

## Kwethluk Activity Report

### Community Overview

Lead RUBA Staff: Johnny Evan, Bethel Office

2001 Population: 713

Region: Lower Kuskokwim

Local Governments: Second Class City



The City of Kwethluk operates the central watering point where residents can come and haul their own water. The City also maintains multiple watering points in the City. They also provide a honeybucket haul service to the sewage lagoon. The City Council is the policy making body for the utility.

The washeteria and water treatment plant was recently rehabilitated. The school and teachers' housing have individual systems. Honeybuckets are hauled to a sewage lagoon. Very few homes have running water or plumbing for showers, but many residents have steambaths. Planning and engineering of a piped water and sewer system is underway.



### RUBA Activity This Quarter

Travel to the community was minimal as the utility staff is unresponsive to the repeated requests by RUBA staff for required documents needed to assess the training needs of the staff.

## Capacity Indicators

### Finances

- | 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. |

**Finances Comments:** A utility budget has never been created. The utility bills residential customers, but they have a very low collection rate. There has been community education meetings to explain why the residential customers have to pay for services but it doesn't seem to make any difference. Contribution of funds as promised by the two local governing bodies are infrequent. The utility holds quarterly fiddle dance fundraisers to meet its operational and maintenance expenses.

### 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | An accounts receivable system is in place which track customers and reports past due accounts and amounts. |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | An accounts payable system is in place.  |
| <input type="checkbox"/>            | <input checked="" 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.                               |

**Accounting Comments:** There is a collection policy in place, but it is never enforced. The utility organization has a manual accounting system that makes it very time intensive to keep track of paying residential customers. Payroll is done with the right calculations, but there is no follow through when it is time to pay payroll taxes. Revenue received is not properly expensed as there is no budget. There is no chart of accounts in place to categorize the job listing for the utility.

### Tax Problems

#### Essential Indicators

- | Yes                      | No                                  | NA                                  |  |
|--------------------------|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |                                     | The utility has a system to accurately calculate, track, and report payroll tax liabilities.             |
| <input type="checkbox"/> | <input checked="" 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 utility organization is behind in its payroll & payroll tax liabilities.

### Personnel System

#### Essential Indicators

Yes No

The utility has a posted workers compensation insurance policy in effect.

**Personnel System Comments:** The utility is separate and has not acquired a workers compensation for its employee's. An evaluation process does not exist despite the presence of job descriptions for its employee's.

### 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 a adequately trained manager.

The utility has a adequately trained bookkeeper.

The utility has a adequately trained operator(s).

The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.

**Organizational Management Comments:** The utility board is active in making decisions for the utility commission, but key staff have a problem implementing the scope of work required. Sample documents were sent to the community for their use in developing the required documents.

### 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.

**Operation of Utility Comments:** The utility has its own checklist, but it is never reported to the utility manager. The operator performs the daily, weekly, and monthly maintenance items as required. The utility manager does not hold any safety meetings with its employees, they are expected to know how to operate in a safe manner. Services are performed by the operators as proposed by the level of service, despite the funding increment. The operators provide a status report to the utility manager, and that is as far as they go. The utility has never completed a CCR. It does not maintain any inventory and/or critical spare parts. Parts are ordered when needed.

## **RUBA Activities For The Coming Quarter**

The goal for the coming quarter is to contact the utility board and the city and make a recommendation to replace the utility manager with someone who will be effective.