

Kaltag Activity Report

General Information:

Kaltag personnel are scheduled to attend a Quick Pro computer training class in Fairbanks this Fall. So far, personnel have been hesitant to set up the computer with the new program. This should change after the class. Personnel have also been informed by John Fischer, RUBA staff in Fairbanks, that the setup is a high priority and could fall under RUBA contracting funds. Meanwhile, Kaltag continues with the Model Financial Record Keeping System (MFRKS) hand ledger system. Kaltag has been with this system for some time and they do excellent bookkeeping. The hand system is getting too cumbersome for the limited staff available vs. the greatly expanding accounting activities.

An accounting setup and networking is scheduled for Kaltag in the Spring of '00 and it is anticipated that this will bring the accounting up on the Quick Pro. Also, as a condition of the loan on the fish plant Kaltag has agreed to do an annual audit. The status of the fish processing plant and subsequent agreements have been going back and forth for some time and are finally in the process of being solidified.

Observations and Recommendations:

Finances — Kaltag finances remain in good shape, however utility cash flow is still a problem. The community has operated under an Alaska Native Health Board (ANHB) grant which assisted in paying wages for attendants and operator. Kaltag still needs to enact a new agreement with the school. When this agreement is signed it should go a long way towards stabilizing the utility's finances.

Accounting Systems — Kaltag has a very good hand ledger MFRKS system. They have been reluctant to make the transition to computerized accounting largely do to fear of the unknown. They realize, however, that either the transition must be made or additional bookkeeping staff hired. Kaltag management and staff forwarded a letter to RUBA requesting assistance in the accounting setup, which has been scheduled for late Fall or early Spring.

Tax Problems — RUBA personnel worked with the Fairbanks IRS field office on a very small tax lien which was keeping Kaltag from obtaining fish plant financing. This lien was the result of Kaltag depositing monthly instead of with each payroll. The problem was corrected and the financing approved.

Personnel System — A lot of misunderstanding about who reports to whom. Kaltag basically operates on an informal personnel organizational chart which generally works well. However, there is some confusion regarding the water/sewer and other department heads. This will continue to be a high RUBA priority until the problem has been completely worked through.

Organizational Management — Very good, except for the problems noted in the personnel system, above. These problems make the organizational chart confusing at times.

Leadership/Governance — Good. Longtime Mayor with good working relationship towards all staff. However, the problems with the personnel system do need to be dealt with at some point.

Operations of Utility — No school agreement as yet. School agreement is an informal arrangement, which consists of the school paying some of the utility’s power bills. This agreement needs to be formalized with a fee arrangement and this will continue to be a high RUBA priority. Kaltag also needs some additional work on the water/sewer ordinance to clarify the point of connection. Overall, Kaltag’s water/sewer ordinance and code of ordinances in general receive high marks.

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	