

Alakanuk Activity Report

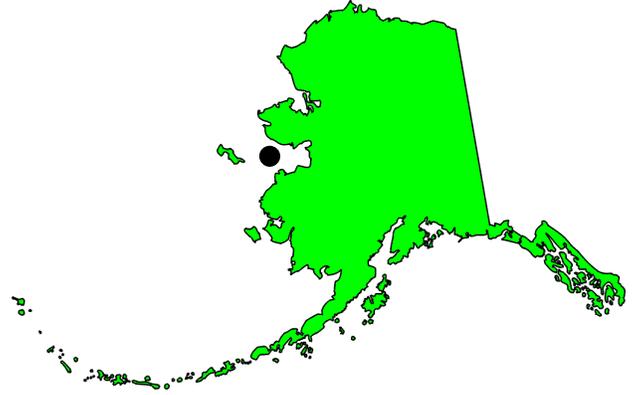
Community Overview

Lead RUBA Staff: Marita Hanson, Bethel Office

2002 Census Population: 659

Region: Yukon-Kuskokwim Delta

Local Governments: Second Class City



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. 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 got started this winter. However the project has been halted due to spring thaw.

RUBA Activity This Reporting Period

The City of Alakanuk utility continues to meet all essential indicators and majority of the sustainable indicators. The city hired Betty Lowe as the new administrator in August 2003. She replaces Gwen Emel. Mrs. Lowe, along with her husband, are Assembly of God pastors in this community. Her previous employment and experience was working for a law firm. The city staff is happy to have her on board.

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 checked="" type="checkbox"/> | <input 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 city has undergone financial difficulty during the end of the fiscal year and into this first quarter. The city was notified of seven NSF checks. These were out of the general fund for end of September payroll. However, all checks have since cleared the bank.

The city informed me that from observations in the past, August and September finances are low even for bingo and pull tabs. These months are very busy subsistence activity months and people are out of the community. Revenue increase is predicted in October.

State funds will be distributed in October and November that will help with the shortage of cash. The bookkeeper is optimistic and has informed me that the State of Alaska permanent fund dividends, once distributed, will help increase the revenue.

The city has a past due account with the city of St. Mary’s for gravel purchased in the past couple years. The administrator has researched stored files and found documents that confirm this. A first payment has been made. The city plans to make the second payment and resolve this with the state funds they receive in October. They are hoping they can make one payment with these funds and they are expecting to clear this debt.

The billing and collection policy continues to be enforced. There are only four behind on the list but they have made arrangements for payment since they do not want to get disconnected. The city has been doing a great job keeping all accounts up to date.

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. |

- The payroll system correctly calculates payroll and keeps records
- A cash receipt system is in place that records incoming money and what it was for.
- The Utility has a cash disbursement system that records how money was spent.

Sustainable Indicators

- A chart of accounts is used that identifies categories in a reasonable, usable manner.
- Monthly bank reconciliations have been completed for all utility accounts.
- 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: Monthly financial reports continue to be received.

Tax Problems

Essential Indicators

- | Yes | No | NA | |
|-------------------------------------|--------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | | The utility has a system to accurately calculate, track, and report payroll tax liabilities. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | | The utility is current on filing tax reports. |
| <input checked="" type="checkbox"/> | <input 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:

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

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

Personnel System Comments: none

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 checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has an adequately trained manager.
<input checked="" type="checkbox"/>	<input 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: An outdated organizational chart has been found but needs to be updated. The city clerk plans to put it on the agenda for the new council after October elections.

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>Consumer Confidence Report (CCR)</u> .
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is not on the <u>Significant Non-Compliance (SNC)</u> 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: none

RUBA Activities For The Coming Quarter

- Continue reminders and request of monthly financial reports.
- Review the organizational chart once the council has completed this.
- Plan a trip to this community next quarter to meet with the new administrator and review the financial management.