

Chefornak Activity Report

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General Information:

The utility had originally been under the City of Chefornak, the City transferred the utility over to the Chefornak Traditional Council and they in turn reportedly created a non-profit corporation to run the utility. It is unclear whether they really formed a non-profit corporation, or just an independent board under the Traditional Council.

In the early part of November the Paul Chimiugak went to the Traditional Council to talk to the Traditional Council President and find out what had happened to the Utility Manager, Robert Eoll. It turns out that Robert resigned and left the village to get more education. The Tribal Administrator has been taking care of the billing and collections for the Water and Sewer Utilities. The President said that the Tribal Administrator is feeling overwhelmed with taking care of the tribal accounting duties and utility accounts and has asked the tribal council to hire a new utility manager as soon as possible. All but one of the utility board members had resigned, the one remaining is the chairman.

During the latter part of November, Paul went to Chefornak, to meet the new manager and conduct a revised assessment of the water and sewer utilities.

The utility is required to make a monthly report to the Traditional Council. Both the City and the Traditional Council have signed resolutions where they both agreed to subsidize the utility on a monthly basis.

The utility operations are extensive, they have sanitation haul (honey bucket) service, Flush Tank & Haul System (FTHS), water delivery, and refuse collection. Each operation has its own employees.

The utility has a new Manager and the Clerk/Bookkeeper has come back from her maternity leave to work full-time. The Bethel Regional Office staff is assisting them in getting up to par with their accounting system and operation.

Observations and Recommendations:

Finances — The Tribal Council had been getting financial reports from the previous manager. The new manager has not been making reports available to them. Their financial situation is stable since the tribal administrator had been taking care of the billing and collections. This did not require additional employees, so there was a saving made until the hire of a new manager.

Accounting Systems — Although a QuickBooks Pro has been installed for this Utility by the previous manager, the new staff has chosen to go through manual procedures before getting

involved with the computerized system. Paul and Marita plan to travel in January to provide assistance in accounting training.

Tax Problems — The previous manager had been making tax payments to IRS and DOL. He had been making partial payments and catching up on the payments through the next quarter. The Utility currently has an outstanding debt of \$2,000 plus. This occurred during the vacancy of the positions. Bethel LGS will do an overview on Payroll and Payroll Taxes including year-end tax reports with the new manager and the bookkeeper.

Personnel System — There are no current personnel policies for this operation.

Organizational Management — The utility reportedly has been moved from Traditional Council oversight to a non-profit corporation. There is a new manager, a clerk/bookkeeper and one utility operator.

Leadership/Governance — The Chefornak Water and Sewer Utility board is usually composed of five board members. As of this quarter (Oct.-Dec.) four of the board members resigned along with the previous manager, but not before they had signed the resolution requesting RUBA assistance and the RUBA agreement. The four new board members were selected by the Traditional Council in mid October. This entity is currently undergoing a re-organization with the board and administrative staff.

Operation of Utility — This Utility is fully functional and operating accordingly. The services provided are Water & Sewer, Water to school, Sanitation Haul (Honey Bucket), and Trash Haul.

Ranking

1 = Inadequate

4 = Adequate to meet minimum requirements

7 = Exceeds requirements

Category	1	4	7
Finances		X	
Accounting Systems		X	
Tax Problems		X	
Personnel System	X		
Organizational Management		X	
Leadership/Governance		X	
Operation of Utility			X