

Goodnews Bay Activity Report

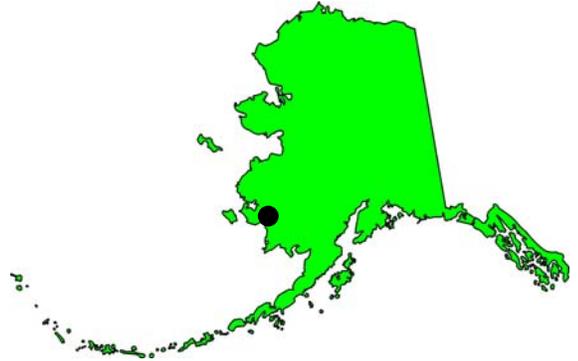
Community Overview

Lead RUBA Staff: Ralph Andrew, Dillingham Office

2003 Population: 230

Region: Dillingham

Local Governments: 2nd Class City



The City of Goodnews Bay contracts with the Goodnews Bay Water and Sewer Utility to operate a washeteria and a central watering point, provide for honeybucket haul, and has a sewage lagoon. The Goodnews Bay Water and Sewer Utility Board, a non-profit corporation, is the policy making body for the utility. Currently, treated well water is hauled from the watering point at the washeteria/clinic facility. Most homes are currently not plumbed. A piped water and gravity sewer system with plumbing for 70 + homes is under construction; homes are expected to be plumbed including installation of fixtures.

RUBA Activity This Quarter

RUBA continues to provide technical assistance to the utility with short- and long-term matters including cash flow analysis, debt repayment, 2005 budget drafting, and utility fee collections. Fixed expenditure debt including electricity and water lab testing continues to grow while revenues remain flat and variable. Low honeybucket haul fee collections, about 15%, may be attributable to the absence of consistent monthly billing by the utility. Roughly \$400 was stolen from the laundry office; Trooper's investigation is ongoing. Four new washers and an extractor were installed; new dryers are expected shortly. RUBA traveled to Goodnews Bay in late April 2005 to provide assistance to the utility, city, and tribe at their request. The tribe has still not set a date to assume management of the utility. In June, ANTHC procured the services of Northern Managers, a consultant with knowledge of the community, to develop the business plan, a special grant condition. During the quarter RUBA interacted with the city staff and council to encourage capacity development. RUBA assisted the city with payroll inquiries, land planning, travel policy recommendations, and bingo gaming management recommendations. RUBA also attended a tribal council meeting at the tribal president's request to provide an update on utility management issues.

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:

The utility's efforts to collect past due accounts remains sporadic. Accounts receivable remains above \$25,000. Washeteria revenues remain stable. Payroll expenditures appear to be paid before other ongoing expenses including electricity, insurance, and water lab testing. AVEC reportedly gave the utility a shut off notice but partial payments have temporarily satisfied AVEC's demands for payment of past debt. Subsidy payments from the city and tribe remain variable and have not materialized as expected. RUBA has emphasized the importance of monthly reports; the utility board has still not adopted a FY 2005 operating budget. The utility manager is reportedly consulting ANTHC statewide utility cooperative staff to learn more about their billing and accounting services. The city is contemplating donating fuel to the utility for laundry dryer operations.

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 type="checkbox"/> | <input checked="" 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:

Accounting and recordkeeping appears consistent and thorough. However, the manager did not send monthly utility bills consistently during the quarter.

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:

Quarterly reports and payment of tax liability are timely according to the utility manager.

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:

The current personnel policy appears adequate and the worker's compensation policy is posted. Utility manager has declined training opportunities and plans seek other employment but has not issued a resignation date. RUBA encouraged the manager to train a replacement and offered to assist with a transition plan.

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:

The utility manager again voiced the desire to resign during the April 28 quarterly board meeting. The manager again declined RUBA utility management training opportunities though one city and one tribal representative attended a RUBA introduction to utility management training event. Concerning the apparent dissolved status of the non-profit utility, RUBA has reminded the utility president several times to review the status and plan accordingly.

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 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 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 type="checkbox"/> | <input checked="" 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</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:

Honeybucket haul staff requested and received Tyvek suits from the Bristol Bay Area Health Corporation (BBAHC) RMW program. RUBA has offered to provide assistance in the development of a honeybucket haul operations and maintenance plan. The water operator was provided another opportunity to work part time on the sanitation project during the summer months; the backup water operator remains available for operations and maintenance according to the utility manager.

RUBA Activities For The Coming Quarter

RUBA is providing ongoing support and assistance to the utility, city, and tribe. The tribe is reportedly contemplating management of the existing and future water/sewer utility though a date has not been announced. RUBA will continue to monitor RUBA Assessment indicators and provide technical assistance. The utility board plans to meet July 7, 2005 for its quarterly meeting; RUBA will make agenda recommendations and attend upon request.

