100-3909400	FINANCING PROCEEDS	0.00	-6,826,000.00	-1,462,193.18	-274,962.72	-1,737,155.90	-5,088,844.10	-74.55%
601-100-3909650	WIFIA LOAN PROCEEDS	0.00	-15,000,000.00	0.00	0.00	0.00	-15,000,000.00	-100.00%
	Revenue Totals:	0.00	-34,490,357.00	-1,462,193.18	-274,962.72	-1,737,155.90	-32,753,201.10	-94.96%
Expense								
601-100-5205110	CONTRACT SERVICES	0.00	150,000.00	11,500.00	0.00	11,500.00	138,500.00	92.33%
601-100-5205120	ENGINEERING SERVICES	2,390,751.94	5,780,000.00	497,056.13	289,655.65	786,711.78	2,602,536.28	45.03%
601-100-5406035	GROUNDWATER CONSTRUCTION	0.00	21,711,794.00	1,831,337.31	579,610.32	2,410,947.63	19,300,846.37	88.90%
601-100-5607110	TRANSFER TO OTHER FUND	0.00	140,000.00	0.00	0.00	0.00	140,000.00	100.00%
	Expense Totals:	2,390,751.94	27,781,794.00	2,339,893.44	869,265.97	3,209,159.41	22,181,882.65	79.84%
	601 - GW CONSTRUCTION FUND Totals:	2,390,751.94	-6,708,563.00	877,700.26	594,303.25	1,472,003.51	-10,571,318.45	
	Report Total:	2,394,299.70	-19,997,384.00	-1,710,132.85	394,377.51	-1,315,755.34	-21,075,928.36	

Fund Summary

Fund	Encumbrances	Fiscal Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining	% Remaining
101 - GENERAL FUND	12,388.53	-10,123,457.00	-2,668,958.56	-216,036.55	-2,884,995.11	-7,250,850.42	
201 - SDC FUND-REIMBURSEMENT	0.00	-773,720.00	-127,631.41	-5,368.72	-133,000.13	-640,719.87	
202 - SDC FUND-IMPROVEMENT	0.00	-393,675.00	-36,970.62	-1,155.53	-38,126.15	-355,548.85	-90.32%
301 - DEBT RESERVE FUND	0.00	-1,951,173.00	-3,167.11	-1,231.27	-4,398.38	-1,946,774.62	
401 - DEBT SERVICE FUND	0.00	0.00	0.00	0.00	0.00	0.00	
501 - GROUND WATER PRODUCTION	-8,840.77	-46,796.00	248,894.59	23,866.33	272,760.92	-310,716.15	
601 - GW CONSTRUCTION FUND	2,390,751.94	-6,708,563.00	877,700.26	594,303.25	1,472,003.51	-10,571,318.45	
Report Total:	2,394,299.70	-19,997,384.00	-1,710,132.85	394,377.51	-1,315,755.34	-21,075,928.36	



Rockwood Water
People's Utility District

19601 NE Halsey Street
Portland, OR 97230-7430
503-665-4179 - Phone
503-667-5108 - Fax
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MEMORANDUM

To: Board of Directors

From: Kari Duncan, General Manager

Date: December 13, 2022

Re: Outside Audit Report and Management Response

The 2021/2022 final annual audit report which includes the Communication to the Governing Body and Management Response is enclosed for your review. The Board will receive a report and presentation from the Auditors at the Board meeting.

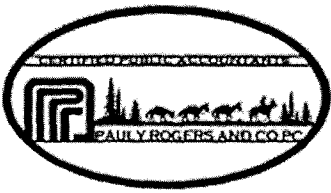
**ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON**

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2022



**12700 SW 72nd Ave.
Tigard, OR 97223**



PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcpcpas.com

October 5, 2022

To the Board of Directors
Rockwood Water People's Utility District
Multnomah County, Oregon

We have audited the basic financial statements of the business-type activities of Rockwood Water People's Utility District (PUD) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the Rockwood Water People's Utility District and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Rockwood Water People's Utility District or to acts by management or employees acting on behalf of the Rockwood Water People's Utility District.

We also communicated any internal control related matters that are required to be communicated under professional standards.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Management letter – No separate management letter was issued.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022, except for the implementation of GASB Statement No. 87 *Leases*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the financial statements are the actuarial estimate of the District’s portion of the statewide Net Pension Liability (or Asset) and Other Post Employment Benefits which are based on actuarial assumptions. Other sensitive estimate(s) affecting the basic financial statements were Management’s estimate of Accounts Receivable, Capital Asset Depreciation, and the fair value of investments, which are based on estimated collectability of receivables, useful lives of assets, and active market values or significant observable inputs, respectively. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was: management override of controls which was addressed in the audit testing. The disclosures in the basic financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the listing of Board Members, which accompanies the basic financial statements but is not required supplementary information. Such information 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.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 91 – CONDUIT DEBT OBLIGATIONS

This Statement is effective for fiscal years beginning after December 15, 2021, as extended by GASB 95. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

GASB 96 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The effective date for this Statement is for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

GASB 97 – CERTAIN COMPONENT UNIT CRITERIA, AND ACCOUNTING AND FINANCIAL REPORTING FOR INTERNAL REVENUE CODE SECTION 457 DEFERRED COMPENSATION PLANS – AN AMENDMENT OF GASB 14 & 84, AND A SUPERSESSION OF GASB 32

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

Best Practices – Not Significant Deficiencies

1. Segregation of Duties

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected. We noted that the Senior Accountant and Office Supervisor have the ability to input information into the accounting system and have access to the check stock, check printer, and signature stamp. This could allow for the issuance of an unauthorized check which may not be detected within a reasonable time period. We recommend that the Board continually monitor the financial activities to mitigate this risk and consider obtaining additional fidelity (employee honesty) insurance coverage to compensate for this risk.

2. Accounting for Capital Assets

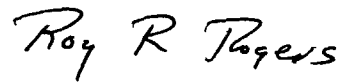
During our audit testing we found that Capital Assets were not correctly reconciled to the general ledger. We recommend that all accounts be reconciled to the general ledger at year end and on a timely basis throughout the year. Procedures should be implemented and documented to assist in the tracking of acquisition, disposal, and depreciation of capital assets. We noted that staff has in the past maintained the capital asset register in excel and continues to maintain an excel listing for fully depreciated assets with the implementation of a new capital asset register. Using excel for this process is prone to formula errors and other problems. We recommend utilization of an off the shelf fixed asset system to account for capital assets.

3. Utility Billings Batch Deposits

During our testing of utility billing receipts, we found that while all individual tested receipts were traceable to a cash receipt batch, not all of the batches were easily traceable to deposits on the bank statements. This can make it difficult to verify that all receipts are included in the actual bank deposits. We recommend the District implement a cleaner tracking system to show how each cash receipt batch is included in the bank deposits, by either depositing each cash receipt batch individually, or documenting which batches make up each deposit reported on the bank statements.

Pauly, Rogers and Co., P.C.

This information is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

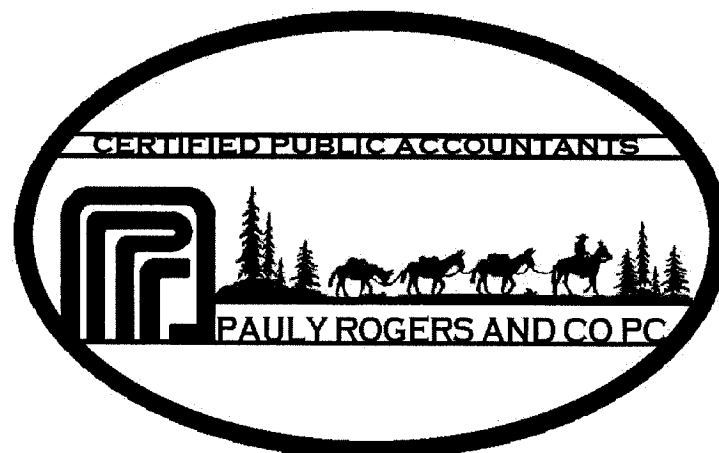
A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive style with a large, stylized "R" and a long, sweeping underline.

