

## Goodnews Bay Activity Report

### General Information:

In early October, RUBA staff Athena Logan talked to the Utility Manager, Dennis Houser, and confirmed the trip scheduled for October 13-15. Dennis explained that the Board Meeting scheduled for October 11th would have to be postponed due to four members not being available. He asked the President to reschedule the meeting and put up new meeting notices. He had not received the agreed upon contribution from the City yet this month, however he attended a City Council meeting and requested the funds again. The Traditional Village Council did make their contribution but only after he made a phone call to the President requesting the money.

The Utility Manager reported that when the surveyors were in town that he spent a lot of time with them. He wondered if the project should be compensating him for this time. RUBA staff explained that sometimes there is a provision for the project to pay for some administrative costs. She also explained that part of his job was to help see that this project was completed and that he was being paid by the Utility Board for that. He said that the Utility Board had paid him for more hours than what was budgeted due to this extra work. RUBA staff suggested that he discuss this with the Engineer and that maybe the extra time he spends can be billed to the project.

In mid October, RUBA staff drafted and sent a letter and a report to the Utility Board, City Council and the Traditional Village Council. The report was on the progress that has been made in Goodnews Bay in the last nine months and recommendations for further activities needed to improve the management of the current utility services and prepare for the operation and management of the new utility services. The letter explained that the most important issue for the Board and the other two Councils to consider at this point, is to increase collection for the current system in order to show the community will support the new system.

In mid October, RUBA staff, Athena Logan, traveled to the community to work with the Goodnews Bay Utility Manager on numerous items listed on the RUBA work plan, including: quarterly financial reports, monthly operations reports, annual operations plans, quarterly tax reports, general office procedures, and to review previous training activities for possible follow-up.

In mid October Local Government Specialist, Ken Berlin, traveled to the community to assist the City of Goodnews Bay. First he did a Management assessment with Mary Brown, Administrator, Eleanor Chinglak, Clerk and Dorothy Galila, Mayor. His finding are as follows:

Capital Matching Grants: The City missed the FY99 filing deadline for this program. Lena Simmons of DOA filed an application for City. City is upgrading the Cable T.V. with

that money. City also missed FY00 filing deadline. Staff needs to train Mary on how to file monthly financial reports on cable upgrade project.

FY00 budget was completed and sent to Bill Rolfzen in the Juneau office, however they could not locate the budget in City files. Monthly financial reports not being done and budget not referred to by Council or Administration. RUBA staff needs to set up and train Mary on this.

City has a Personnel Policy Manual set up by AML, but City administration not following and staff does not know of its existence. Recommended that Mary check to see if it was adopted by ordinance and to let other staff members know about it and start using it.

City using Quicken and manual registers to keep track of City finances, but they are not being used properly. Entries are categorized wrong and not according to budget. Need to correct entries using budget categories.

Cash receipt system is one book with carbon copies for all Depts., hard to find and verify where funds came from especially when checks were cashed using funds from different sources. Recommended City not cash checks anymore from public and exchange cash for checks from local store. Also get NEBS receipt book for each account.

Registers not reconciled with bank statements. Mary and Eleanor both need to be trained on this and get books reconciled.

Mayor is being paid full time, but not coming into office. Recommend Mayor fill out time sheets as any other staff member and to either pay back City for past paychecks or work out the difference.

Reconciliation and monthly financial reports - The bank accounts in Goodnews Bay have not been reconciled for years, Ken Berlin, RUBA staff, spent a day and a half training Eleanor. They got July, August, and September completed. The accounts did not balance. Eleanor needs to make adjustments in October to balance with the bank statement.

In early November, Ken Berlin, returned to Goodnews Bay to work further with the City. They worked on the monthly financial statements for July and August, Eleanor needs to do September and October and send the reports to the Bethel office. Ken set up the Ekonomik check register according to the budget and instructed Eleanor how to do her entries correctly.

City also keeps records in the Quicken program, but some entries were not in the right categories and/or not in the budget. They made a copy of the records and Ken worked on them and made changes to the categories. They did not have time to go over the changes on this trip, so Ken left the disk with Eleanor and asked her to look at the changes and call.

