

Angoon Activity Report

Community Overview

Lead RUBA Staff: Gina Shirey, Juneau Office

2001 Population: 572

Region: Southeast

Local Governments: Second Class City



The City of Angoon operates the water and sewer system. The City Council is the policy making body for the utility.

The Tillinghast Lake reservoir provides water, which is treated and piped throughout the community. Funds have been provided to study a water source at Favorite Bay Creek. The community would like to develop 3 miles of waterline to the new Tillinghast Lake Water Treatment Plant. Angoon has also requested funds for a 500,000-gallon water tank at the plant. Angoon has had a piped system since 1977, and over 95% of homes have complete plumbing.

Piped sewage is processed at a secondary treatment plant, which flows, to an ocean outfall. The sewage treatment plant is undergoing renovations.

RUBA Activity This Quarter

There was no RUBA activity to report for the quarter. The Mayor was registered to attend a Utility Management Workshop in Ketchikan, but at the last minute he wasn't able to attend. We have been requesting for the past year that the City Council pass a resolution and sign a RUBA agreement. The Council has taken no action, while the Mayor has maintained that the City would like to work with RUBA. The Juneau Office staff mailed a letter to the Mayor on July 8, 2002, letting the Mayor know that due to inactivity in FY02, the City of Angoon would no longer be considered a RUBA community in FY03.

Capacity Indicators

Finances

- | 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. |

Finances Comments: The City hasn't passed their FY03 budget yet. It is scheduled to go before the Council on July 16, 2002, for first reading. The City's accountant was behind in preparing monthly financial reports. Apparently the Accounts Payable person will be taking over preparing monthly financial reports starting with June's report to be given to the Council in July. The City isn't budgeting for any repair & replacement costs. Budget amendments are not done. The FY02 budget was not amended during the fiscal year.

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 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. |

Accounting Comments: The City has a collection policy, but the Council is hesitant to follow it. The City recently switched from billing for a month of service prior to that month to billing for the month for which service was provided. The City is sending out separate past due notices but is not following up on the consequences stated in the letter. The City is using Peachtree software for its accounting system. Some past customer account information is still being put into Peachtree so the Accounts Receivable person is sending out "generic" bills with current amount due and total past due amount. The City does have a purchase order system with purchases being matched to budgeted amounts before being approved.

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: There are no outstanding tax problems.

Personnel System

Essential Indicators

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

Personnel System Comments: The City doesn't have a current worker compensation insurance policy. The previous policy lapsed November 3, 2001. This issue is scheduled to be before the Council on July 16th. The City's personnel policy system is codified in their ordinances and isn't reviewed very frequently. The hiring process is in ordinance and the City usually follows it. The City has a probation period of 9 - 120 days for new employees, but no evaluation is given at the end of the probationary period. The City does provide staff training opportunities. Both Accounting people have attended relevant training sessions.

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 a adequately trained manager.
?	<input type="checkbox"/>	The utility has a adequately trained bookkeeper.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a 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.

Organizational Management Comments: The Council is not active in policy making for the utility. Rates are not set appropriately and the FY03 budget was not passed in a timely manner. The Council doesn't enforce utility policy. They have withheld approval for sending outstanding utility accounts to a collection agency. The City doesn't have a trained Utility Manager. The Accounts Payable person appears to have some prior work experience in accounting, but the Account Receivable person is fairly new to accounting.

Operation of Utility

Essential Indicators

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

Operation of Utility Comments: The Operator should have all the certifications that he needs. The Accounts Payable person wasn't sure about a preventative maintenance plan. It doesn't appear that the Operator prepares an O&M report for the Utility Manager. The Operator

appears to be unresponsive to requests from City Staff regarding high electrical bills at the water plant. The Accounts Payable person was unsure of most of the items on this list. The new Accounts Receivable person confirmed that the Community Confidence Report (CCR) for 2001 was posted around the beginning of July 2002.

RUBA Activities For The Coming Quarter

As of July 1, 2002, the City of Angoon is no longer considered a RUBA community.