

Allakaket Activity Report

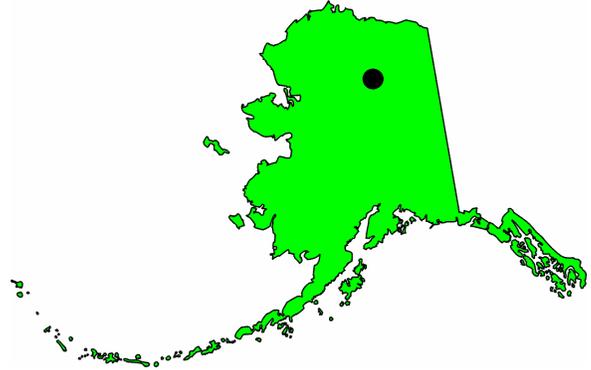
Community Overview

Lead RUBA Staff: Andy Durny, Fairbanks Office

2003 Population: 102

Region: Interior

Local Government: Tribal/2nd Class City



Most public facilities were severely damaged in the 1994 Koyukuk River flood. Major components have been replaced -- construction of a new washeteria, well and treatment plant, 100,000-gal. water storage tank, sewage lagoon, and force main was completed last year. The new washeteria opened to the public on August 6, 2005. The City subsequently sold the old washeteria and lagoon to the school district. The new washeteria is under warranty for one year from the start-up date. The Allakaket Tribal Council signed a management agreement with the City, accepting responsibility for managing the new washeteria. No households have plumbing: residents carry treated water from the washeteria, and haul honey buckets or use pit privies. A new landfill and access road have been completed.

RUBA Activity This Reporting Period

Allakaket does not meet all essential indicators. By agreement with the city, the Tribal Council last year accepted responsibility for management and operation of the new washeteria. Unfortunately, the Tribal Council subsequently experienced financial and administrative difficulties due to understaffing, turnover, and lack of qualified personnel. The Tribal Council hired a temporary bookkeeper to straighten out the financial records in January 2006, and the position was later made permanent. During this quarter RUBA staff traveled to Allakaket July 24-27 to provide on-site training and assistance to the bookkeeper; RUBA staff also helped the temporary administrator complete financial reports needed to get reimbursements for some grant expenditures that had already been paid. A new tribal administrator was hired in August. RUBA staff provided additional on-site assistance to the bookkeeper and new administrator on August 22-23. There have been considerable improvements in the recordkeeping, but additional work is needed to complete corrections and updates of the financial recordkeeping and reporting system. Although significant improvements have been made in the financial recordkeeping, financial records are incomplete, and in many cases difficult to decipher; tax reports and deposits are overdue. A permanent self-governance staff also traveled to Allakaket to provide training and assistance. Only limited progress has been made in straightening out the financial records: the task is formidable and remains incomplete. Additional training and assistance will be needed. The Tribal Council has reportedly suggested transferring management responsibility for the new washeteria back to the City. In addition to providing on-site training to the Tribal Council bookkeeper this quarter, RUBA staff provided information to the Tribal Council via phone and mail regarding general government, financial reporting, utility ordinances and utility management. RUBA staff also provided information to the city clerk regarding elections, financial matters, and ordinances.

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 current in paying all water/wastewater electric bills. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has on hand a year’s adequate fuel supply or it has financial plan to purchase an adequate. |
| <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 overall budget or program budgets yet. The tribe's QuickBooks files need to be corrected and updated.

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 checked="" type="checkbox"/> | <input 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 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. As such, the utility does not require a collection policy, does not have customers to bill, and does not track customers and past due accounts. 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. An accounts payable system, payroll system and cash receipts system are in place, but were not always properly used and there may be hundreds of errors for entries made in the past year. RUBA staff is available to provide additional assistance and training.

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:

IRS has not received any 2005 deposits or quarterly reports from the Tribal Council. Alaska Department of Labor has not received any reports or deposits from the Tribal Council for the 2nd through 4th quarters 2005.

Personnel System

Essential Indicators

- | Yes | No | |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" 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 Allakaket Tribal Council has adopted the personnel policies of Tanana Chiefs Conference.

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 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 Meetings Act” for all meetings.

Organizational Management Comments:

Although the City and Tribal Councils signed an agreement last year transferring management responsibility of the new washeteria to the Tribal Council, the Tribal Council has reportedly suggested transferring management responsibility back to 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	Utility facilities have not suffered any major problems/outages due to management issues that are 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>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:

Brian Henry, the water plant operator, has a Water Distribution OIT certificate good through 12-31-2006.

RUBA Activities For The Coming Quarter

Monitor and assist as needed. Provide additional on-site training and assistance to the bookkeeper to get financial records up to date.