

Goodnews Bay Activity Report

Community Overview

Lead RUBA Staff: Tim Troll, Dillingham Office

2003 Population: 230

Region: Dillingham

Local Governments: City, Village Council



The City of Goodnews Bay contracts with the Goodnews Bay Water and Sewer Utility to operate a washeteria and a central watering point, provides for honeybucket haul and has a sewage lagoon. The Goodnews Bay Water & Sewer Utility Board, a non-profit corporation, is the policy making body for the utility. Currently, treated well water is hauled from the new watering point. Honeybuckets are hauled by the City. Most homes are currently not plumbed. A piped water and gravity sewer system, with plumbing for 70 + homes, is under construction.

RUBA Activity This Quarter

There was one trip to Goodnews Bay this quarter in January and several phone contacts with the utility manager and with city staff.

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 type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses. |

Sustainable Indicators

- | | | |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs. |
| <input type="checkbox"/> | <input checked="" 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: Balancing the budget depends upon continuing direct subsidies from both the City and the Traditional Village Council. Payments from the Village and from the City have been sporadic, but apparently have been enough to keep the utility floating. The loss of Revenue Sharing is likely to mean that the City will need bingo receipts to keep its office doors open so will not likely be able to contribute to the Utility. Other than sending monthly bills, no real effort is being made to collect past due accounts. Receivables remain high.

The Tribe has been working with Anthony Caole of Northern Managers and apparently through his efforts are budgeting some of their BIA funds to pay the wages for the water plant operator. If this is ongoing, it could be a significant contribution to the continuing operation of the new water / sewer system.

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 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 type="checkbox"/>	<input checked="" 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 Systems Comments: No new observations. Utility manager is doing most accounting by hand using an Ekonomik Register and Payroll Book and using worksheets on the computer to track customer accounts and calculate 941 and ESC obligations. The Utility manager is keeping the records current and is reconciling the bank account every month. There are not many transactions monthly and a fully computerized system is not necessary.

The utility is not following a collection policy

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 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: Utility is up to date on quarterly reports and is making payroll deposits after each payroll. Prior debt on payroll taxes has been liquidated and a repayment agreement has been negotiated with the IRS.

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

Personnel System Comments: No new observations

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 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<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 meeting act for all meetings.

Organizational Management Comments: Utility manager tells me the Utility Board is now holding meetings once a quarter to save on meeting fees. I have been advised by the utility manager that she plans to quit the job this summer to find work in Anchorage.

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 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 type="checkbox"/> | The utility has a safety manual and holds safety meetings. |
| <input 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 type="checkbox"/> | <input checked="" type="checkbox"/> | The operator provides status reports to the manager on a routine basis. |
| <input type="checkbox"/> | <input type="checkbox"/> | The utility has completed and distributed its <u>Community Confidence Report (CCR)</u> . |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance (SNC)</u> list. |
| <input type="checkbox"/> | <input type="checkbox"/> | The utility maintains an inventory control list. |
| <input type="checkbox"/> | <input type="checkbox"/> | The utility maintains a critical spare parts list. |

Operation of Utility Comments: Items left blank indicate specific knowledge is not available to me. RMW should be able to make assessment. Due to the lack of cash to make payrolls, the Washeteria has been open for limited hours during the quarter.

RUBA Activities For The Coming Quarter

Because of turnover in city personnel the Mayor has asked that I come out to village to help new employees in the city office and to review the budget situation. Trip to be scheduled during coming quarter. Will also check in with utility manager.

Continue to refine the rate analysis for the new water / sewer system with Paul Gabbart at ANTHC. To date have had no success closing gap between anticipated expenses to operate the new system and reasonably expected revenues.