Staff called Lena Simmons, Dept. of Administration to get updated on the Matching grants the City currently is working on. They received balances, financial reports, and other things need to be done for each project.

In mid-November Athena Logan, RUBA staff from Anchorage, talked to the Utility Manager and discussed the progress he has made on the list of items to do. He has completed the majority of the list. Only three items needed to be completed. We also discussed the draft budget for next year and plans for RUBA travel in December to Goodnews Bay to attend the scheduled Utility Board meeting. The Utility Manager sent a financial report covering the months of July to October and relayed information regarding the actual fuel use in the

washeteria during that time. It seems that the facility is using much less fuel than the City staff had estimated that it did. The fuel delivered last summer may last two years or more based on these numbers. This is good news for the Utility Board, however they must still budget to pay for all the fuel that was ordered and delivered last summer.

The Utility Manager reported that the Watering Point had been moved and the meters had been installed on the fuel lines. The meters are not working because of the low flow. Customers are complaining that the watering point no longer allows them to pull up to it with an ATV to fill up.

In mid-November, Athena Logan, RUBA staff from Anchorage, sent to the Utility Manager a copy of the draft budget recommendations, a sample budget narrative explaining the calculation and a breakdown of the numbers by the type of service provided.

In early December, Ken Berlin, of the Bethel staff, did a follow-up call on the last trip he had taken. He followed up with Mary to see if they did the monthly financial reports, reconciliation, and budget amendments for October 1999.

In mid-December, Athena Logan, RUBA staff from Anchorage, traveled to Goodnews to work with the Utility Manager and Utility Board. The following items were completed during this trip. The FY2000 Budget was passed by the Utility Board, the Utility Manager prepared new spreadsheets for FY2000 Payroll and Washeteria Income, we reviewed the Quicken files and the Excel file and corrected a few errors. The Utility Manager reported that the new operator has gone to classes and passed the test of Operator In Training (OIT) Certification. The Board approved an increase in pay for the operator based on his becoming OIT certified. The contributions from the City and the Traditional Village Council were all paid up to date.

In mid December, Ken Berlin, of the Bethel staff, also traveled to Goodnews to work further on the monthly financial reports and reconciling. They completed the monthly financial reports and reconciled the books up to November 99. Both Mary Brown and Eleanor Chingalak are trained.

## **Observations and Recommendations:**

Finances — The washeteria revenues are not enough to cover the expenses with the current operating system and rate structure. The Utility Board is continuing to receive contributions from the City and the Tribal governments. The City is continuing to have financial problems. They have been receiving much needed technical assistance with budgeting and accounting processes.

Accounting Systems — All the necessary accounting systems are in place and the Utility Manager has been trained to use them. The systems are set up for the new fiscal year and the Utility Manager should not have any trouble using them. RUBA staff will continue to monitor the system to see if any changes need to be made or if further training is needed.

Tax Problems — There are no tax problems. The Utility Manager knows how to deposit the payroll taxes and can file the required quarterly reports with the Internal Revenue Service and the Alaska Department of Labor.

Personnel System — The new Operator has had on-site training and has gone to training sessions in Bethel. He has passed his OIT test.

Organizational Management — There is one person who is responsible for overseeing the day-to-day management of the utility. There are Rules and Regulations for the Utility in place and Personnel Policies and procedures have been adopted.

Leadership/Governance — The Utility Board is a recognized non-profit corporation. Its' Articles of Incorporation have been reviewed and approved by the Department of Commerce. The Board has approved the Bylaws. The Board continues to hold meetings monthly. Both the City and Traditional Village governments recognize it as the local organization that will manage and operate the system. The City and Utility Board have signed a management agreement to formalize the understanding that the Utility Board will operate and manage the City's property. The Utility Board has reviewed and approved the rules and regulations governing the operations, maintenance and management of the utility.

Operation of Utility — The new operations staff has received training operating the water plant and washeteria equipment. The office equipment is operating properly and staff have been trained how to use it.

**Ranking**     1 = Inadequate  
                   4 = Adequate to meet minimum requirements  
                   7 = Exceeds requirements

Category	1	4	7
Finances		X	
Accounting Systems			X
Tax Problems			X
Personnel System			X
Organizational Management			X
Leadership/Governance			X
Operation of Utility		X	