

Kipnuk Activity Report

Community Overview

Lead RUBA Staff: Ken Berlin, Bethel Office

2003 Population: 649

Region: Lower Kuskokwim

Local Government: Tribal Council



The Traditional Council is the policy making board for the utility. They operate the Water Treatment Plant and central watering point. People haul their own water.

Also there are two new water storage ponds. There are several sewage bins located around the village and these are emptied with carriage trailers. The Village has plans for a new washeteria and piped water and sewer system.

RUBA Activity This Reporting Period

Ken traveled to Kipnuk on 1/13/04 and worked with Jimmy Paul, Administrator, and Pauline Kiunya, Bookkeeper, on the FY04 budget. Mike MarcAurele, ANTHC Engineer for Kipnuk, was also present in the village and was updated on the budgeting progress.

Ken worked with Jimmy via the phone and fax on the draft FY04 budget and RUBA assessment update. The draft budget is not balanced and in the red. Jimmy finally got it balanced on 2/6/04 and is waiting for Council approval. The Council finally approved the FY04 budget on 2/25/04.

Mike MarcAurele, ANTHC, and Jimmy Paul, Administrator, called about doing utility billings on the Cougar Mountain accounting system. They also requested information on the NEBS receipt system. I requested a copy of a billing statement and also explained what and how the NEBS receipt system works.

Ken e-mailed Pauline the new chart of accounts for QuickBooks Pro.

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

Sustainable Indicators

- The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs.
- YTD revenues are at a level equal to or above those budgeted.
- YTD expenditures are at a level equal to or below those budgeted.
- A monthly manager’s report is prepared.
- Budget amendments are completed and adopted as necessary.

Finances Comments: Administration has adopted the 2004 budget, which includes all departments under KTC. Presently, KTC is charging \$5.00 per month with sales tax subsidy to operate the sewer haul system and pump house.

Accounting Systems

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input 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

- A chart of accounts is used that identifies categories in a reasonable, usable manner.
- Monthly bank reconciliations have been completed for all utility accounts.
- 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: The Tribe has a collection policy and is charging for services and doing billings. It was recommended to change over to NEBS cash receipt system, which allows totaling receipts by account code and cross checking with bank deposits.

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 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: As stated in the Accounting Systems section, the TKC bookkeeper calculates, tracks, reports and pay payroll tax liabilities.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adequate written job descriptions for all positions. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation. |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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: None.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | The policy making body enforces utility policy. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequately trained manager. |
| <input checked="" type="checkbox"/> | <input 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 KTC owns and operates the water pump house and sewer haul system. The KTC is the policy making body for the utility. The 2004 budget is adopted. The KTC appears to be active in making policy for the utility.

The Tribal Administrator started working for TKC in November 2003. His experience is in the military working as a supply officer. The utility has adequately trained operators. The main operator is not certified, but is working towards and has experience. Back-up operator is OIT certified in water treatment and water distribution.

The Tribe has adopted a water utility ordinance that gives it the authority to operate, and it covers most of the aspects needed in a utility ordinance. Along with a collection policy, the ordinance includes policies on service area, level of service, customer agreements, the utility’s responsibilities, the customers’ responsibilities, billing procedures, shut-off procedures, and penalties for violating provisions of the ordinance.

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 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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 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 operators are working on achieving the necessary certification to operate the current utility. The KTC Administrator is not aware of any existing inventory control list or spare parts list.

RUBA Activities For The Coming Quarter

- ✓ Rate study to determine cost of utility’s operations including pump house.
- ✓ Change current cash receipt system to NEBS.