

Chefornak Activity Report

Community Overview

Lead RUBA Staff: Paul Chimiugak, Bethel Office

2002 Population: 419

Region: Yukon-Kuskokwim Delta

Local Governments: Second Class City, Traditional Council



The Village Council operates multiple watering points and manages the honeybucket haul system. The Village Council is the policy making body for the utility.

Twelve wells provide potable water for Chefornak; residents haul from watering points. Some residents melt ice in the winter or use rain catchment systems in the summer. Some residents use river water. The infrastructure to develop a flush/haul system was started in 1998. 50 residences use honeybuckets; 24 homes use tank haul. The school well is inadequate; the water is too salty. The community wants a piped system.

RUBA Activity This Quarter

RUBA staff traveled to Chefornak in May. There are two wells that have been drilled in the village and are reportedly producing 30 gallons per minute. This is sufficient to support water for the community as well as a washeteria that is being proposed. The test and study is still ongoing and a report should be available next quarter. This report will determine if the wells will be able to support water for the community and the washeteria. The boardwalks are complete throughout the community and are wide enough for both pedestrian and four-wheel vehicle use.

Capacity Indicators

Finances

Essential Indicators

- | 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. |

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 type="checkbox"/> | <input checked="" type="checkbox"/> | YTD revenues are at a level equal to or above those budgeted. |

- YTD expenditures are at a level equal to or below those budgeted.
- A monthly manager’s report is prepared.
- Budget amendments are completed and adopted as necessary.

Finances Comments: The utility budget is non-existent, what is known at this time is that it does not adequately cover all expenses of the utility. The utility is subsidized through bingo contributions from the tribal and city bingo operations which they have every Saturday just for this purpose. There are no monthly financial reports forthcoming from this entity.

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

- A chart of accounts is used that identifies categories in a reasonable, usable manner.
- Monthly bank reconciliations have been completed for all utility accounts.
- The utility has a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts.

Accounting Systems Comments: The journals have been straightened out and the accounts are now being reconciled. The Utility Clerk was suppose to set up the chart of accounts, a sample copy had been provided to her. She resigned before getting this task done.

Tax Problems

Essential Indicators

- | Yes | No | NA | |
|-------------------------------------|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" 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: The utility has received a notice that they have not filed their 2001 W-2’s. The utility manager is now reviewing their employee files to correct this problem. Otherwise they are keeping current on their payroll tax reports.

Personnel System

Essential Indicators

Yes No

The utility has a posted workers compensation insurance policy in effect.

Sustainable Indicators

The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language.

The utility has adequate written job descriptions for all positions.

The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.

The utility has an adequate written hiring process.

The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance.

The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations.

The utility provides training opportunities to staff as needed and available.

Personnel System Comments: The utility now has Worker’s Compensation Insurance since February. The Utility Clerk has resigned, the utility is advertising for a replacement at this time.

Organizational Management

Essential Indicators

Yes No

The entity that owns the utility is known and the entity that will operate the utility is set.

The policy making body is active in policy making of the utility.

The policy making body enforces utility policy.

The utility has an adequately trained manager.

The utility has an adequately trained bookkeeper.

The utility has an adequately trained operator(s).

The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.

Sustainable Indicators

The utility has adopted an organizational chart that reflects the current structure.

The policy making body meets as required.

The utility complies with the open meeting act for all meetings.

Organizational Management Comments: The tribal organization still operates and maintains the system and they hired a Manager who is also the Bookkeeper for the system. The person they hired has previously worked as the Administrator and Bookkeeper for the City.

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 type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has a preventative maintenance plan developed for the existing sanitation facilities. |

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 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 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: All haul services require that the customer pay in advance. Those households that are not on the system have an option of requesting haul service or haul the honeybuckets themselves to the lagoon.

RUBA Activities For The Coming Quarter

Do a formal re-assessment of the utility, develop additional management recommendations, and present them to the Council.