Kipnuk Activity Report

Community Overview

Lead RUBA Staff: Ken Berlin, Bethel Office

2003 Population: 649

Region: Lower Kuskokwim

Local Government: Traditional Council

A new 210,000 gallon water storage tank is filled from a reservoir on a nearby lake; residents haul treated water from several watering points. Honeybuckets are hauled by the village to a sewage lagoon. Homes are not plumbed. Construction has begun on infrastructure improvements, including a new reservoir pumphouse, a water treatment plant and sewage lagoon. The Village Council collects refuse and maintains the Class III permitted landfill. The Kipnuk School needs additional funds to complete its bio-pure sewage treatment plant and increase storage capacity.

RUBA Activity This Reporting Period

Ruba regional staff traveled to Kipnuk and completed an Assessment of Essential Management Capacity report. The accounting system is being converted to QuickBooks Pro. The Local Native Corporation accountant who works with QuickBook Pro is working with KTC to install the software and train staff.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
☒	☐	**All revenue and expenses for the utility are listed in the utility budget.**
☒	☐	**The utility has adopted a balanced realistic budget.**
☒	☐	**Monthly financial reports are prepared and submitted to the policy making body.**
☒	☐	**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	
☒	☐	**The utility has adopted a collection policy and actively follows it.**
☒	☐	**The utility bills customers on a regular basis.**
☒	☐	**An accounts receivable system is in place which track customers and reports past due accounts and amounts.**
☒	☐	**An accounts payable system is in place.**
☒	☐	**The payroll system correctly calculates payroll and keeps records**
☒	☐	**A cash receipt system is in place that records incoming money and what it was for.**
☒	☐	**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	
☒	☐		**The utility has a system to accurately calculate, track, and report payroll tax liabilities.**
☒	☐		**The utility is current on filing tax reports.**
☒	☐		**The utility is current on making tax deposits.**
☐	☐	☒	**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	
☒	☐	**The utility has a posted workers compensation insurance policy in effect.**

Sustainable Indicators

☒	☐	The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language.
☒	☐	The utility has adequate written job descriptions for all positions.
☒	☐	The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.
☒	☐	The utility has an adequate written hiring process.
☒	☐	The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance.
☒	☐	The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations.
☒	☐	The utility provides training opportunities to staff as needed and available.

Personnel System Comments:

None.

Organizational Management

Essential Indicators

Yes	No	
☒	☐	**The entity that owns the utility is known and the entity that will operate the utility is set.**
☒	☐	**The policy making body is active in policy making of the utility.**
☒	☐	**The policy making body enforces utility policy.**
☒	☐	**The utility has an adequately trained manager.**
☒	☐	**The utility has an adequately trained bookkeeper.**
☒	☐	**The utility has an adequately trained operator(s).**
☒	☐	**The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.**

Sustainable Indicators

☒	☐	The utility has adopted an organizational chart that reflects the current structure.
☒	☐	The policy making body meets as required.
☒	☐	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	
☒	☐	**The utility operator(s) are actively working towards necessary certification.**
☒	☐	**The utility has a preventative maintenance plan developed for the existing sanitation facilities.**

Sustainable Indicators

☐	☒	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.
☒	☐	The utility has a safety manual and holds safety meetings.
☒	☐	Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
☒	☐	The utility is operating at the level of service that was proposed.
☒	☐	The operator provides status reports to the manager on a routine basis.
☐	☒	The utility has completed and distributed its Community Confidence Report (CCR).
☐	☒	The utility is not on the Significant Non-Compliance (SNC) list.
☐	☒	The utility maintains an inventory control list.
☐	☒	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. Travel and update RUBA assessment.