

False Pass Activity Report

Community Overview

Lead RUBA Staff: Elizabeth Manfred, Anchorage Office

2000 Census Population: 76

Region: Aleutians

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



City provided services include piped water, electric, refuse collection, landfill, public safety office, volunteer fire, dock, airport (state contract), roads, community hall, youth center, boat haul-out, pet registration, driver's licenses, and voter registration. The city also maintains the buildings housing the Post Office, Library, and Clinic.

Water is derived from a nearby spring and reservoir and is treated and stored in a 60,000-gallon tank. Most homes are connected to the piped water system. Almost 80% of the homes are fully plumbed. Many residents have individual septic tanks; wastewater from seafood processing flows directly into an outfall line. Water system improvements and a new landfill are needed. The community is in compliance with DEC water regulations.

ANTHC is the lead agency to administer a DEC \$150,000 grant for a feasibility study to assess options for repair or replacement of the wastewater outfall and an evaluation of the water source to comply with the surface water treatment rule. This grant is also on hold until the city meets certain criteria.

DEC/VSW has funded water system improvements to include design, engineering, and construction to enlarge the dam, reconstruct water collection lines, treatment plant piping and filters, 100,000-gal storage tank, replace water distribution pipes, and upgrade the access trail. The city will use force accounting to manage the projects and plans to begin construction on both this summer.

City administration and utility employees have the management skills to implement any of the above grants.

RUBA Activity This Quarter

RUBA staff received a signed resolution from the city of False Pass approving an agreement of services with the RUBA Program to provide installation and training of QuickBooks Pro 2002 accounting software for the utility system. The city wanted to improve their management skills to enable it to run the upgraded utility as efficiently as possible. The administrator and clerk traveled to Anchorage for the initial QuickBooks training. The city

administrator and city clerk attended the initial QuickBooks training in Anchorage and RUBA staff plus a contractor completed three trips to False Pass for installation of the software and hands on training. The utility clerk requested and received information regarding employee pay without proper documentation for hours worked.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
<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

?	?	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.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	A monthly manager's report is prepared.
?	?	Budget amendments are completed and adopted as necessary.

Finances Comments: The city maintains approximately a substantial balance in a Merrill Lynch account. The utility does not currently maintain a separate repair and replacement reserve account but would have access to city saving in case of emergency expenditures. A balanced budget was adopted by the policy making body and monthly bank reconciliations are completed.

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 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 Comments: QuickBooks Pro 2002 was installed and a standardized chart of accounts adopted. The clerk, who has an accounting degree, requested the new software and training in an effort to generate single invoices for all city services.

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"/>	<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 makes payroll tax deposits each payday.

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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 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 type="checkbox"/>	?	The utility has adequate written job descriptions for all positions.
<input type="checkbox"/>	?	The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.
<input type="checkbox"/>	?	The utility has an adequate written hiring process.
<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"/>	?	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: The city administrator has requested RUBA staff assistance in developing job descriptions and a personnel policy.

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 a adequately trained manager.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a adequately trained bookkeeper.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a 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"/>	?	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 meetings act for all meetings.

Organizational Management Comments: The utility has two certified water operators who share responsibilities for the treatment plant. The utility manager submits a written report and personally attends the meetings of the governing body.

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 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 type="checkbox"/>	<input checked="" 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: The utility has requested assistance in writing a CCR. RUBA staff and Doug Abbas, Remote Maintenance Worker, will assist the utility staff in preparing an inventory control list and a critical spare parts list.

RUBA Activities For The Coming Quarter

The goal for the coming quarter is to continue to provide support for the implementation of the QuickBooks Pro software. A second priority is to assist the policy making body in drafting and adopting current job descriptions and a personnel policy. Mayor Nickels has also requested assistance with legislative drafting guidelines.