

Allakaket Activity Report

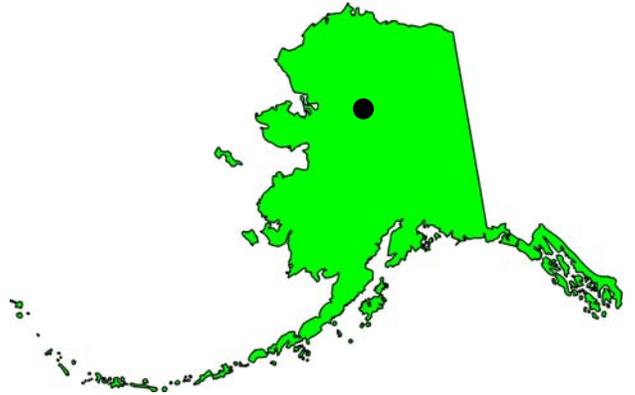
Community Overview

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

During this quarter, RUBA staff participated in an on-site final inspection of the new washeteria on August 3rd. RUBA staff provided on-site training and assistance to the tribal administrator, and attended a joint meeting of the Allakaket City and Tribal Councils, providing information to help the councils establish schedules and wage rates for the new washeteria. RUBA staff also maintained regular contact with the city clerk and tribal administrator, providing information and assistance regarding various matters including: washeteria issues; disposition of old washeteria and lagoon; land issues; budgets; elections; tax reporting; and miscellaneous other matters.

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 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:

The City approved and submitted its FY 06 budget. The washeteria budget is based on the ANTHC business plan and is included in the City's budget, but should be moved to the Tribe's budget because the Tribe has accepted management responsibility for the new washeteria. We do not have a copy of the Tribal Council's budget yet: the tribe is on a federal fiscal year. Financial data available during the August 2-3 site visit indicates that July 05 expenses exceeded income for both the City and the Tribe, but those records are still incomplete and subject to verification. We have not received any current financial reports.

Accounting Systems

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted a collection policy and actively follows it. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility bills customers on a regular basis. |
| <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 type="checkbox"/> | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | The Utility has a cash disbursement system that records how money was spent. |

Sustainable Indicators

- | | | |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" 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 reconciliation’s have been completed for all utility accounts. |
| <input type="checkbox"/> | <input checked="" 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 utility does not have customers other than laundromat users. With the opening of the new washeteria and the closing of the old washeteria, the utility no longer provides water/service to the school. The Tribe has a chart of accounts to identify income and expense categories for the utility and for other departments and classes, but the chart should be simplified to make it easier to use. The utility requires some approval prior to making purchases.

Tax Problems

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | If there are any past tax liabilities, a repayment agreement has been signed and repayments are current. |

Tax Problems Comments:

According to IRS, the City has submitted tax deposits for the first and second quarters of 2005, but has not submitted its quarterly report forms. The City has some unresolved federal tax issues from 2002 and 2003: there is a penalty of \$4,480 being assessed for 2002, and IRS has not received copies of the 2003 W2s and W3. The penalty for 2002 is a result of quarterly reports not matching the W2s. RUBA staff is trying to help the City resolve these old tax issues. According to the Alaska Department of Labor the City has not filed reports for either the first or second quarter of 2005. A deposit of \$500 was posted toward estimated first quarter 2005 taxes: an estimated \$1,500 is still due.

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	
<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 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 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 type="checkbox"/>	<input checked="" 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 and Tribal Councils have signed an agreement transferring management responsibility of the new washeteria to the Tribal Council. The two councils held a joint meeting on August 2nd, at which time the Tribal Council established a recommended operating schedule for the new washeteria. Both the city office and the tribal office are understaffed. The city clerk is scheduled to work only three hours per day, and spends much of her time handling cash sales for fuel: this does not give her enough time to attend to other important matters. The tribal administrator has assumed the duties of utility manager and utility bookkeeper. Additional training and/or staffing is needed in order for the utility to adequately address its management and recordkeeping needs.

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 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 checked="" type="checkbox"/> | <input 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:

Brian Henry, the water plant operator, has a Water Distribution OIT certificate good through 12-31-2006. He satisfactorily completed Boiler Maintenance class sponsored by Tanana Chiefs Conference September 20-22, 2005. One of the washing machines in the new washeteria needs some parts or adjustment before it can be put into operation. The tribal administrator needs to get copies of the operator's completed daily checklists. The operator does not yet have an O&M manual: according to ANTHC, the O&M Manual is 95% complete.

RUBA Activities For The Coming Quarter

Monitor and assist as needed. Provide additional on-site training.

