

# Emmonak Activity Report

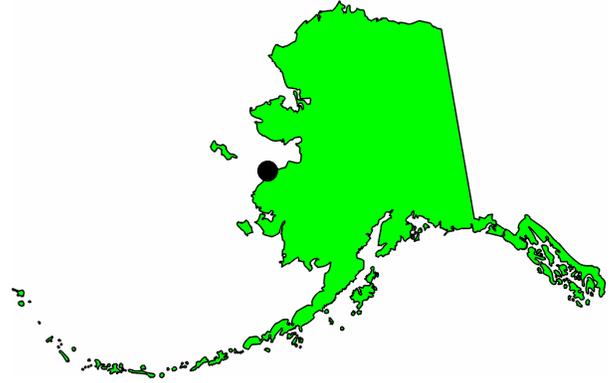
## Community Overview

Lead RUBA Staff: Marita Hanson, Bethel Office

2003 Population: 818

Region: Yukon-Kuskokwim Delta

Local Governments: 2<sup>nd</sup> Class City and Tribal



The City of Emmonak owns and operates the piped Water/Sewer system. The City also owns and operates the Washeteria/Sauna. A new washeteria construction is in the last stage of completion. It should be operational in spring of 2006. The City council is the policy making body for this utility. Water is derived from the Yukon River and is treated. Piped water and sewer services are provided to most of the residents of Emmonak. Currently there are 177 connected to this system. Out of those connected, there are 151 residential homes and 23 businesses in service. The next Water/Sewer Village Safe Water (VSW) funding will connect 6 new Emmonak tribal housing.

## RUBA Activity This Reporting Period

RUBA continues working with the City of Emmonak through phone, fax, e-mail and regular mail in addressing the Management essentials. Three essentials in the finance section have changed the end of this quarter from yes to no. The City has been very busy working on the FY07 Budget and Certified Financial Statements due to end of the year requirements. Copies have not yet been received. The bookkeeper will provide these copies after the July 4th holiday. Monthly Financial Reports are being re-formatted all the way back to January 2006 and these copies will also be sent after the holiday once completed. The City continues with amendment of the utility ordinance using the Regulatory Commission of Alaska (RCA) model. Due to commercial fishing and subsistence, the council and staff have slowed down in this review. The spring flood damaged Water/Sewer foundations, sleepers and anchors for the pipes to this utility. Staff have completed the assessment but repair work has not yet started according to the City Manager.

## 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 checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility is current in paying all water/wastewater electric bills.                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility has on hand a year's adequate fuel supply or it has financial plan to purchase an adequate. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.  |

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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 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"/> | Budget amendments are completed and adopted as necessary.                                                                                   |

#### Finances Comments:

Essentials are not met. Due to end of year reports and FY06 Budget amendments, copies have not yet been received. The City has informed RUBA that after the holiday, copies will be sent. The bookkeepers have been re-formatting the monthly financial reports all the way back to January 2006. In the process, just drafts have been received by RUBA. Recommendations for adjustments and corrections are being provided as they get these reports formatted to include budgeted amounts, month, Year-to-Date and balance. Subsidy monies sufficient to cover operating expenses, repair and replacement costs continue from Sales tax and some from gaming donations.

### 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.                               |

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#### Sustainable Indicators

- |                                     |                                     |                                                                                                                                                         |
|-------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input 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 reconciliation's 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 System Comments:**

All essentials continue to be met. Bank reconciliations are just about completed for the general account. This will bring all months and accounts to current when this action is completed.

**Tax Problems****Essential Indicators**

- | Yes                                 | No                       |                                                                                                                 |
|-------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility has a system to accurately calculate, track, and report payroll tax liabilities.</b>             |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility is current on filing tax reports.</b>                                                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility is current on making tax deposits.</b>                                                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>If there are any past tax liabilities, a repayment agreement has been signed and repayments are current.</b> |

**Tax Problems Comments:**

Tax status in June 2006 reports this City is in compliance.

**Personnel System****Essential Indicators**

- | Yes                                 | No                       |                                                                                  |
|-------------------------------------|--------------------------|----------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <b>The utility has a posted workers compensation insurance policy in effect.</b> |
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**Sustainable Indicators**

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

**Personnel System Comments:**

Essentials continue to be met. The bookkeeper had started reviewing personnel files to make sure the sustainable indicator is addressed this quarter. However, due to end of the year financial reporting, this is being delayed.

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

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### Sustainable Indicators

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|-------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------|
| <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:

All essentials are met. End of the fiscal year has delayed action to the sustainable indicator. However, these will be followed up by RUBA and recommended to finalize to meet all indicators.

## 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 checked="" type="checkbox"/> | <input 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>Community Confidence Report</u> (CCR).                                                                               |
| <input type="checkbox"/>            | <input checked="" 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:

Essentials continue to be met. Merlin Redfox, was scheduled to attend the April 2006 training and take the test but due to a very busy schedule with the Utility, he did not make it. He plans to take his test in October 2006. This utility is listed on the SNC list. STWR and CCR's have not been received this quarter. It will take 12 months before this utility can be returned to compliance from the list. The City had fallen behind on paying for the water testings bills. However, the City Manager informed RUBA that he had approved the check request. As for the CCR, he spoke with John last week about this and John Murphy, Operator was working on these reports. The Manager will follow up on this after the July 4th holiday since the operators are out commercial fishing.

**RUBA Activities For The Coming Quarter**

RUBA will continue to follow up on progress of this organization meeting all indicators. RUBA will provide assistance when requested.

