

Allakaket Activity Report

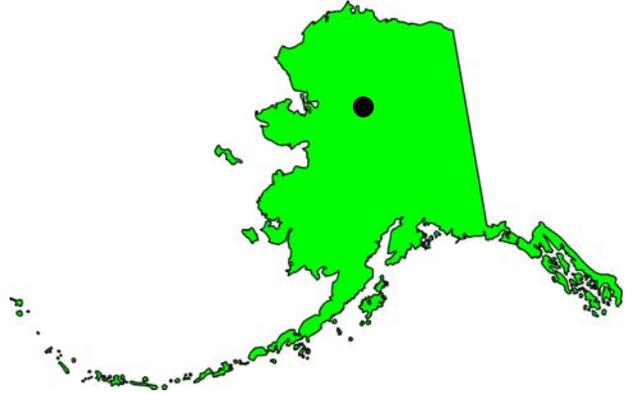
Community Overview

Lead RUBA Staff: Andy Durny, Fairbanks Office

2003 Population: 102

Region: Interior

Local Governments: 2nd Class City



Most public facilities were severely damaged in the 1994 Koyukuk River flood. Major components have been replaced -- a new washeteria, well and treatment plant, 100,000-gal. water storage tank, sewage lagoon, and force main have recently been completed. The lagoon is connected to the washeteria and school. Residents carry treated water and haul honeybuckets or use pit privies; no households have plumbing. Infrastructure improvements to provide a flush/haul system are continuing. A new landfill and access road are also under construction. Ownership of the new washeteria has not yet been transferred to the city, pending the following: resolution of site control issues; agreement between City and Traditional Council to transfer management responsibility of the new washeteria to the Traditional Council; approval of the business plan. There is also some concern about the gravel foundation for the new water storage tank: ANTHC is well aware of the situation, is currently monitoring it, and is considering actions to take if necessary.

RUBA Activity This Reporting Period

Construction of the new washeteria was essentially completed in the previous quarter. ANTHC has been waiting for a response from Allakaket regarding resolution of site control issues, approval of management agreement between City and Tribal governments, and approval of a business plan for the new washeteria, before transferring ownership of the facility to the community. (There had also been some concern expressed regarding the foundation of the newly constructed water storage tank, but ANTHC has been monitoring that situation and is prepared to make changes if needed.) In the meantime, ANTHC has been maintaining the new facility in "warm storage". RUBA staff met with ANTHC, TCC, and VSW personnel at a "coordination meeting" in Anchorage January 15, 2005 to discuss options for Allakaket. Subsequently, the ANTHC engineer sent a letter to Allakaket, once again outlining what the City needs to do to resolve washeteria issues, and establishing a May 31, 2005 deadline: if the community does not make significant progress toward resolving washeteria issues by the deadline, ANTHC will begin the process of closing the project and placing the facility in "indefinite storage". RUBA staff, ANTHC engineer and TCC staff have made repeated contacts with the community to remind them of the need to take action to resolve these matters. City and tribe have indicated willingness to try to resolve issues, but no significant activity has taken place yet. On March 30th, the ANTHC engineer sent a letter to Allakaket with updated Business and Management Plans, requesting review and approval from community. In addition to contacts and reminders regarding new washeteria issues, RUBA staff contacted the city clerk regarding tax reporting, Capital Project Matching Grants, elections and other matters, and contacted the superintendent of Yukon-Koyukuk School District to discuss issues related to possible transfer of old washeteria to the District.

Capacity Indicators

Finances

Essential Indicators

- | Yes | No | |
|--------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | All revenue and expenses for the utility are listed in the utility budget. |
| <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" type="checkbox"/> | A monthly manager’s report is prepared. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Budget amendments are completed and adopted as necessary. |

Finances Comments:

No new financial information has been received. Previous financial information did not include current budget, and the available data indicates that the utility does not generate sufficient revenue to pay for operating expenses and for Repair & Replacement costs. The utility has been subsidized by other local funds, but amount of available funds has declined.

Accounting Systems

Essential Indicators

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

Sustainable Indicators

- | | | | |
|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | A chart of accounts is used that identifies categories in a reasonable, usable manner. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Monthly bank reconciliations have been completed for all utility accounts. |
| <input type="checkbox"/> | <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:

With the exception of the school, which is billed on a regular basis, the utility does not have any customers. The utility has a chart of accounts but we need to verify that it is accurately used. The utility requires some approval prior to making purchases, but there is no current budget with which to compare proposed purchases.

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:

IRS has provided verbal assurance that the City of Allakaket has filed all tax reports and payments through the fourth quarter 2004: the first quarter 2005 report is due April 15, 2005. AK Dept. of Labor has provided verbal assurance that the City of Allakaket has filed tax reports through the 4th quarter 2004, and has a credit balance available.

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 type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adequate written job descriptions for all positions. |
| <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility provides training opportunities to staff as needed and available. |

Personnel System Comments:

In general, the City follows the personnel policy of the Allakaket Tribal Council

Organizational Management

Essential Indicators

Yes	No	N/A	
<input type="checkbox"/>	<input checked="" type="checkbox"/>		The entity that owns the utility is known and the entity that will operate the utility is set.
<input type="checkbox"/>	<input checked="" type="checkbox"/>		The policy making body is active in policy making of the utility.
<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 City currently owns the utility, but is expected to transfer all management responsibility to the traditional council. In the meantime, the old washeteria is being operated with minimum management, and the newly constructed washeteria is still under the ownership of ANTHC, and is being held in "warm storage".

Operation of Utility

Essential Indicators

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

Sustainable Indicators

<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>		The utility has a safety manual and holds safety meetings.
<input type="checkbox"/>	<input checked="" type="checkbox"/>		Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
<input type="checkbox"/>	<input checked="" type="checkbox"/>		The utility is operating at the level of service that was proposed.
<input type="checkbox"/>	<input checked="" 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 (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:

According to e-mail from ADEC, City of Allakaket has returned to compliance by submitting the necessary reports.

RUBA Activities For The Coming Quarter

Continue to monitor and assist as needed. The priority for coming quarter remains to help community resolve issues related to transfer of new washeteria to community (site control, management agreement between city and traditional council, approval of the business plan), but now the community is faced with a May 31st deadline for showing significant progress in resolving these issues. The Community also needs to decide what to do with old washeteria facility. The community has discussed transferring ownership of the old washeteria to the Yukon-Koyukuk School District: YKSD is interested.

