

# Anchor Point Activity Report

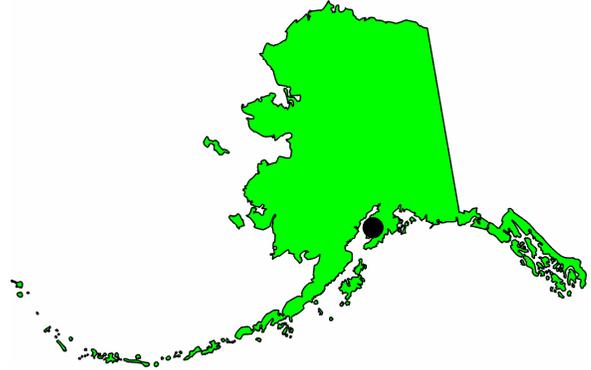
## Community Overview

Lead RUBA Staff Jimmy Smith, Anchorage Office

2003 Population: 1792

Region: Kenai Peninsula

Local Government: Unincorporated



Most residents have individual wells, septic tanks, and complete indoor plumbing. A new well, water treatment plant, and water distribution mains were recently installed in an area serving five homes. An expansion of the piped water system to the school, homes and businesses along the Sterling Highway is underway. The school well has been shown to contain lead and some area wells are contaminated with benzene. The Anchor Point Safe Water Corp. was formed to pursue development of a safe water system. The Borough Refuse Transfer Facility is located at Mile 157 Sterling Hwy.

## RUBA Activity This Reporting Period

On September 5, 2006, Jimmy Smith met with Kathy Kacher, President of the Anchor Point Safewater Corporation to review the RUBA Assessment of Management Capacity Indicators. The President provided the documentation supporting the conclusion of this report. Specific documents used in this report are available with the RUBA staff for review. Anchor Point meets all essential management indicators at this time.

**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 checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility is current in paying all water/wastewater electric bills.                                   |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | YTD revenues are at a level equal to or above those budgeted.   |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | Budget amendments are completed and adopted as necessary.   |

**Finances Comments:**

The President of Anchor Point Safewater Corporation has been responsible for drafting and implementing the budget for the utility. The President indicated the utility should be able to break-even with the income from Anchor River Inn. Anchor River Inn did make a payment to the utility but not on a monthly basis. With the income from Anchor River Inn, the utility may have enough income to cover all their expenses for the operations of the utility. Aurora Accounting and Taxes does all the finances in QuickBooks for the Corporation.

**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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | Monthly bank reconciliation’s 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 Corporation has contracted Aurora Accounting and Taxes for all the accounting using QuickBooks Pro. Financial reports are provided to the Board members for their review in the recommended format using budgets for comparisons to revenues and expenses. The utility staff created a purchase order policy and the Corporation Board adopted the policy in August 2006.

**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 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 checked="" type="checkbox"/> | <input type="checkbox"/> | If there are any past tax liabilities, a repayment agreement has been signed and repayments are current. |

**Tax Problems Comments:**

The Tax Information Release Authorization signed by the President indicated the Corporation did have tax problems but were corrected per the IRS letter. The IRS letter indicated the utility is in compliance at this time.

**Personnel System****Essential Indicators**

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

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input checked="" 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 type="checkbox"/>            | <input checked="" 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 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 utility renewed their worker's compensation insurance, and it will now expire on August 17, 2007. The utility staff is working on the Personnel Policy for the utility. A draft of the Personnel Policy has been forwarded to the President for review.

## 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.

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### Sustainable Indicators

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

Utility does not have a manager in place but the President of the Corporation is acting as a manager for the Utility. The Corporation board members oversee the operation of the Utility and have hired Aurora Taxes and Accounting staff to take care of the day-to-day operations of the utility.

## 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.

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### 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"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a safety manual and holds safety meetings.
<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 type="checkbox"/>	<input checked="" 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:

The utility has a qualified operator and has been working with the Village Safe Water engineer and a contractor to get the utility's facility in better working condition. The utility is in the process of training an alternate operator.

## RUBA Activities For The Coming Quarter

Provide assistance via, phone, facsimile and email to the community.