

Manokotak Activity Report

Community Overview

Lead RUBA Staff: Ralph Andrew, Dillingham Office

2003 Population: 405

Region: Dillingham

Local Governments: 2nd Class City



The city operates two water/sewer systems in Manokotak, one at the village site and another at the Manokotak Heights area. Water is derived from two wells, is treated and stored in a 150,000-gallon water storage tank. A piped water and sewer system, constructed in 1972, serves 68 households and the school with complete plumbing. Two homes and a duplex have individual wells. Manokotak Heights, located 4 miles to the south, is served by a well and treatment system, but water shortages have occurred. New HUD housing units were built in 2000, and additional units are planned. The school, located in the Heights area, operates its own water and sewer system serving the school and one teacher housing unit. A feasibility study to examine water, sewer and landfill improvements was completed in late 2004.

RUBA Activity This Quarter

Dillingham Regional Office RUBA staff provided technical assistance to the city on topics including grants management and general government. The City, in conjunction with VSW, continues to plan the renovation of a community-wide piped water and sewer system. RUBA conducted a RUBA assessment, a VSW special grant condition, in late 2004 and identified several areas for improvement. The utility does not meet all of the Essential Capacity Indicators and has made significant progress in addressing deficiencies: the city adopted an improved water/sewer ordinance that includes a general collection policy, amended the water/sewer operations budget, identified the sanitation operations and maintenance plan, and is currently revising their cash receipts and disbursement system.

Capacity Indicators

Finances

Essential Indicators

- | 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 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

- | | | |
|-------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | YTD revenues are at a level equal to or above those budgeted. |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | Budget amendments are completed and adopted as necessary. |

Finances Comments:

The city amended the water/sewer budget for FY 2005. Budgeted revenues are roughly \$89,000; budgeted expenditures are roughly \$25,000. Budgeted collections of past due debt of roughly \$43,000 appear optimistic. The revised expenditure budget appears more comprehensive though it does not contain items such as lift station electricity and small tools but the amendment is an improvement. RUBA will offer review of the FY 2006 budget upon request. RUBA will continue to provide input into the development of a more comprehensive chart of accounts.

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 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

- | | | |
|--------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | A chart of accounts is used that identifies categories in a reasonable, usable manner. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Monthly bank reconciliations have been completed for all utility accounts. |
| <input type="checkbox"/> | <input checked="" 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 Systems Comments:

The city's new water sewer ordinance addresses collections in the Billing and Payment section; RUBA awaits confirmation of collection policy compliance. City staff planned to go house to house to collect customer agreement signatures. City staff appear proficient with Quickbooks and is considering improved Accounts Receivable and Accounts Payable tracking in response to RUBA recommendations.

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:

The city calculates, tracks, and reports payroll tax liabilities primarily with Quickbooks accounting software. Tax payments and reporting appeared timely during the assessment in late 2004 and will be reviewed again to assess compliance.

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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has an adequate written hiring process. |
| <input type="checkbox"/> | <input checked="" 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:

Essential Indicators are met. The city's Workers Compensation policy through AML/JIA posted is in effect through June 2005.

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 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 meeting act for all meetings. |

Organizational Management Comments:

Organizational management appears sound. Staff appear fairly proficient with Quickbooks, but due to turnover in the bookkeeping clerk role, RUBA continues to recommend Quickbooks training.

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 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</u> (CCR). |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility is not on the <u>Significant Non-Compliance</u> (SNC) 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 city identified the operations and maintenance plan including the preventative maintenance. The plan includes a critical spare parts and inventory control list. The continue to review the plan to ensure it is current. The city's two water/sewer systems remain listed in the April 2005 DEC Significant Non-compliance list but they are reportedly working toward compliance.

RUBA Activities For The Coming Quarter

RUBA will continue to provide assistance to the city as they actively address RUBA assessment with a focus on essential capacity indicator recommendations. The fishing season has started and it is expected that the city administrator, RUBA's primary point of contact at the city, will be on leave for several weeks. RUBA will offer review of the FY 2006 water/sewer budget upon request.

