Cold Bay Activity Report

Community Overview

Lead RUBA Staff: Elizabeth Manfred, Anchorage Office

2003 Population: 95

Region: Aleutians

Local Government: 2nd 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 space for training or community presentations from outside agencies. Currently, water is supplied by one well and stored in a 213,000-gallon tank. The city has applied for 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. provide electricity to the community.

RUBA Activity This Reporting Period

RUBA staff traveled to Cold Bay to attend a council meeting and work with the outgoing clerk on QuickBooks questions. Doug Abbas, RMW, presented information regarding the amount of water treated and the amount of water currently being billed. The city is losing approximately $1800 a month in lost revenue. Research points to the water loss in commercial rates. Discussion covered the possibility of installing meters on all commercial connections. The city has since placed an order for meters for commercial units only. A new clerk was hired and started work in early September. RUBA staff continues to support the clerk with local accounting and election issues.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
☒	☐	**All revenue and expenses for the utility are listed in the utility budget.**
☒	☐	**The utility has adopted a balanced realistic budget.**
☒	☐	**Monthly financial reports are prepared and submitted to the policy making body.**
☒	☐	**The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.**

Sustainable Indicators

☒	☐	The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs.
☒	☐	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:

Monthly finance reports, generated with QuickBooks Pro that list the adopted budget, revenue or expenditure, year-to-date revenue or expenditure, and remaining budget for each line item, are provided to the council. The council drafted and adopted a FY05 budget. The council set up an account to place 10% of water and sewer gross profit into a reserve account.

Accounting Systems

Essential Indicators

Yes	No	
☒	☐	**The utility has adopted a collection policy and actively follows it.**
☒	☐	**The utility bills customers on a regular basis.**
☒	☐	**An accounts receivable system is in place which track customers and reports past due accounts and amounts.**
☒	☐	**An accounts payable system is in place.**
☒	☐	**The payroll system correctly calculates payroll and keeps records**
☒	☐	**A cash receipt system is in place that records incoming money and what it was for.**
☒	☐	**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 Comments:

The city is enforcing a purchasing process, which requires all orders to be routed through the treasurer for budget approval. The utility enjoys a very high rate of collections and enforces the collection policy on the rare occasions that make it necessary. The city has adopted the chart of accounts recommended by RUBA.

Tax Problems

Essential Indicators

Yes	No	NA	
☒	☐		**The utility has a system to accurately calculate, track, and report payroll tax liabilities.**
☒			**The utility is current on filing tax reports.**
☒	☐		**The utility is current on making tax deposits.**
☐	☐	☒	**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. There are no tax liabilities at this time.

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:

Personnel files were created and all required documentation is in place. The city followed its personnel code in the recruitment and hiring of the new Public Works Director and the new City Clerk/Treasurer.

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) 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 policy making body meets regularly and reviews the utility services at each meeting. All meetings are posted as required. A verbal report is required from the utility manager at each meeting.

Operation of Utility

Essential Indicators

Yes	No	
☒	☐	**The utility operator(s) are actively working towards necessary certification.**
☒	☐	**The utility has a preventative maintenance plan developed for the existing sanitation facilities.**

Sustainable Indicators

☒	☐	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.
☐	☒	The utility has a safety manual and holds safety meetings.
☒	☐	Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
☒	☐	The utility is operating at the level of service that was proposed.
☒	☐	The operator provides status reports to the manager on a routine basis.
☒	☐	The utility has completed and distributed its Community Confidence Report (CCR).
☒	☐	The utility is not on the Significant Non-Compliance (SNC) list.
☐	☒	The utility maintains an inventory control list.
☐	☒	The utility maintains a critical spare parts list.

Operation of Utility Comments:

The new hire will attend the first available water treatment certification class. In the mean time, Doug Abbas, Remote Maintenance Worker, traveled to Cold Bay and provided on-site training. Doug is also assisting the operator in developing a preventative maintenance plan, inventory control list, and critical spare parts list.

RUBA Activities For The Coming Quarter

RUBA staff provide assistance as requested and monitor the following areas: -Continue codification project; -Draft and present personnel policy amendments for employee evaluation process; -Work with clerk on election issues.