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

**ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022



**12700 SW 72nd Ave.
Tigard, OR 97223**

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

2021-2022

FINANCIAL REPORT

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ROCKWOOD WATER PEOPLE’S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
Tom Lewis, President	December 31, 2024
Colby Riley, Vice President	December 31, 2022
Kathy Zimmerman, Director	December 31, 2024
Larry Dixon, Treasurer	December 31, 2022
Steve Okazaki, Secretary	December 31, 2024

All board members will receive mail at the address below

REGISTERED AGENT

Kari Duncan
19601 NE Halsey
Portland, Oregon 97230

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

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PAULY, ROGERS AND Co., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

October 5, 2022

To the Board of Directors
Rockwood Water People's Utility District
Multnomah County, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying basic financial statements of Rockwood Water People's Utility District (the District) as of and for the years ended June 30, 2022, and 2021, and the related notes to the basic financial statements, as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Rockwood Water People's Utility District as of June 30, 2022 and 2021, and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Schedules of Net Pension Liability, Net OPEB Asset, and Contributions for PERS or RHIA, or Management's Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 5, 2022, on our consideration of 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.

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, flowing style.

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Rockwood Water People's Utility District, (PUD), we offer readers of our financial statements this narrative overview and analysis of the financial activities for the fiscal year ending June 30, 2022.

Financial Highlights

- Our assets exceeded our liabilities at the close of the fiscal year by \$57,459,486. Of this amount, \$18,237,780 (unrestricted net assets) may be used to meet our ongoing obligations of providing retail water service.
- Restricted assets used to finance future system additions to meet future development were \$1,051,071.
- Capital assets were \$59,041,139.
- The PUD's long-term liability is \$19,961,272 for the 2021 revenue bond for the groundwater development program.
- Total Net Position increased by \$8,247,137 primarily due to an increase in capital assets, as the district invests heavily its groundwater development program.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the PUD's basic financial statements. These statements consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows along with the Notes to Basic Financial Statements. Complimenting these statements and notes is other Supplementary Information, which provides additional details about the PUD's operation.

The Statement of Net Position presents information on all of the PUD's assets, liabilities, and net position. Over time, changes in assets, liabilities, and net position may serve as a useful indicator of whether the PUD's financial position is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position presents information related to increases and decreases in net total position. These statements are prepared on the accrual basis of accounting. Revenues are recorded when earned and expenses recorded at the time liabilities are incurred.

The Statement of Cash Flows is an analysis of the change in the PUD's cash balance during the fiscal year. It is divided into two components: cash provided from restricted and unrestricted funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Financial Analysis

The financial operations of the PUD are primarily related to the supply and distribution of water in and around the cities of Gresham, Portland and Fairview.

Revenues from the sale of water increased \$898,447 from last fiscal year. Other operating revenues decreased \$596,177 from the prior year due to decreased revenue from other government agencies. The District continues the expansion of the groundwater development project, however the reimbursement revenues from the project partner, City of Gresham, are now recorded as Non-Operating Revenue in a Groundwater Development Fund.

Operating expenses decreased \$1,362,358 year to year, primarily due to the focus on construction expenditures relating to the groundwater development program that are recorded in the Non-Operating Groundwater Development Fund.

Nonoperating revenue increased \$4,204,738 and expenses increased \$695,418, for a net nonoperating income increase of \$3,509,320. The increase is primarily due to the reimbursement income in the current fiscal year from Gresham that is for the groundwater development partnership.

In accordance with the multi-year financial plan and rate model we plan to adjust rates in 2023.

Below is summarized information from the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position for fiscal years 20, 21 and 22 ending on June 30.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

	June 30,		
	2022	2021	Change
Current Assets	\$ 24,331,709	\$ 29,543,304	\$ (5,211,595)
Capital Assets	59,041,139	45,130,682	13,910,457
Total Assets	83,372,848	74,673,986	8,698,862
Deferred Outflows of Resources	1,582,775	1,280,749	302,026
Current Liabilities	3,523,636	2,088,168	1,435,468
Net Pension Liability - PERS	2,233,773	3,612,174	(1,378,401)
Long Term Debt	19,961,272	20,913,287	(952,015)
Total Liabilities	25,718,681	26,613,629	(894,948)
Deferred Inflows of Resources	1,777,456	128,757	1,648,699
Net Position:			
Net investment in capital assets	38,127,852	23,300,380	14,827,472
Restricted for System Development Projects	1,051,071	1,084,495	(33,424)
OPEB Related Deferrals - RHIA	42,783	17,139	25,644
Unrestricted	18,237,780	24,810,335	(6,572,555)
TOTAL NET POSITION	\$ 57,459,486	\$ 49,212,349	\$ 8,247,137

Financial Analysis (Continued)

Revenues, Expenses and Changes in Net Position:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 12,652,345	\$ 12,350,075	\$ 10,386,891
Operating expenses:			
Depreciation and amortization	1,347,223	1,521,385	1,187,273
Other	7,237,422	8,425,618	7,565,731
Total Expenses	8,584,645	9,947,003	8,753,004
Operating income	4,067,700	2,403,072	1,633,887
Nonoperating income/expense	3,923,196	413,876	34,466
Capital contributions	256,241	519,375	355,303
Increase in net position	\$ 8,247,137	\$ 3,336,323	\$ 2,023,656

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Asset and Debt Analysis

The capital assets increased by \$13,910,457 during the year due to significant capital outlay projects. The District continues to invest in the expansion of the Groundwater system. Capital Investment will continue until 2026. Long-term debt decreased by \$952,015. All scheduled debt payments and interest were made in the current fiscal year.

Economic Factors

The communities we serve continue to see some customer growth primarily in the form of infill and multi-family housing, and the general economy of our service area seems stable. We expect some growth, and the system capacity developed by the groundwater development program will meet near term demands and replace wholesale water purchase needs.

REQUEST FOR INFORMATION

The District's financial statements are designed to present users with a general overview of the District's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to General Manager at 19601 NE Halsey Street, Portland, Oregon 97230.

Kari Duncan

Kari Duncan
General Manager

BASIC FINANCIAL STATEMENTS

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

STATEMENTS OF NET POSITION

As of June 30, 2022 and 2021

ASSETS

	June 30,	
	2022	2021
CURRENT ASSETS:		
Cash and cash equivalents	\$ 21,111,644	\$ 26,212,856
Restricted cash and cash equivalents	1,051,071	1,084,495
Receivables:		
Water service	1,645,432	1,890,601
Other	51,894	44,376
Allowance for doubtful accounts	(30,000)	(30,000)
Prepaid Insurance	45,015	38,920
Inventory	413,870	284,917
OPEB PERS RHIA Asset	42,783	17,139
TOTAL CURRENT ASSETS	24,331,709	29,543,304
CAPITAL ASSETS		
Not being depreciated	23,492,490	9,494,892
Being depreciated, net of accumulated depreciation	35,548,649	35,635,790
TOTAL CAPITAL ASSETS	59,041,139	45,130,682
TOTAL ASSETS	83,372,848	74,673,986
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferrals - PERS	1,578,086	1,271,403
OPEB Related Deferrals - PERS RHIA	4,689	9,346
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	84,955,623	75,954,735

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable	1,635,554	857,904
Construction retainage payable	546,901	-
Customer deposits	57,342	60,357
Accrued payroll liabilities	96,222	24,307
Accrued compensated absences	235,602	228,585
Net Pension Liability - PERS	2,233,773	3,612,174
Current liabilities payable from restricted assets:		
Current portion of long-term debt	952,015	917,015
TOTAL CURRENT LIABILITIES	5,757,409	5,700,342
LONG-TERM DEBT, net of current portion	19,961,272	20,913,287
TOTAL LIABILITIES	25,718,681	26,613,629
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferrals - PERS	1,760,460	125,639
OPEB Related Deferrals - PERS RHIA	16,996	3,118
TOTAL LIABILITIES AND DEFERRED OUTFLOWS OF RESOURCES	27,496,137	26,742,386

