

Hooper Bay Activity Report

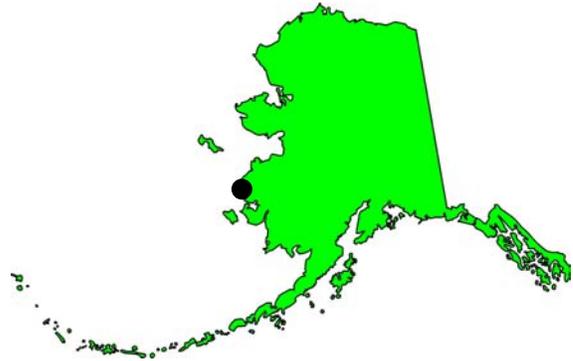
Community Overview

Lead RUBA Staff: Marita Hansen, Bethel Office

2001 Population: 1,014

Region: Yukon-Kuskokwim Delta

Local Governments: Second Class City



The City of Hooper Bay operates multiple watering points, operates a honeybucket haul service and sewage lagoon. The City Council is the policy making body for the utility.

Residents currently haul treated water from the washeteria or other watering points. Three new wells were drilled in 1997, 3 miles northeast of town. The school uses its own water system. Honeybuckets are dumped at collection points, then hauled by a 4-wheeler and trailer. The large majority of homes are not plumbed, with the exception of the new HUD housing subdivision, which uses a flush/haul system. The City is beginning major improvements for a piped water and sewer system. A new water treatment/washeteria facility is under construction. Access roads and construction pads are completed. The landfill was expanded in 1997, and includes a new sewage lagoon; the combined site is nearly 20 acres in size.



*New Water Treatment Plant
June 4, 2002*

RUBA Activity This Quarter

RUBA staff continues to work with this community despite the halting of the VSW water plant project. The project came to a halt on May 31, 2002. The city had not met one of the conditions of the grant agreement. These conditions included having 50% of the customers current with their accounts. RUBA staff traveled to the community this quarter with the Village Safe Water Director, a VSW engineer and Paul Weisner, CE2 Engineer. A public meeting was scheduled by the city council to explain why the project was halted. Village Safe Water will start the project again once the residents consistently pay their tariff bills each month and the city meets the 50% collection condition of the grant. Monthly financial reports

are to continue being sent to DCBD Bethel Regional Office and VSW, Roger Burleigh, in order to follow any progress.

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 type="checkbox"/>	<input checked="" 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 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 FY02 utility budget was reviewed by RUBA staff and recommendations were given to the city. However, recommendations on the FY 2002 budget were not followed through. According to the administrator, it was too close to the end of fiscal year and preparations to put together the FY03 budget was a priority, the city decided to show the amendments for this FY03 budget instead.

The collection of the sanitation tariff is currently in the 30% range. The city continues to encourage and educate the residents on the tariff. Residents are slowly making efforts to pay their bills.

A copy of the FY03 budget has not been submitted to RUBA staff. However, since it is being prepared and near completion, the administrator said he would make this available as soon as it is complete. The first reading of the budget showed a huge deficit amount. The administrator has reduced this amount to a minimal. RUBA staff look forward to seeing a copy.

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 type="checkbox"/>	<input checked="" 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 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 Comments: There were discrepancies in the QuickBooks chart of account system earlier in the year. Recommendations were made by RUBA staff to amend the class section of the accounts. This has been an on-going process as we review reports, questionable items are looked into and recommendations made which have been followed through by the bookkeepers.

The city uses a NEBS cash receipt system. They do not however record all departments and revenue generating accounts in the spreadsheets. This has been a recommended change for several years. Showing all revenue accounts would greatly simplify the preparation of and increase the accuracy of their monthly financial reports.

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 type="checkbox"/>	<input checked="" 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 only tax notice that the city has received was for a late deposit penalty. Recommendation to switch to electronic depositing is still on-going. Other than this the city is up to date with filing and deposits.

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"/>	<input checked="" 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 city has procedures they follow, however, they use a previous personnel policy from previous years where the adoption and signatory page has never been found. The current council has mentioned that this needs to be reviewed and amended to current operations. They do have personnel files, however, they do not contain all the necessary items. RUBA staff recommended the administrator have his staff put together a check list of all employees and identify what they have in their files and what is missing. Then have each employee fill out what is needed for the files.

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

Organizational Management Comments: The DCBD Bethel Regional Office staff provided a two day elected officials workshop in the community last quarter where an organizational chart was part of the session. The council has yet to sit down and put together this chart and adopt it. The city council is making efforts at educating the residents on the importance of paying their sanitation bills. It is important for the customers to develop this habit now.

Once the new water & sewer system is fully constructed, collection of user fees will become critical to the long term sustainability of the system.

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.

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 (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 administrator has to review the existing manuals to see if there is a safety manual for the city utility. The washeteria which is in full operation has its own safety manual. There is an O&M manual for the new utility project. They do not yet have an inventory control and critical spare parts list.

RUBA Activities For The Coming Quarter

The goal this coming quarter is to monitor:

- ✓ The completion of the FY 2003 budget and get a copy for the Bethel office files.
- ✓ Review the budget and find out what the council plans to do toward the deficit.
- ✓ Make recommendations and schedule a trip in the Fall to help them identify resolutions to the deficit.
- ✓ Continue requesting monthly financial reports. Make sure a copy is sent to VSW.
- ✓ Keep tabs on the sanitation tariff. Reaching the 50% collection rate to meet one of the conditions of the grant agreement is essential to having the project started again.
- ✓ Make sure the NEBS cash receipt system is being used properly to help keep track of revenues received every month.
- ✓ Have adequate job description written for all employees.
- ✓ Recommend the council review, amend and adopt a personnel policy which identifies all personnel indicators.