

Chevak Activity Report

Community Overview

Lead RUBA Staff: Marita Hanson, Bethel Office

2003 Population: 884

Region: Yukon-Kuskokwim Delta

Local Governments: 2nd Class City



The City of Chevak operates the piped water and sewer system, the central watering point and the honeybucket haul. The City Council is the policy making body for the utility. Construction began in 1995 to provide piped water and sewer to homes and the school. Completed projects include a new landfill, a washeteria renovation, a new watering point, water treatment plant, a 150,000-gallon water storage tank, sewage lagoon, and a vacuum sewer plant. Water and sewer mains and household connections are completed. Currently they have 193 units on line. Most of the residents except one home are connected to water/sewer. Some homes still have rain catchments. The new school construction was completed in August 2003. The construction company connected the school and teacher housing to the water/sewer line.

RUBA Activity This Reporting Period

RUBA still continues to request documents regarding essential indicators. So far this quarter, no other financial reports have been received from March 2004 to date. The Alaska Dept. of Labor has informed RUBA that reports have been received but no deposits have been made. As for the IRS, tax liens are still in place. The City bookkeeper has informed RUBA that fuel has been received of about 60 to 90 gallons in August 2004. Chevak Traditional Council has made contact to RUBA requesting information on Memorandum of Agreements toward the Water/Sewer project. They are concerned with the current financial situation of the City and would like to see other alternatives in keeping the water/sewer operational. According to the bookkeeper, staff hours for Washeteria, the water/sewer operators and police departments have been cut in half.

Capacity Indicators

Finances

Essential Indicators

Yes	No	NA	
<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 receiving revenues (user fees or other sources) sufficient to cover operating expenses.

Sustainable Indicators

<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"/>	<input type="checkbox"/>	Budget amendments are completed and adopted as necessary.

Finances Comments:

Reports from March 2004 to date have not yet been received. Reminder calls for the rest of the reports to Skye Michael Chayalkun have been done from the Bethel Regional office. A partial FY05 budget was received by Bill Rolfzen, DCA Juneau office. This budget was missing the revenue section. Payment in Lieu of Taxes (PILT) monies are on hold till these are received. The FY03 City Financial Statement was received.

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 type="checkbox"/>	<input checked="" type="checkbox"/>	An accounts receivable system is in place which track customers and reports past due accounts and amounts.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	An accounts payable system is in place.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The payroll system correctly calculates payroll and keeps records
<input type="checkbox"/>	<input checked="" type="checkbox"/>	A cash receipt system is in place that records incoming money and what it was for.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Utility has a cash disbursement system that records how money was spent.

Sustainable Indicators

<input type="checkbox"/>	<input checked="" type="checkbox"/>	A chart of accounts is used that identifies categories in a reasonable, usable manner.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Monthly bank reconciliations have been completed for all utility accounts.
<input type="checkbox"/>	<input checked="" 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:

Essentials are not met again this quarter. The bookkeeper was out of the office for a month and half this quarter. He is back to work this month and has a lot of catch up work and updating data on the QuickBooks Pro. He plans to work weekends to do this. In a quick overview, he has indicated that the customer bills seem to be all caught up. He will review this more over the next quarter.

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 type="checkbox"/>	<input checked="" type="checkbox"/>		The utility is current on filing tax reports.
<input type="checkbox"/>	<input checked="" type="checkbox"/>		The utility is current on making tax deposits.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If there are any past tax liabilities, a repayment agreement has been signed and repayments are current.

Tax Problems Comments:

Tax liens are still in place. Contact to IRS was made by RUBA to get an update before this report however, no reply was received. This will be followed through next quarter.

Personnel System

Essential Indicators

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

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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	The utility provides training opportunities to staff as needed and available.

Personnel System Comments:

Very little communication continues from the City administration. Concerned calls are still being received by the RUBA office from residents of Chevak concerning the City Management.

Organizational Management

Essential Indicators

Yes	No	NA	
<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 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 type="checkbox"/>	<input checked="" type="checkbox"/>		The utility has adopted an organizational chart that reflects the current structure.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The policy making body meets as required.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility complies with the "Open Meetings Act" for all meetings.

Organizational Management Comments:

Essentials are not met.

Operation of Utility

Essential Indicators

Yes	No	NA	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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.

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 type="checkbox"/>	<input checked="" type="checkbox"/>		Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
<input type="checkbox"/>	<input checked="" 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>Consumer Confidence Report (CCR)</u> .
<input type="checkbox"/>	<input checked="" type="checkbox"/>		The utility is not on the <u>Significant Non-Compliance (SNC)</u> list.
v	<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:

A message to have the water operator call RUBA was left with the City. However, by the time of this report, no response was received.

RUBA Activities For The Coming Quarter:

Still waiting to receive an update from Mr. Moss, IRS officer, regarding the City of Chevak status. Will follow up next quarter. RUBA will work with Chevak Traditional Council as they pursue alternative plans in keeping the Water/Sewer project operational.