NET POSITION

NET POSITION:		
Net investment in capital assets	38,127,852	23,300,380
Restricted for System Development Projects	1,051,071	1,084,495
Restricted for OPEB PERS RHIA Asset	42,783	17,139
Unrestricted	18,237,780	24,810,335
TOTAL NET POSITION	\$ 57,459,486	\$ 49,212,349

See accompanying notes to basic financial statements

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2022 and 2021

	Years Ended June 30,	
	2022	2021
OPERATING REVENUES:		
Water sales	\$ 11,321,016	\$ 10,422,569
Ground water charges	200,000	165,602
Service installations	180,648	283,038
Subdivision project income	6,160	10,927
Other service income	148,250	144,755
Service charges	306,971	240,458
Backflow charges	39,252	36,985
Set up fees	26,661	25,870
Miscellaneous income	423,387	1,019,871
TOTAL OPERATING REVENUES	12,652,345	12,350,075
OPERATING EXPENSES:		
Personal services	3,031,566	3,078,831
Materials and services	4,205,856	5,346,787
Depreciation	1,347,223	1,521,385
TOTAL OPERATING EXPENSES	8,584,645	9,947,003
OPERATING INCOME	4,067,700	2,403,072
NONOPERATING INCOME (EXPENSE):		
Loss on FMV of Investments	(211,609)	-
Interest income	140,873	70,745
Interest expense	(497,621)	(109,112)
Bond Issuance Costs	(285,952)	(190,652)
Financing proceeds - reimbursement income	4,777,380	611,745
Gain (Loss) on Disposal of Capital Assets	125	31,150
TOTAL NONOPERATING INCOME (EXPENSE)	3,923,196	413,876
CAPITAL CONTRIBUTIONS:		
System development charges	256,241	519,375
CHANGE IN FUND NET POSITION	8,247,137	3,336,323
NET POSITION, beginning of year	49,212,349	45,876,026
NET POSITION, end of year	\$ 57,459,486	\$ 49,212,349

See accompanying notes to basic financial statements

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2022 and 2021

	Years Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from customers	\$ 12,463,594	\$ 11,077,587
Paid to suppliers for goods and supplies	(3,016,353)	(5,375,947)
Paid to employees	(3,010,006)	(2,619,184)
Miscellaneous income	423,387	1,019,871
NET CASH FROM OPERATING ACTIVITIES	6,860,622	4,102,327
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital contributions - system development charges	256,241	519,375
Interest paid	(497,621)	(178,000)
Bond payments	(755,000)	(4,375,000)
Bond premium	(162,015)	3,141,686
Bond proceeds	-	18,590,000
Financing proceeds - reimbursement income	4,777,380	611,745
Bond issuance cost	(285,952)	(190,652)
Sale of capital assets	125	31,150
Purchase of capital assets (Net)	(15,257,680)	(4,507,646)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(11,924,522)	13,642,658
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loss on FMV of Investments	(211,609)	-
Earnings on investments	140,873	70,745
NET CASH FROM INVESTING ACTIVITIES	(70,736)	70,745
NET INCREASE (DECREASE) IN CASH	(5,134,636)	17,815,730
CASH AND CASH EQUIVALENTS, beginning of year	27,297,351	9,481,621
CASH AND CASH EQUIVALENTS, end of year	\$ 22,162,715	\$ 27,297,351
CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING:		
Current	\$ 21,111,644	\$ 26,212,856
Restricted	1,051,071	1,084,495
TOTAL CASH AND CASH EQUIVALENTS	\$ 22,162,715	\$ 27,297,351
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Operating income	\$ 4,067,700	\$ 2,403,072
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation expense	1,347,223	1,521,385
Changes in assets and liabilities:		
Proportionate Share of Net Pension Liability, Deferred Inflows and Outflows	(50,263)	438,414
OPEB Related RHIA Asset, Deferred Inflows and Outflows	(7,109)	258
Accounts receivable, net	237,651	(262,136)
Inventory	(128,953)	(12,800)
Accounts payable	777,650	(16,360)
Construction Retainage Payable	546,901	-
Customer deposits	(3,015)	12,226
Accrued payroll liabilities	71,915	563
Prepays	(6,095)	(2,707)
Accrued compensated absences	7,017	20,412
NET CASH FROM OPERATING ACTIVITIES	\$ 6,860,622	\$ 4,102,327

See accompanying notes to basic financial statements

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

1. REPORTING ENTITY

Rockwood Water People's Utility District (the PUD), established in June 1990, is a municipal corporation governed by an elected board. The PUD was organized under provisions of Oregon Revised Statutes Chapter 261 for the purpose of providing water service to residents and other users located in East Multnomah County, with approximate boundaries being Sandy Boulevard on the North, Division Street on the South, 133rd Avenue on the West and 242nd Avenue on the East.

The PUD is the primary, special purpose government responsible for providing water service within its boundaries. As a result, all significant activities have been included in these financial statements. The basic financial statements represent those of a stand-alone government, as there are no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For financial reporting purposes, operations are accounted on a flow of economic resources measurement focus. This measurement focus provides that all assets and liabilities associated with operations are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (income) and decreases (expenses) in the net position.

The accrual basis of accounting is utilized for financial reporting. Under the accrual basis of accounting, income is recorded when earned and expenses are recorded at the time liabilities are incurred.

Operating and Non-operating Revenues and Expenses

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations, primarily relating to water sales, service charges and system development charges.

Operating expenses include the cost of personnel, materials and services. All revenues and expenses not meeting these definitions are reported as non-operating income and expenses. Non-exchange transactions, in which the PUD receives value without giving equal value in exchange, include contributions from individuals or organizations.

Use of Estimates

The preparation of the basic 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 assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of one year or less from the date of acquisition.

Restricted Assets

Assets with restricted use are segregated on the Statement of Net Position. Increases in restricted assets result from: transfers of unrestricted funds, earnings on restricted assets and certain system development charges. These assets are restricted for system development charges and debt service. When expenses occur that would apply to either restricted or unrestricted resources, it is the PUD's policy to first utilize the restricted resources.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Water service receivables are for residential, commercial and industrial sales. Concentrations of credit risk with respect to receivables are limited due to the large number of customers comprising the customer base. Credit losses have been within management's expectations. Billings to customers are prepared on a cycle basis due to the large volume of customers serviced. Unbilled revenue relating to the cycle billing is based on a ratio of weeks metered to sales recorded subsequent to year end. Management has elected to write off all unpaid balances sent to collections.

Receivables are shown net of an allowance for doubtful accounts. The allowance is judgmentally determined by management based on a collectability analysis.

Inventory

Inventory of materials is valued at the lower of average cost or market and is charged to operations as used.

Capital Assets

Capital assets are stated at cost, which includes material, labor, indirect costs, overhead, and contracted services. Capital assets are defined as assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. Contributed capital assets are recorded at their fair value at date of transfer. Maintenance, repairs and routine replacements are expensed as incurred. Replacements which improve or extend the lives of the assets are capitalized. Upon the sale or disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in operations.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

	<u>Years</u>
Water systems	50
Buildings	40
Building improvements	10-15
Office, shop, and meter equipment	5-10
Automotive equipment	6

Paid Time Off

Paid time off (PTO) was adopted in May 2008 and put into effect July 1, 2008 combining vacation and sick pay. PTO is vested as earned. Employees earn annual leave based on length of service to the PUD.

Retirement Plans

Substantially all of the PUD's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Budget

Under ORS 294.316, people's utility districts organized under ORS Chapter 261, which have no ad valorem tax support, are not required to separately prepare and adopt a budget. However, a budget has been prepared and adopted for operational accountability and control purposes on a fund accounting basis.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until that time. At June 30, 2022 and 2021, there were deferred outflows representing PERS pension and OPEB RHIA related deferrals reported in the Statements of Net Position.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2022 and 2021, there were deferred inflows representing PERS pension and OPEB RHIA related deferrals reported in the Statements of Net Position.

Fair Value Inputs and Methodologies and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs).

