

Alakanuk Activity Report

Community Overview

Lead RUBA Staff: Marita Hanson, Bethel Office

2003 Population: 666

Region: Yukon-Kuskokwim Delta

Local Governments: Second Class City, Tribal Council



The City of Alakanuk operates the piped water and sewer system, the central watering point, flush tank and haul system, and washeteria/sauna service. The City Council is the policy making body for the Utility.

Construction began in 1995 to provide piped water and sewer to 170 homes and the school. In 1998, 83 homes, the school and teacher's housing were first connected. Today, there are 132 utility customers hooked up to the system. Water is derived from the slough, is treated, stored in a tank, and piped to most of the community. New facilities include a water treatment plant, heated 300, 000-gallon water storage tank, vacuum sewage plant, sewage lagoon, arctic piping and household plumbing. The new subdivision has been completed with all homes connected to the piped system. Plans to hook up the other side of the river are in the near future plans. The new airport construction on going but will again stop due to spring thaw.

RUBA Activity This Reporting Period

This quarter the City of Alakanuk has gone through a turnover in the bookkeeper position. The successor for this position was provided training by the previous bookkeeper. Monthly financial reports have not been received since this turnover and an update from IRS records shows that Employer Quarterly Tax returns and deposits have not been received. This is a huge set back for this community.

The community is also listed as one of the Lower Yukon Communities experiencing low to no more gasoline this quarter.

The Mayor has informed the Bethel staff that a resignation from the administrator was received in the recent council meeting stating the last working day is April 16, 2004. The administrator gave her recommendation of a person to be her successor. The council has yet to take action in hiring for this position.

The City has not responded or taken any action to the letter of recommendations from previous quarter.

Capacity Indicators

Finances

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | All revenue and expenses for the utility are listed in the utility budget. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted a balanced realistic budget. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Monthly financial reports are prepared and submitted to the policy making body. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | YTD revenues are at a level equal to or above those budgeted. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | YTD expenditures are at a level equal to or below those budgeted. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A monthly manager’s report is prepared. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget amendments are completed and adopted as necessary. |

Finances Comments: The Bethel office has not received monthly financial reports since before the turnover of the previous bookkeeper. Although reminders via phone were made, she was just told that they were being worked on by the previous bookkeeper. Nothing has been received to date for this quarter. Without this information, the current financial situation can not be determined. Cooperation from this City has been minimal.

The current bookkeeper has been gathering and putting together data from the cash receipts journal and check register for a manual financial report. She plans to input this information into the QuickBooks system. Once all data has been gathered, she will then print out financial reports.

Accounting Systems

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted a collection policy and actively follows it. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility bills customers on a regular basis. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | An accounts receivable system is in place which track customers and reports past due accounts and amounts. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | An accounts payable system is in place. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The payroll system correctly calculates payroll and keeps records |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A cash receipt system is in place that records incoming money and what it was for. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The Utility has a cash disbursement system that records how money was spent. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | A chart of accounts is used that identifies categories in a reasonable, usable manner. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Monthly bank reconciliations have been completed for all utility accounts. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts. |

Accounting System Comments: The current bookkeeper is learning the QuickBooks system on the job and she is slowly getting familiarized with this system. Data entry has not been completed on a daily basis. She is currently putting information together manually and then will input as she goes along. She was

recommended to ask for QuickBooks Pro assistance from the Tribal since they have the same system with experienced bookkeepers and are located in the same building.

Tax Problems

Essential Indicators

- | Yes | No | NA | |
|--------------------------|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility has a system to accurately calculate, track, and report payroll tax liabilities. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility is current on filing tax reports. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility is current on making tax deposits. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | If there are any past tax liabilities, a repayment agreement has been signed and repayments are current. |

Tax Problems Comments: The latest information from Mr. Moss, Revenue Officer, IRS records indicates that reports have not been received starting from the last 2003 quarter in June and no deposit records. I recommended to the City staff to review the City tax files to make sure they find copies of the exact quarter, date, and year these reports were completed compared to this recent information. If these have been completed, they need to send copies to IRS to show that the records they have are accurate. If they haven't been done as the IRS records have indicated, then the City needs to take action to complete the missing quarter reports and get current with deposits. Bethel office passed this information on to Frank Alstrom Jr., Mayor, who had no knowledge of this problem. He informed Bethel that he would go to the City and find out what is going on.

Personnel System

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a posted workers compensation insurance policy in effect. |

Sustainable Indicators

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adequate written job descriptions for all positions. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequate written hiring process. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility provides training opportunities to staff as needed and available. |

Personnel System Comments: The council has not completed the revision review of the personnel policy. No action has been taken to date.

Organizational Management

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The entity that owns the utility is known and the entity that will operate the utility is set. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body is active in policy making of the utility. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body enforces utility policy. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has an adequately trained manager. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has an adequately trained bookkeeper. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequately trained operator(s). |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted an organizational chart that reflects the current structure. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body meets as required. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility complies with the open meeting act for all meetings. |

Organizational Management Comments: The Mayor has informed the Bethel staff that a resignation from the administrator was received in the recent council meeting. Last day is April 16th, 2004.

With the turnover of the bookkeeper position this quarter and lack of experience and training of the successor, the City is experiencing a huge set back in the financial management. The current bookkeeper is learning some of the duties on the job.

A basic organizational chart still exists for the City.

Operation of Utility

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility operator(s) are actively working towards necessary certification. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a preventative maintenance plan developed for the existing sanitation facilities. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The manager receives a monthly O&M report from the utility operator and routinely “spot checks” the facilities to see that the maintenance items are being completed. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a safety manual and holds safety meetings. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is operating at the level of service that was proposed. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The operator provides status reports to the manager on a routine basis. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has completed and distributed its <u>Community Confidence Report</u> (CCR). |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance</u> (SNC) list. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility maintains an inventory control list. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility maintains a critical spare parts list. |

Operation of Utility Comments: Billy Westlock, YKHC/RMW has moved to Emmonak. This does not hinder the Alakanuk Utility. Billy goes to Alakanuk to help the operator's when needed since it is only a few miles away. It takes about 20 minutes by snow machine between these two communities.

Paul Ayunerak, Main Operator and supervisor who was on extended leave has not yet returned to work. Cyprian Augline has been the right hand man to Mr. Ayunerak and has worked about as many years as Mr. Ayunerak. He is currently the acting supervisor and has extensive knowledge and certification to qualify in taking the lead in this utility. He and the current operator's are well trained and continue to do a good job keeping the system running. Cyprian Augline has attended a boiler maintenance course through YKHC/OEH this quarter.

RUBA Activities For The Coming Quarter

- Monitor and assist the City with the current tax problem. Make sure copies of 941-quarter reports and tax deposits are completed and sent to IRS and the Bethel office.
- Follow up on monthly financial reports.
- One of the recommendations was to develop a Water/Sewer savings account journal last quarter. However, nothing has been received to date and recommendation and requests will continue. Make sure the new bookkeeper gets the proper training for her position. The UAF/Kuskokwim College usually provides an introduction class to QuickBooks Pro with the class offered in the Fall/Winter semesters. A recommendation to the current administrator and Mayor was to utilize local resource help in this system from the Tribal office. Bethel staff will follow up

