

## Brevig Mission Activity Report

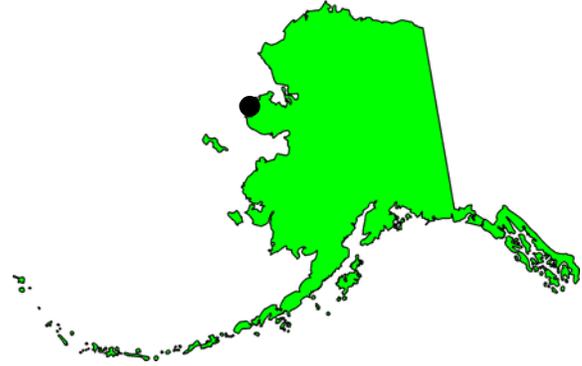
### Community Overview

Lead RUBA Staff: Leroy Seppilu, Nome Office

2003 Population: 314

Region: Bering Straits

Local Governments: 2<sup>nd</sup> Class City



Brevig Mission completed construction of a 4-phase, \$8.5 million piped water and sewer system and new landfill in November 2002. There are 56 residential customers paying \$120 per month, 9 commercial customers paying \$180 per month and Bering Strait School District paying \$4,416.67 per month. The City also operates the trash haul system and sewage lagoon. The fee for trash haul is included in the residential water/sewer utility fee. Water is supplied from Shelmon Creek and is treated and stored in a 100,000-gallon tank at the washeteria. The tank is filled monthly. Water is piped into the school from the washeteria. The City Council is the policy making body for the utility.

### RUBA Activity This Reporting Period

The city council had difficulty finding a qualified city bookkeeper, even after advertising the position for about three weeks. The majority of the council members finally voted to hire the former city clerk, Alan Okpealuk, as the new bookkeeper. The mayor had voted against him because of several financial issues that he had tried to deal with him in the past. The city council may create a utility clerk/manager position so that it can keep better track of its finances. The city clerk and Nome RUBA staff will be putting together a job description for the new position in the coming quarter.

## Capacity Indicators

### Finances

- | 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 type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.                                      |
| <input checked="" type="checkbox"/> | <input 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 new bookkeeper hasn't kept records of past due utility bills from customers since he was appointed last month. The temporary bookkeeper before him kept track of the past due bills even as the previous bookkeeper resigned. The city council had used this monthly past due utility record to determine if they should take action on past due utility accounts. The monthly utility past due record kept track of water/sewer, trash haul, cable tv and honey-bucket haul from utility customers who were two or more months past due with their utility bills. Some RUBA staff encouraged the new bookkeeper to continue using this format to keep the city council informed of the past due accounts.

## 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 new bookkeeper has absolutely no experience using Quickbooks Pro, so this may have to be written off. He does have some experience with finances, but not that much. The mayor has said that RUBA should not waste time training him because of the carelessness of how he kept track and record of the city's finances in the past. NOME RUBA is considering this option.

**Tax Problems**

**Essential Indicators**

- | Yes                                 | No                       |   |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility has a system to accurately calculate, track, and report payroll tax liabilities.</b>             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility is current on filing tax reports.</b>  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility is current on making tax deposits.</b>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>If there are any past tax liabilities, a repayment agreement has been signed and repayments are current.</b> |

**Tax Problems Comments:**

The city does not have any tax issues this quarter. All tax reports and liabilities are submitted on time.

**Personnel System**

**Essential Indicators**

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

**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 checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adequate written job descriptions for all positions.   |
| <input checked="" type="checkbox"/> | <input 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 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 city council is considering opening a new utility clerk/manager position and Nome RUBA staff will work with the city clerk on creating a new job description in the coming quarter. Of course the utility clerk/manager (I recommended that they create a utility clerk position as it will be less expensive) will work specifically and exclusively with utility management.

**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 type="checkbox"/>            | <input checked="" type="checkbox"/> | The utility has an adequately trained bookkeeper.  |
| <input type="checkbox"/>            | <input checked="" 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. |

**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 meeting act for all meetings.                     |

**Organizational Management Comments:**

The new bookkeeper is not trained with financial management of the city's utility. He has not even bothered to call RUBA for any kind of assistance. Not that it is demanded that he call RUBA, but it goes to show that although he knows who to call for assistance and he's not doing it for some reason.

**Operation of Utility**

**Essential Indicators**

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

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**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 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | The utility has completed and distributed its <u>Community Confidence Report</u> (CCR).   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance</u> (SNC) 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:**

There are no operation of utility issues during this quarter.

**RUBA Activities for the Coming Quarter:**

We may require a trip or two to the community to work with the city council and clerk to complete a job description for a utility clerk/manager and deal with (utility) administrative issues.