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS

A common cash and investment pool is maintained for all funds. The cash and cash equivalents are as follows:

	<u>2022</u>	<u>2021</u>
Cash on hand	\$ 700	\$ 700
Demand deposits	1,627,612	793,081
Local Government Investment Pool	20,534,403	26,503,570
Total Cash	<u>\$ 22,162,715</u>	<u>\$ 27,297,351</u>
 <u>Financial Statement Presentation</u>		
Unrestricted	\$ 21,111,644	\$ 26,212,856
Restricted	<u>1,051,071</u>	<u>1,084,495</u>
Total Cash	<u>\$ 22,162,715</u>	<u>\$ 27,297,351</u>

Deposits with Financial Institutions

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. As of June 30, 2022, \$250,000 of the total bank balance of \$1,727,959 was insured by FDIC. The remainder is covered by the collateral held in a multiple financial institution collateral pool administered by the State of Oregon Treasurer.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a counterparty, the PUD will not be able to recover the value of its deposits that are in the possession of an outside party. At June 30, 2022, there was no exposure to custodial credit risk.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS (CONTINUED)

Investments

The types of investments that may be invested in are restricted by State of Oregon Revised Statutes. Authorized investments include general obligations of the United States government and its agencies, obligations of the States of Oregon, California, Idaho and Washington, that have a rating of AA or better, A-1 rated commercial paper and banker's acceptances, AA rated corporate bonds, time deposits, repurchase agreements and the Oregon State Treasurer's Local Government Investment Pool.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2022, the fair value of the position in the LGIP is 98.98% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The District booked a fair market value loss of \$211,609, for the difference between the pool fair market value and the book value. The audited financial reports of the Oregon Short Term Fund can be found at:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
Local Government Investment Pool (LGIP)	\$ 20,534,403	\$ 20,534,403	\$ -	\$ -
Total	\$ 20,534,403	\$ 20,534,403	\$ -	\$ -

Interest Rate Risk - Investments

Oregon Revised Statues require investments not to exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. Cash not expected to be used within thirty days is invested in the Local Government Investment Pool which manages investment rate risk. There are no investments that have a maturity date beyond 3 months.

Credit Risk- Investments

The State of Oregon Treasurer's LGIP is not rated.

4. ACCOUNTS RECEIVABLE – WATER SERVICE

The water service receivables of \$1,645,432 and \$1,890,601 at June 30, 2022 and 2021 respectively, include estimates of approximately \$1,000,000 and \$1,040,000, respectively, of water sales that have been earned but not yet billed as of those dates. Of these amounts, none are considered over 90 days past due for the year ended June 30, 2022. Allowance for doubtful accounts at June 30, 2022 and 2021 were \$30,000 and \$30,000 respectively.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

5. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2022 are summarized below:

	Balance July 1, 2021	Adjustments	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:					
Land and improvements	\$ 3,337,515	\$ -	\$ -	\$ -	\$ 3,337,515
Construction in progress	6,157,377	(551,577)	14,549,175	-	20,154,975
Total capital assets not being depreciated	9,494,892	(551,577)	14,549,175	-	23,492,490
Capital assets being depreciated:					
Buildings/improvements	2,187,905	-	48,778	-	2,236,683
Water system	57,110,250	551,577	306,959	-	57,968,786
Automotive equipment	1,642,669	-	199,993	-	1,842,662
Shop equipment	196,982	-	-	-	196,982
Office equipment	659,245	-	111,210	-	770,455
Meter equipment	213,440	-	41,565	-	255,005
Total capital assets being depreciated	62,010,491	551,577	708,505	-	63,270,573
Accumulated Depreciation:					
Buildings/improvements	(1,294,590)	-	(57,400)	-	(1,351,990)
Water system	(23,314,405)	-	(1,092,803)	-	(24,407,208)
Automotive equipment	(1,072,764)	-	(121,392)	-	(1,194,156)
Shop equipment	(185,819)	-	(2,972)	-	(188,791)
Office equipment	(438,002)	-	(58,341)	-	(496,343)
Meter equipment	(69,121)	-	(14,315)	-	(83,436)
Total accumulated depreciation	(26,374,701)	-	(1,347,223)	-	(27,721,924)
Total capital assets being depreciated, net	35,635,790				35,548,649
Total capital assets, net	<u>\$ 45,130,682</u>				<u>\$ 59,041,139</u>

Assets in CIP totaling \$551,577 were placed in service during the FY2021-22 and were capitalized as Water System assets.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

5. CAPITAL ASSETS (CONTINUED)

Changes in capital assets for the year ended June 30, 2021 are summarized below:

	Balance July 1, 2020	Adjustments	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated:					
Land and improvements	\$ 3,348,877	\$ (11,362)	\$ -	\$ -	\$ 3,337,515
Construction in progress	2,621,998	(235,487)	3,770,866	-	6,157,377
Total capital assets not being depreciated	5,970,875	(246,849)	3,770,866	-	9,494,892
Capital assets being depreciated:					
Buildings/improvements	2,187,905	-	-	-	2,187,905
Water system	56,484,836	235,487	389,927	-	57,110,250
Automotive equipment	1,509,106	-	237,177	(103,614)	1,642,669
Shop equipment	194,483	-	2,499	-	196,982
Office equipment	585,515	1	73,729	-	659,245
Meter equipment	168,635	-	44,805	-	213,440
Total capital assets being depreciated	61,130,480	235,488	748,137	(103,614)	62,010,491
Accumulated Depreciation:					
Buildings/improvements	(1,260,250)	1	(34,341)	-	(1,294,590)
Water system	(21,932,045)	1	(1,382,361)	-	(23,314,405)
Automotive equipment	(1,117,958)	1	(58,421)	103,614	(1,072,764)
Shop equipment	(181,942)	1	(3,878)	-	(185,819)
Office equipment	(402,849)	-	(35,153)	-	(438,002)
Meter equipment	(61,890)	-	(7,231)	-	(69,121)
Total accumulated depreciation	(24,956,934)	4	(1,521,385)	103,614	(26,374,701)
Total capital assets being depreciated, net	36,173,546				35,635,790
Total capital assets, net	\$ 42,144,421				\$ 45,130,682

Vehicles with a book value of \$0 was sold during the year for \$31,150 resulting in a gain of \$31,150 which is recognized in the Statement of Revenues, Expenses, and Changes in Net Position.

Assets in Construction in Progress (CIP) were placed in service during the FY2021 and were capitalized as Water System assets.

An adjustment was made to Land and improvement in order to agree the balance to the capital asset register at June 30, 2021.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM OBLIGATIONS

Water Revenue Obligations, Series 2021 were issued in the amount of \$18,590,000 at a rate of 3.00%-4.00%, and with a premium of \$3,240,302.

A Water Infrastructure Finance and Innovation (WIFIA) loan dated March 21, 2022 was secured in the amount of \$30,419,935 at a rate of 2.59%. Loan proceeds or draws against the loan are expected to occur in line with the project schedule and include \$2,000,000 in FY2023, \$10,000,000 in FY2024, \$10,000,000 in FY2025, and \$8,419,935 in FY2026. Interest only payments will occur the first five years and then principal payments are scheduled to begin in FY2028. The final payment on the loan is scheduled for June 15, 2047.

