

# Cold Bay Activity Report

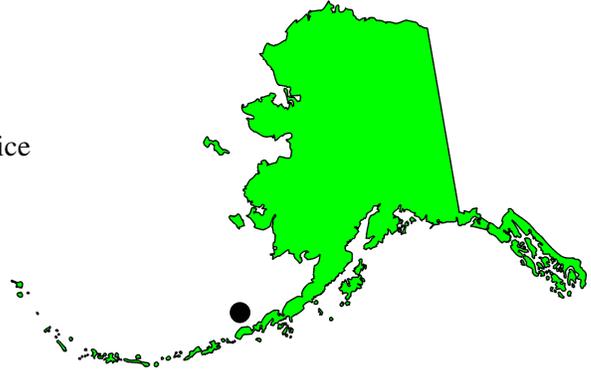
## Community Overview

Lead RUBA Staff: Elizabeth Manfred, Anchorage Office

2002 Population: 116

Region: Alaska Peninsula

Local Government: Second Class City located within the Aleutians East Borough.



City provided services include piped water, piped sewer, landfill, health clinic, dock, fire/EMS/ambulance and a library. The city municipal building includes a fitness center. The new community center is open and provides a new space for agencies to provide training or community presentations.

Currently water is supplied by one well and stored in a 213,000-gallon tank. The city has applied funding to dig a second well. The majority of residents are connected to the piped water and sewer system. A few homes have individual wells and septic systems. The sewage treatment plant can process up to 45,000 gallons a day. Residents transport their own refuse to the landfill located 1.5 miles north of the city. A feasibility study is being done to determine whether to clean up or replace the landfill.

G & K, Inc. provides electricity to the community. There is one school with a current attendance of 12 students.

Because of its central location and modern airport, Cold Bay serves as the regional center for air transportation on the Alaska Peninsula and as an international hub for private aircraft. The state, federal government, and airline transportation service provides the majority of local employment. Cold Bay has a promising future as a service and fueling center for the bottomfish industry. The city council changes frequently in relationship to reassignments of state and federal employees. The clerk was hired in late October 2003. The clerk is also the treasurer is responsible for all accounting functions. These tasks are accomplished as a result of participation in the RUBA QuickBooks Pro Installation and Training Project.

## RUBA Activity This Reporting Period

Staff from the regional office accompanied the QuickBooks Pro contractor to Cold Bay to complete the final of three on-site training visits. Prior to July 1, 2003, the city had contracted a firm in Anchorage to complete all payroll functions. As of July, the city clerk was proficient enough to assume those duties and save the additional expense of a contractor. All payroll, from January through June, was entered in QuickBooks and reconciled in order to allow completion of W-2's at year-end. The clerk also began billing and collecting utility services from all city facilities which gives an accurate accounting revenues and expenses. The clerk demonstrated an understanding of the QuickBooks Pro program and appreciates the efficiency of not being required to complete accounting tasks manually.

Assistance was also requested and provided at a city council meeting. Due to state revenue sharing cuts, the city is seeking optional revenue sources. The mayor asked for assistance in drafting a

resolution to increase wharfage rates and two ordinances to place fuel tax and bed tax issues on the upcoming ballot. The legislation was drafted with RUBA assistance and reviewed, approved, and adopted by the city council.

The regular election in October will be the first election conducted by this clerk. She is to be commended for the research and care in preparation of ballot materials. RUBA has maintained near daily contact with her regarding the election process and provided an elections task sheet based on state statutes and the Cold Bay city code.

**Capacity Indicators**

**Finances**

**Essential Indicators**

- | Yes                                 | No                       |   |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>All revenue and expenses for the utility are listed in the utility budget.</b>                             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility has adopted a balanced realistic budget.</b>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>Monthly financial reports are prepared and submitted to the policy making body.</b>                        |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.</b> |

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

**Finances Comments:** The collection rate remains at 90% and above. The majority of the residential services are included as provided housing upon hire; therefore, the hiring agency is responsible for payment. Most of these hiring agencies are state or federal and pay upon demand. Monthly finance reports are being generated and the council was extremely pleased to have fiscal information to base decisions upon.

## 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 reconciliations 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 Comments:** All purchase order requests are now being reviewed by the clerk for compliance with the budget prior to ordering. Checks are cut to the vendor upon order rather than upon arrival of the product.

## Tax Problems

### Essential Indicators

Yes	No	NA	
<input checked="" type="checkbox"/>	<input type="checkbox"/>		The utility has a system to accurately calculate, track, and report payroll tax liabilities.
<input checked="" 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 checked="" type="checkbox"/>	<input 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 deposits are made electronically each pay period by the city clerk who has assumed payroll duties. The Anchorage based payroll services contract has been cancelled.

## Personnel System

### Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	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:** Personnel files were created and all required documentation is in place. Evaluation forms were provided by RUBA staff and training of the evaluation process will be held for the entire city council in the next quarter.

## 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) to give it the authority to operate. |

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### Sustainable Indicators

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input checked="" 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 policy making body meets regularly and reviews the utility services at each meeting. All meetings are posted as required. A verbal report is given by the utility manager at each meeting.

## 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. |

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### Sustainable Indicators

- |                                     |                                     |   |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input 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>Consumer Confidence Report</u> (CCR).  |
| <input checked="" type="checkbox"/> | <input 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:** The city has a certified operator who attends training to maintain that certification. Doug Abbas, VSW, is assisting the operator in developing a preventative maintenance plan, inventory control list, and critical spare parts list. The city's second well was damaged beyond repair in a recent earthquake and funding for a new well is being requested through VSW.

### **RUBA Activities For The Coming Quarter**

The QuickBooks Pro billings and collections and monthly finance reports will be monitored. Assistance with providing required data for VSW grant applications has been requested. The city codes were scanned onto disc by regional office staff and will be formatted by the city clerk. Upon final approval from the clerk, copies of the code will be made and placed in three-ring binders for each council member. A performance evaluation form will be provided and training provided to the city council per their request. A community visit to provide newly elected official training is scheduled in November.