

Akhiok Activity Report

Community Overview

Lead RUBA Staff: Elizabeth Manfred, Anchorage Office

2001 Population: 80

Region: Kodiak Island

Local Government: Second Class City located within the Kodiak Island Borough.



City provided services include piped water, piped sewer, electric, refuse collection, health clinic, dock, fuel oil sales, public safety (VPSO), and a library. The city also maintains the building housing the Post Office, Village Corporation and Tribal Government.



Water derived from a dam and reservoir on a small stream is treated and stored. It is not uncommon for the water source to dry up during late summer. Akhiok provides a piped gravity water and sewer system to all homes in the community. The community is not in compliance with DEC water regulations and residents have been advised to boil all drinking water.

The present landfill site is on church property and is operating without a state permit. DCED enter into three grants agreements for a total of \$129,707 for the construction of a new landfill site, however no progress to date has been made for the design or construction. ANTHC is the lead agency to administer a DEC \$150,000 grant for a feasibility study to assess options for repair or replacement of the wastewater outfall and an evaluation of the water source to comply with the surface water treatment rule. This grant is also on hold until the city meets certain criteria.

The Denali Commission has awarded a grant of \$25,000 for preliminary work of the design of a consolidated bulk fuel facility. DCED funded a \$36,788 Matching Electrical Upgrade Project. These projects have no progress beyond notification of the grant award.

City administration and utility employees appear to lack the management skills to implement any of the above grants.

RUBA Activity This Quarter

With RUBA assistance, Mayor Simeonoff completed and submitted the FY01 Certified Financial Statement and FY03 Annual Budget. The State Revenue Sharing check was sent directly to a vendor for purchasing diesel fuel for the city generators.

Comments on Comments on Capacity Indicators

Finances Comments: The utility budget for FY03 was completed using the line items found in the City Budget Manual prepared by DCBD. It is not a balanced budget and will require amendments. Monthly bank reconciliations are not completed.

Accounting Comments: Billing and collection continues to be a problem. The Akhiok Village Corporation recently cashed out a trust account built from the Alaska Native Claims Settlement Act. Each Akhiok Shareholder will receive a check for \$200,000 within a four-month period. RUBA staff recommended that the utility bills be current and small claims action initiated for outstanding utility accounts.

Tax Problems Comments: The utility bookkeeper calculates payroll taxes manually and records the information in the check register. There is no separate payroll ledger maintained. Contact with the IRS indicates that a lien is imminent.

Personnel System Comments: The utility currently does not have a worker's compensation insurance policy. A new clerk hired informed me that she will become the city administrator because "it pays more." Qualifications for either position were not discussed or listed. The city has a paid Mayor position and a paid Administrator.

Organizational Management Comments: The policy making body is not enforcing the billings and collections utility policy. They did not adopt a balanced budget for FY02 and have adopted an FY03 budget that is not balanced. If a quorum for a regular meeting is not available, a special meeting is held later without proper public notice.

Operation of Utility Comments: This utility has one of the highest number of violations statewide on the SNC list. They have been advised to boil all water before consumption.

RUBA Activities For The Coming Quarter

Travel to the community remains unscheduled until the city administration demonstrates a valid effort to complete the minimum tasks outlined in several previous work plans.