Changes in long-term debt for the year ended June 30, 2022 was as follows:

	Balance 7/1/2021	Issued	Matured and Redeemed	Balance 6/30/2022	Due Within One Year
Bonds Payable					
2021 Revenue Bonds	\$ 18,590,000	\$ -	\$ 755,000	\$ 17,835,000	\$ 790,000
Total Bonds	18,590,000	-	755,000	17,835,000	790,000
Premium Related to Bond					
Bond Premium	3,240,302	-	162,015	3,078,287	162,015
Total	\$ 21,830,302	\$ -	\$ 917,015	\$ 20,913,287	\$ 952,015

Amounts due on the long term obligations are as follows:

Year Ending June 30,	Bonds Payable		Loan Payable	
	Principal	Interest (3.00 - 4.00%)	Principal	Interest (2.59%)
2023	790,000	646,350	-	51,800
2024	825,000	614,750	-	310,800
2025	855,000	581,750	-	569,800
2026	885,000	547,550	-	787,876
2027	925,000	512,150	-	787,876
2028-2032	5,200,000	1,975,750	3,250,000	3,803,407
2033-2037	4,355,000	1,025,850	6,700,000	3,186,987
2038-2042	4,000,000	304,500	8,513,299	2,249,407
2043-2047	-	-	11,956,636	944,863
Total	\$ 17,835,000	\$ 6,208,650	\$ 30,419,935	\$ 12,692,816

The 2022 WIFIA Loan Agreement requires net revenues in each fiscal year to equal 1.25 times the annual debt service due in that fiscal year on outstanding obligations, net revenue excluding system development charges must be 1.15 times annual debt service, and net revenue must be 1.00 times annual debt service for subordinate obligations as well as any amounts owed to a Credit Provider for surety premium payments. For the year ended June 30, 2022, the PUD was in compliance with this requirement.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM OBLIGATIONS (CONTINUED)

The calculation for the year ended June 30, 2022 was as follows:

	<u>2022</u>	<u>2021</u>
Principal Payments	\$ 755,000	\$ 285,000
Interest Payments	<u>659,636</u>	<u>178,000</u>
Total Payments	1,414,636	463,000
Rate	<u>1.25</u>	<u>1.25</u>
Requirement	<u>\$ 1,768,295</u>	<u>\$ 578,750</u>
Net Revenues	<u>\$ 5,555,796</u>	<u>\$ 3,526,535</u>

For purposes of the calculation above, net revenues are defined as follows: operating revenues, plus interest income, minus operating expenses (excluding depreciation).

7. ACCRUED COMPENSATED ABSENCES

Accrued Compensated Absences amount to \$235,602 and \$228,585 at June 30, 2022 and 2021, respectively.

8. CUSTOMER DEPOSITS

Customer Deposits amount to \$57,342 and \$60,357 at June 30, 2022 and 2021, respectively. Customer Deposits are required of a user or former user if water service was terminated for violation of PUD policy or after the PUD has issued three termination notices in any twelve month period. These deposits normally are refunded after customers close their account. Customers who have established an excellent payment history of no late notices during a twelve month period receive a credit applied to their account.

9. OTHER INFORMATION

Major Customer

Sales to one customer accounted for approximately 13.31% and 11.27% of operating revenue for the years ended June 30, 2022 and 2021, respectively.

Major Supplier

In 2006 a contract was entered into with the City of Portland for the purchase of water through the year 2026. For the years ended June 30, 2022 and 2021, the cost of water purchased under this contract with the City of Portland was \$2,908,551 and \$3,113,709, respectively.

Commitments

At June 30, 2022, there was material construction contract commitments related to the District's Groundwater Development Project which approximated \$8 million.

Risk Management

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three fiscal years.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i. **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 benefits 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 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier 2 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.
- ii. **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 contributions are met:
- member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **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 (including PERS judge members) 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 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** 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:

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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 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.

- ii. **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. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

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. The 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, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2022 were \$420,921, excluding amounts to fund employer specific liabilities. In addition approximately \$115,529 in employee contributions were paid or picked up by the PUD in fiscal 2022.

Pension Asset or Liability – At June 30, 2022, the PUD reported a net pension liability of \$2,233,773 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2019. The PUD's proportion of the net pension liability was based on a projection of the PUD's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2021 and 2020, the PUD's proportion was .019 percent and .016 percent, respectively. Pension expense/(income) for the year ended June 30, 2022 was (\$50,263).

The rates in effect for the year ended June 30, 2022 were:

- (1) Tier 1/Tier 2 – 24.65%
- (2) OPSRP general services – 20.50%

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 209,096	\$ -
Changes in assumptions	559,181	5,879
Net difference between projected and actual earnings on pension plan investments	-	1,653,645
Net changes in proportionate share	387,899	43,501
Differences between District contributions and proportionate share of contributions	989	57,435
Subtotal - Amortized Deferrals (below)	1,157,165	1,760,460
District contributions subsequent to measuring date	420,921	-
Deferred outflow (inflow) of resources	<u>\$ 1,578,086</u>	<u>\$ 1,760,460</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2023.

Subtotal amounts related to pension as deferred outflows of resources \$1,157,165, or deferred inflows of resources, (\$1,760,460), net to (\$603,295) and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2023	\$ (69,539)
2024	(107,055)
2025	(166,011)
2026	(335,376)
2027	74,686
Thereafter	-
Total	<u>\$ (603,295)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 1, 2022. Oregon PERS produces an independently audited ACFR which can be found at: <https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal 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 (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer 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 actuarially determined amount for funding a disability benefit component, and (c) 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.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts 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 method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternatives Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	5.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

(Source: June 30, 2021 PERS ACFR; p. 104)

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT 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 June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		<i>2.40%</i>

(Source: June 30, 2021 PERS ACFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2021 and 2020 was 6.90 and 7.20 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the 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 PUD's proportionate share of the net pension liability to changes in the discount rate – the following presents the PUD's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the PUD's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 4,386,596	\$ 2,233,773	\$ 432,642

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the PUD are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. 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 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.

Contributions:

Employees of the PUD pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$2,535 per month on January 1, 2021) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The PUD did not make any optional contributions to member IAP accounts for the year ended June 30, 2022.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

11. OTHER POST EMPLOYMENT BENEFIT PLANS - RHIA

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the PUD contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the PUD currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2022. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The PUD's contributions to RHIA for the years ended June 30, 2020, 2021 and 2022 were \$601, \$333, and \$323, respectively, which equaled the required contributions each year.

At June 30, 2022, the PUD reported a net OPEB asset of \$42,783 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019. Consistent with GASB Statement No. 75, paragraph 59(a), the PUD's proportion of the net OPEB asset is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2021 and 2020, the PUD's proportion was .01 percent and .01 percent, respectively. OPEB income for the year ended June 30, 2022 was \$7,109.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS – RHIA (CONTINUED)

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (6,997)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	582
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (6,415)</u>

Components of Deferred Outflows/Inflows of Resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expended and actual experience	\$ -	\$ 1,190
Changes of assumptions	842	636
Net difference between project and actual earnings on pension plan investments	-	10,167
Net changes in proportionate share	3,524	5,003
Differences between employer contributions and employer's proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	<u>\$ 4,366</u>	<u>\$ 16,996</u>
Contributions subsequent to measuring date	<u>323</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 4,689</u>	<u>\$ 16,996</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2023.

Subtotal amounts related to OPEB as deferred outflows of resources, \$4,366, and deferred inflows of resources, (\$16,996), net to (\$12,630) and will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (3,003)
2024	(4,095)
2025	(2,321)
2026	(3,212)
2027	-
Thereafter	-
Total	<u>\$ (12,630)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated March 1, 2022 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/Oregon%20PERS%20-%20GASB%2075%20RHIA%20Employer%20Schedules%20-%20FYE%2006-30-2021.pdf>

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS – RHIA (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
Mortality	<p>Healthy retirees and beneficiaries:</p> <p>Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts 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 method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Discount Rate:

The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2021 and 2020 was 6.90 and 7.20 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB asset.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS – RHIA (CONTINUED)

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		2.40%

(Source: June 30, 2021 PERS ACFR; p. 74)

Sensitivity of the PUD's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the PUD's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent, as well as what the PUD's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90)</u>
Proportionate share of the net OPEB liability (asset)	\$ (37,835)	\$ (42,783)	\$ (47,009)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

12. RENTAL REVENUE

Property at 19601 Northeast Halsey, Portland, Oregon was leased to New Cingular Wireless PCS, LLC for \$4,140 a month through May 2022 but ended as a result of a capital project that required alternative use of the property.

Property at 718 NE 202nd Ave in Portland was leased month-to-month for part of the year but was ended as a result of a capital project that required alternative use of the property.

Residential property located at 335 NE141st Ave in Portland was leased month-to month through December 2021 and has since been vacant while a property manager makes repairs to get the property back to rentable status. The PUD estimates it could rent the property when it becomes habitable again for about \$16,000 per year but there is no current lease agreement for the property in place.

