

# Brevig Mission Activity Report

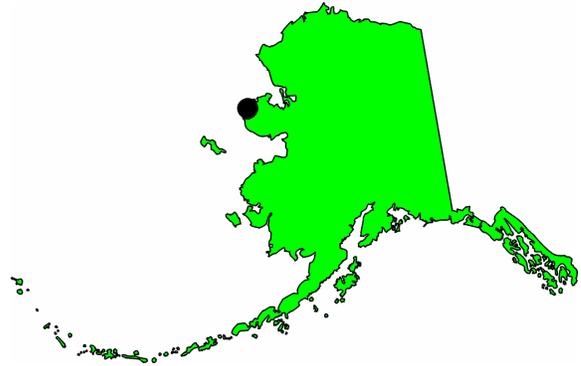
## Community Overview

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

RUBA Nome Regional Office held a week-long Beginning QuickBooks Pro workshop in Nome on May 22nd. The workshop was sponsored by Norton Sound Economic Development Corporation (NSEDC). The alternate bookkeeper, Jolene Goodhope, attended most of the workshop, although she attended late due to inclement weather. The current bookkeeper, Henry Pungowiyi, plans to leave in August to go to college. He has been learning how to use the QuickBooks Pro and doing monthly financial reports by himself since he started working. Nome RUBA staff did train him how to do quarterly payroll tax reports last 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 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 checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.                                      |
| <hr/>                               |                          |   |
| <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 checked="" type="checkbox"/> | <input 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:

To date, as of end of May, 2006 the water/sewer utility's revenues are over \$188,500, with the expenditures of \$174,555. The city is in the process of passing the Fiscal Year 2007 budget. The council plans to pass it by June 27, 2006. Monthly financial reports still need to be fine-tuned as some of the actual figures are off, but manageable.

## 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 bookkeeper continues to perform well. The alternate bookkeeper is being trained, especially with QuickBooks Pro. She attended a QuickBooks Pro workshop held in Nome. This one is the same one that Nome RUBA staff had difficulty working previously. She was reluctant to accept minor recommendations made by RUBA because she did not want to deviate from what the previous bookkeeper had taught her.

**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 type="checkbox"/>            | <input checked="" 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 caught up with the payroll taxes and reports after RUBA provided on-site training to the bookkeeper. There is a minor amount owed that the city plans to pay right away.

**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:**

Despite some struggles with financial shortage, the city continues to purchase insurance and workers' compensation. The council has had to decide on whether to purchase fuel oil for the year or insurance, but ended up having enough money to buy both.

## 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. |
- 

### 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 mayor attended an Introduction to Utility Management workshop and also the Remote Maintenance Worker sponsored Small Water/Wastewater operator training. He passed with flying colors on both of them. He scored very high in the UTM workshop pre/post tests. He is also OIT certified now.

## 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 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 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>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 checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility maintains an inventory control list.  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility maintains a critical spare parts list.  |

**Operation of Utility Comments:**

Although the Utility is on the latest SNC list for not submitting a CCR, the mayor completed and submitted a CCR at the end of May, 2006. The CCR was the only reason the Utility was on the list. The Utility has a primary operator in training certified water/sewer utility operator and two alternate operators (with the mayor as one of them). The mayor is Water Distribution and Water Treatment OIT-Certified. They are working towards becoming fully certified at the level necessary for the water/sewer utility system. The Utility System is a fairly new system and the contractor, as part of its contract, completed an inventory control list and a critical spare parts list for the Utility.

**RUBA Activities for the Coming Quarter:**

Nome RUBA staff will do a RUBA re-assessment in the next quarter. RUBA will also review the quarterly tax reports to make sure that the bookkeeper is keeping up with them. The bookkeeper plans to leave by the end of August, 2006 and the alternate bookkeeper will need training and assistance from RUBA.