Total rental revenue received from all properties totaled \$69,926 for the year ended June 30, 2022.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

13. INTERFUND TRANSFERS

The composition of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 3,017,291	\$ 365,000
System Development	300,000	-
Debt Reserve	1,414,636	2,817,291
Debt Service	-	1,414,636
Ground Water Production	65,000	200,000
Total Funds	<u>\$ 4,796,927</u>	<u>\$ 4,796,927</u>

Operating transfers between funds were made to fund the various programs and activities.

14. COMMITMENT AND CONTINGENCIES

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the District's finances is not determinable at this time.

REQUIRED SUPPLEMENTARY INFORMATION

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.019 %	\$ 2,233,773	\$ 2,047,309	109.1 %	87.6 %
2021	0.017	3,612,174	1,980,503	182.4	75.8
2020	0.016	2,742,196	1,817,367	150.9	80.2
2019	0.017	2,533,708	1,701,145	148.9	82.1
2018	0.016	2,090,480	1,599,587	130.7	83.1
2017	0.015	2,319,842	1,404,322	165.2	80.5
2016	0.020	1,132,051	1,159,286	97.7	91.9
2015	0.022	(500,608)	1,192,186	(42.0)	103.6
2014	0.022	1,127,038	1,312,797	85.9	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2022	\$ 420,921	\$ 420,921	\$ -	\$ 2,040,051	20.6 %
2021	353,053	353,053	-	2,047,309	17.2
2020	358,830	358,830	-	1,980,503	18.1
2019	265,091	265,091	-	1,817,367	14.6
2018	234,636	234,636	-	1,701,145	13.8
2017	186,333	186,333	-	1,599,587	11.6
2016	164,102	164,102	-	1,404,322	11.7
2015	118,407	118,407	-	1,159,286	10.2
2014	124,062	124,062	-	1,192,186	10.4

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

OPEB - PERS RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (NOA)	(b) Employer's proportionate share of the net OPEB asset (NOA)	(c) Employer's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2022	0.0125 %	\$ 42,783	\$ 2,047,309	2.090 %	183.9 %
2021	0.0084	17,139	1,980,503	1.737	150.1
2020	0.0157	30,354	1,817,367	1.670	144.5
2019	0.0141	15,760	1,701,145	0.926	124.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2022	\$ N/A	\$ N/A	\$ N/A	\$ 2,040,051	N/A %
2021	N/A	N/A	N/A	2,047,309	N/A
2020	N/A	N/A	N/A	1,980,503	N/A
2019	N/A	N/A	N/A	1,817,367	N/A

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SUPPLEMENTARY INFORMATION

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon
YEARS ENDED JUNE 30, 2022 AND 2021

Description of Budgetary Funds

General Fund

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The fund's principal sources of revenue are water sales and related charges and transfers from other funds.

System Development Fund - Reimbursement

This fund accounts for the resources designated for water distribution system extensions and improvements. The principal revenue source is system development charges.

System Development Fund - Improvement

This fund accounts for the resources designated for water distribution system extensions and improvements that expand the capacity of the water system. The principal revenue source is system development charges.

Debt Reserve Fund

This fund provides funding for the Debt Service Fund. The fund accumulates enough cash to meet current debt service obligations plus one year's reserve. The principal sources of revenue are earnings on investments and transfers from the General Fund.

Debt Service Fund

This fund accounts for the payment of principal and interest of the revenue bonds. The principal revenue source is transfers from the Debt Reserve Fund.

Groundwater Production Fund

This fund accounts for costs associated with producing and pumping groundwater. The principal sources of revenue are ground water fees and transfers from the General Fund and from the City of Gresham equally.

Groundwater Construction Fund

This fund accounts for construction costs for the Ground Water system. The principal financing source is bond proceeds.

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

GENERAL FUND**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING
SOURCES (USES) AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)****YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Water sales	\$ 10,834,000	\$ 10,834,000	\$ 11,321,016	\$ 487,016
Gresham utility tax	415,000	415,000	410,047	(4,953)
Portland utility tax	190,000	190,000	197,128	7,128
Fairview utility tax	13,600	13,600	12,699	(901)
Service installations	250,000	250,000	180,648	(69,352)
Subdivision project income	50,000	50,000	6,160	(43,840)
Other service income	150,000	150,000	148,250	(1,750)
Late Fees	252,000	252,000	306,971	54,971
Backflow charges	40,000	40,000	39,252	(748)
Set-up fees	27,270	27,270	26,661	(609)
Rental income	65,920	65,920	69,926	4,006
Interest income	70,000	70,000	127,428	57,428
Scrap metal sales	7,500	7,500	30,896	23,396
Miscellaneous income	40,000	40,000	58,234	18,234
Other government agencies	18,500	18,500	263,453	244,953
TOTAL REVENUES	12,423,790	12,423,790	13,198,769	774,979
EXPENDITURES:				
Personal services:				
Salaries/wages	2,018,961	2,018,961	2,002,967	15,994
Overtime	17,500	17,500	16,779	721
Other	83,273	83,273	66,829	16,444
Employee bonus	1,000	1,000	-	1,000
Market based wage adjustments	15,000	-	-	-
Payroll taxes/benefits	1,359,689	1,359,689	1,242,052	117,637
Total personal services	3,495,423	3,480,423 (1)	3,328,627	151,796
Materials and services:				
Water purchases	3,004,860	3,004,860	2,908,551	96,309
Professional services	267,176	267,176	206,202	60,974
Utilities	67,765	67,765	70,610	(2,845)
Postage and office supplies	78,300	78,300	79,779	(1,479)
Conservation and customer relations	56,350	56,350	14,225	42,125
Elections/legal advertising	3,000	3,000	2,608	392
Insurance	92,005	92,005	93,525	(1,520)
Safety gear and equipment	23,000	23,000	22,197	803
Training and education	31,500	31,500	27,498	4,002
Dues/licenses/subscriptions	93,450	93,450	85,003	8,447
Maintenance - other	97,360	97,360	81,640	15,720
Utility operating supplies	348,000	348,000	307,786	40,214
Maintenance - water system	63,000	63,000	41,358	21,642
Water testing/EPA requirements	48,000	48,000	23,770	24,230
Telemetry	20,112	20,112	20,923	(811)
Pumping	41,720	41,720	45,503	(3,783)
Board meeting fees/Director's expense	29,800	29,800	13,531	16,269
Manager's expense	7,000	7,000	1,266	5,734
General office expense	64,900	64,900	80,733	(15,833)
Bad Debt Expense	25,000	25,000	30,500	(5,500)

(Continued on page 28)

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING
SOURCES (USES) AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) (Continued)**

YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued):				
Material and services (Continued):				
Gresham utility tax	415,000	415,000	409,502	5,498
Portland utility tax	190,000	190,000	196,795	(6,795)
Fairview utility tax	13,600	13,600	12,699	901
Customer assistance	60,000	60,000	25,018	34,982
Taxes and assessments	3,100	3,100	6,933	(3,833)
Total materials and services	5,143,998	5,143,998 (1)	4,808,155	335,843
Capital outlay:				
Water system	1,153,920	1,153,920	872,411	281,509
Meters	142,000	142,000	114,446	27,554
Equipment	301,127	301,127	311,204	(10,077)
Buildings	39,662	39,662	48,778	(9,116)
Land	500,000	500,000	-	500,000
Total capital outlay	2,136,709	2,136,709 (1)	1,346,839	289,870
Operating contingencies	1,400,000	1,400,000 (1)	-	1,400,000
TOTAL EXPENDITURES	12,176,130	12,161,130	9,483,621	2,677,509
REVENUES OVER (UNDER) EXPENDITURES	247,660	262,660	3,715,148	3,452,488
OTHER FINANCING SOURCES (USES):				
Loss on FMV of Investments	-	-	(211,609)	(211,609)
Sale of fixed assets	500,000	500,000	125	(499,875)
Transfers to other funds	(3,017,291)	(3,017,291) (1)	(3,017,291)	-
Transfers from other funds	365,000	365,000	365,000	-
TOTAL OTHER FINANCING SOURCES (USES)	(2,152,291)	(2,152,291)	(2,863,775)	(711,484)
NET CHANGE IN FUND BALANCE	(1,904,631)	(1,889,631)	851,373	2,741,004
BEGINNING FUND BALANCE	7,646,810	7,646,810	8,379,197	732,387
ENDING FUND BALANCE	\$ 5,742,179	\$ 5,757,179	\$ 9,230,570	\$ 3,473,391

(1) Control Level

(Continued from page 27)

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

SYSTEM DEVELOPMENT FUND - REIMBURSEMENT

**SCHEDULE OF REVENUES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

YEAR ENDED JUNE 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
System development charges	\$ 200,000	\$ 197,305	\$ (2,695)
Interest earned	<u>10,000</u>	<u>8,830</u>	<u>(1,170)</u>
TOTAL REVENUES	<u>210,000</u>	<u>206,135</u>	<u>(3,865)</u>
OTHER FINANCING SOURCES (USES):			
Transfers to other funds	<u>(300,000) (1)</u>	<u>(300,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(90,000)	(93,865)	(3,865)
BEGINNING FUND BALANCE	<u>696,263</u>	<u>853,220</u>	<u>156,957</u>
ENDING FUND BALANCE	<u><u>\$ 606,263</u></u>	<u><u>759,355</u></u>	<u><u>\$ 153,092</u></u>

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

SYSTEM DEVELOPMENT FUND - IMPROVEMENT

**SCHEDULE OF REVENUES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

YEAR ENDED JUNE 30, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
System development charges	\$ 60,000	\$ 58,936	\$ (1,064)
Interest earned	<u>1,200</u>	<u>1,505</u>	<u>305</u>
TOTAL REVENUES	<u>61,200</u>	<u>60,441</u>	<u>(759)</u>
NET CHANGE IN FUND BALANCE	61,200	60,441	(759)
BEGINNING FUND BALANCE	<u>179,446</u>	<u>231,275</u>	<u>51,829</u>
ENDING FUND BALANCE	<u><u>\$ 240,646</u></u>	<u><u>\$ 291,716</u></u>	<u><u>\$ 51,070</u></u>

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

DEBT RESERVE FUND

**SCHEDULE OF REVENUES, OTHER FINANCING SOURCES
(USES) AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)**

YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Interest earned	\$ 6,000	\$ 3,110	\$ (2,890)
OTHER FINANCING SOURCES (USES):			
Transfers to other funds	(1,687,871) (1)	(1,414,636)	273,235
Transfers from other funds	2,817,291	2,817,291	-
TOTAL OTHER FINANCING SOURCES (USES)	1,129,420	1,402,655	273,235
NET CHANGE IN FUND BALANCE	1,135,420	1,405,765	270,345
BEGINNING FUND BALANCE	559,830	553,753	(6,077)
ENDING FUND BALANCE	\$ 1,695,250	\$ 1,959,518	\$ 264,268

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

DEBT SERVICE FUND

**SCHEDULE OF EXPENDITURES, OTHER FINANCING
SOURCES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)**

YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES:			
Bond principal	\$ 1,046,480	\$ 755,000	\$ 291,480
Interest	641,391	659,636	(18,245)
TOTAL EXPENDITURES	1,687,871 (1)	1,414,636	273,235
OTHER FINANCING SOURCES:			
Transfer from other funds	1,687,871	1,414,636	273,235
NET CHANGE IN FUND BALANCE	-	-	-
BEGINNING FUND BALANCE	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

GROUND WATER PRODUCTION**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING
SOURCES (USES) AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)****YEAR ENDED JUNE 30, 2022**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Ground Water Fees	\$ 200,000	\$ 200,000	\$ -
Interest Earned	3,000	-	(3,000)
	-		
TOTAL REVENUES	203,000	200,000	(3,000)
EXPENDITURES:			
Equipment Maintenance	10,000	6,523	3,477
Operating Supplies	30,000	40,121	(10,121)
Wellhead Protection	70,000	70,000	-
Water Testing	5,000	1,979	3,021
Reservoir Maintenance	5,000	503	4,497
Pumping	200,000	253,935	(53,935)
TOTAL EXPENDITURES	320,000 (1)	373,061	(53,061)
REVENUES OVER (UNDER) EXPENDITURES	(117,000)	(173,061)	(56,061)
OTHER FINANCING SOURCES (USES):			
Transfer to other funds	(65,000) (1)	(65,000)	-
Transfer from other funds	200,000	200,000	-
TOTAL OTHER FINANCING SOURCES (USES)	135,000	135,000	-
NET CHANGE IN FUND BALANCE	18,000	(38,061)	(56,061)
BEGINNING FUND BALANCE	362,369	74,796	(287,573)
ENDING FUND BALANCE	\$ 380,369	\$ 36,735	\$ (343,634)

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
Multnomah County, Oregon

GROUND WATER CONSTRUCTION

**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING
SOURCES (USES) AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)**

YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES:			
Contract Services	\$ 200,000	\$ 285,952	\$ (85,952)
Engineering Services	3,344,000	1,439,243	1,904,757
Total materials and services	3,544,000	1,725,195	1,818,805
Capital outlay:			
Groundwater Construction	20,994,500	11,868,528	9,125,972
Total capital outlay	20,994,500	11,868,528	9,125,972
TOTAL EXPENDITURES	24,538,500 (1)	13,593,723	10,944,777
REVENUES OVER (UNDER) EXPENDITURES	(24,538,500)	(13,593,723)	10,944,777
OTHER FINANCING SOURCES (USES):			
Loan Proceeds	5,000,000	-	(5,000,000)
Financing Proceeds - Reimbursement Income	8,711,644	4,777,380	(3,934,264)
TOTAL OTHER FINANCING SOURCES (USES)	13,711,644	4,777,380	(8,934,264)
NET CHANGE IN FUND BALANCE	(10,826,856)	(8,816,343)	2,010,513
BEGINNING FUND BALANCE	16,298,000	18,491,356	2,193,356
ENDING FUND BALANCE	\$ 5,471,144	\$ 9,675,013	\$ 4,203,869

(1) Control Level

ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

**RECONCILIATION OF BUDGETARY REVENUES
AND EXPENDITURES TO CHANGE IN NET POSITION****YEAR ENDED JUNE 30, 2022**

	Revenues	Expenditures	Net change in Fund Balance
General Fund	\$ 13,352,285	\$ 12,500,912	\$ 851,373
System Development Fund - Reimbursement	206,135	300,000	(93,865)
System Development Fund - Improvement	60,441	-	60,441
Debt Reserve Fund	2,820,401	1,414,636	1,405,765
Debt Service Fund	1,414,636	1,414,636	-
Ground Water Protection	400,000	438,061	(38,061)
Ground Water Construction Fund	4,777,380	13,593,723	(8,816,343)
			(6,630,690)

**ADD (DEDUCT) ITEMS TO RECONCILE TO
AN ENTITY-WIDE REPORTING BASIS:**

Capital outlay expenditures capitalized	14,654,610
Personal services expenditures capitalized	246,706
Materials and services expenditures capitalized	356,364
Depreciation	(1,347,223)
Principal payments on revenue bonds	755,000
Amortization of Debt Premium	162,015
Accrued compensated absences	(7,017)
GASB 68 Pension Revenue (Expense) (Applied to Personal Services Expense)	50,263
GASB 75 RHIA OPEB Revenue (Expense) (Applied to Personal Services Expense)	7,109

Change in net position	<u><u>\$ 8,247,137</u></u>
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YEAR ENDED JUNE 30, 2021

	Revenues	Expenditures	Revenues over (under) expenditures
General Fund	\$ 13,322,658	\$ 13,743,928	\$ (421,270)
System Development Fund - Reimbursement	417,457	300,000	117,457
System Development Fund - Improvement	113,029	-	113,029
Debt Reserve Fund	467,423	463,000	4,423
Debt Service Fund	463,000	463,000	-
Ground Water Protection	346,571	554,624	(208,053)
Ground Water Construction	20,471,702	1,980,346	18,491,356
			18,096,942

**ADD (DEDUCT) ITEMS TO RECONCILE TO
AN ENTITY-WIDE REPORTING BASIS:**

Capital outlay expenditures capitalized	3,042,354
Personal services expenditures capitalized	582,428
Materials and services expenditures capitalized	894,221
Depreciation	(1,521,385)
Disposal of and adjustments to capital assets	(11,357)
Principal payments on revenue bonds	4,375,000
Premium on new bond issuance	(3,240,302)
Bond Issuance Principal	(18,590,000)
Change in accrued interest expense	68,888
Amortization of Debt Premium	98,618
Accrued compensated absences	(20,412)
GASB 68 Pension Revenue (Expense)	(438,414)
GASB 75 RHIA Pension Expense (Applied to Personal Services Expense)	(258)

Change in net position	<u><u>\$ 3,336,323</u></u>
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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT

Multnomah County, Oregon

**RECONCILIATION OF BUDGETARY FUND
BALANCES TO NET POSITION****June 30, 2022****ENDING FUND BALANCES - BUDGETARY BASIS:**

General Fund	\$ 9,230,570
System Development Fund - Reimbursement	759,355
System Development Fund - Improvement	291,716
Debt Reserve Fund	1,959,518
Debt Service Fund	-
Ground Water Protection	36,735
Ground Water Construction	9,675,013

Total fund balance - budgetary basis 21,952,907

**ADD (DEDUCT) ITEMS TO RECONCILE TO
GAAP NET POSITION**

Bonds payable	(17,835,000)
Bond premium	(3,078,287)
Net capital assets	59,041,139
Proportionate Share of Net Pension Liability - PERS	(2,233,773)
Proportionate Share of Net Pension Liability (Asset) - RHIA	42,783
Deferred Outflows - PERS	1,578,086
Deferred Inflows - PERS	(1,760,460)
Deferred Outflows - RHIA	4,689
Deferred Inflows - RHIA	(16,996)
Accrued compensated absences	(235,602)

Net Position \$ 57,459,486

June 30, 2021**ENDING FUND BALANCES - BUDGETARY BASIS:**

General Fund	\$ 8,379,197
System Development Fund - Reimbursement	853,220
System Development Fund - Improvement	231,275
Debt Reserve Fund	553,753
Debt Service Fund	-
Ground Water Protection	74,796
Ground Water Construction	18,491,356

Total fund balance - budgetary basis 28,583,597

**ADD (DEDUCT) ITEMS TO RECONCILE TO
GAAP NET POSITION**

Bonds payable	(18,590,000)
Bond premium	(3,240,302)
Net capital assets	45,130,682
Proportionate Share of Net Pension Liability - PERS	(3,612,174)
Proportionate Share of Net Pension Liability (Asset) - RHIA	17,139
Deferred Outflows - PERS	1,271,403
Deferred Inflows - PERS	(125,639)
Deferred Outflows - RHIA	9,346
Deferred Inflows - RHIA	(3,118)
Accrued compensated absences	(228,585)

Net Position \$ 49,212,349

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ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
MULTNOMAH COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS

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October 5, 2022

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Rockwood Water People's Utility District as of and for the year ended June 30, 2022, and have issued our report thereon dated October 5, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of 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 the basic 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.**
- **Insurance and fidelity bonds in force or required by law.**
- **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 Rockwood Water People's Utility District 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 internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

This report is intended solely for the information and use of the Board, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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**ROCKWOOD WATER PEOPLE'S UTILITY DISTRICT
REGULAR BOARD MEETING SCHEDULE
FOR CALENDAR YEAR 2023
(4th Wednesday of the Month)**

<i>Date</i>	
January 25	
February 22	
March 22	
April 26	
May 24	
June 28	
July 26	
August 23	
September 27	
October 25	
November 15	(Third Wednesday in November due to the Thanksgiving Holiday)
December 20	(Third Wednesday in December due to the Christmas Holiday)



Rockwood Water
People's Utility District

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MEMORANDUM

To: Board of Directors

From: Kari Duncan, General Manager

Date: December 13, 2022

Re: Cascade Groundwater Alliance Project Cost Update

In 2020, the Groundwater Development Master Plan was completed by Murraysmith Engineers (now Consor Eng.), that defined the facilities required to develop a Groundwater System that would allow the District and Gresham to exit the Portland Wholesale agreement and fully provide all water for their communities from Groundwater.

Planning level cost estimates in 2019/2020 valued the full cost of project administration, design and construction of the facilities at \$119,515,011, however this did not include well drilling, and did not account for future inflation. With the cost of drilling wells 6 and 10, and a 5% additional contingency, the budget submitted in the WIFIA loan application totaled \$131,942,785, with \$62,081,500 of this assigned to the District.

Package 1 of the Groundwater Development Master Plan (GDMP) was designed in 2020/21 and was bid for construction in May of 2021. Due to this earlier work, it is currently expected to fall within the project budget from the GDMP. The later projects that have been in design and construction at later dates will be subject to inflationary pressures and results from supply chain disruptions that have been impacting all areas of the economy over 2021 and 2022. Gresham and the District have observed the impact of this inflation in the most recent project that was bid for construction, the Package 6, Well 9 construction at Kirk Park, and we expect to see this in the other remaining projects as well.

The partners are working on revised cost models that will inform future Bond, Loan or funding applications and the District financial rate model. There are several options for addressing the impacts of inflation and supply chain disruptions on the project, and the Board can expect to see future study sessions and board presentations with information about this.

Table 1: Rockwood Project Cost Estimates with Inflation/Supply Chain Cost Factors

	WIFIA Loan/Model	Inflation (Low)	Inflation (High)
Rockwood Total	\$ 62,081,500	\$77,092,047	\$83,359,847
Difference		\$15,010,547	\$21,278,346
% Increase		24.18%	34.27%

Funding Options:

The District has currently been approved for a WIFIA Loan totaling \$31 Million, and has successfully issued revenue bonds with \$18 million designated to the groundwater project. The remaining funding may be sourced from additional revenue bonds, or the District may pursue a portion of the funding from the Bipartisan Infrastructure Law (BIL) or State Revolving Fund (SRF) program. Some BIL funding may be associated with partial loan forgiveness, for communities or projects that meet specific requirements such as a disadvantaged community or projects that are on the emerging contaminant list, both of which Rockwood may meet. However, demand for this funding is very high, and requests currently far exceed available funds. The next letter of interest deadline for SRF/BIL funding is March 12th, 2023, and staff recommendation is that the District submit a letter of interest for the remaining project funding as its preferred option.

Staff will work with the financial rate model to develop a projection of the potential rate impact of the low and high-cost estimate and will include the funding scenarios in this work plan. This work will be presented to the Board at the March meeting.

Additional Project Considerations: Through the course of the project the District has encountered additional opportunities that should be considered and evaluated.

1. Addition of Well 4 Improvements.

The November presentation from GSI outlined the vulnerability of the existing Well 4 to the influence of surrounding groundwater use. It will be unusable in the event of a peak withdrawal from surrounding users. Rehabilitation of this well including the installation of a variable frequency drive and a new deeper pump installation would result in a low cost- increase in yield during these scenarios. District staff request approval to include this in the design of Package 4. and will have the cost for this additional design by the Board meeting. There will be an opportunity to evaluate the addition of construction in Package 4 once the design cost estimates are complete.

2. Partnering with Gresham on Well #10

Modeling of the aquifer and the search for an appropriate site for the groundwater wells has resulted in increased understanding of the production capability of the SGA, and the challenges

and expense of finding appropriate locations to site wells. Well #10 is currently planned as a Gresham only well and was originally projected to produce 1-2 MGD. Gresham has identified an ideal location for this well, and modeling work has indicated that it will be possible to obtain up to 4MGD from the well. The District has an opportunity to partner with Gresham in the construction of this well, if it wishes to build capacity for future growth. The next CIP in the future that identifies the need for an additional well is in 2029.

Staff requests Board feedback on the partnering of Well #10. The alternative would be for the District to develop a separate well at some later date, or buy into the well in the future if this is still an opportunity.