

Manokotak Activity Report

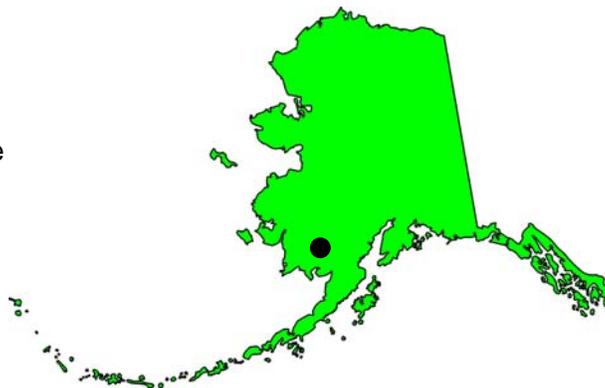
Community Overview

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

Manokotak's city administrator left city employment near August. The city hired a new administrator with tribal administrator experience. The outgoing administrator provided some orientation and training to the new employee in the transition. Also, a new bookkeeper was hired who also possesses some tribal administrator experience. During the transition period, RUBA provided assistance to the mayor with ongoing matters including RCA provisional certification, water/sewer ordinance drafting, and Energy Assistance preparation including budgeting. RUBA contacted the new administrator to follow up on recent inquiries from the city clerk concerning elections and shared information and recommendations on items identified as priorities by the administrator including RUBA assessment follow up, RCA provisional certification progress, accounting support, and training opportunities. RUBA Assessment indicators remain unchanged since last quarter. The administrator and mayor are reviewing the latest water/sewer ordinance to ensure it is compliant with Regulatory Commission of Alaska guidelines. Progress slowed over the summer but the new administrator sounds willing and able to resolve outstanding assessment indicators. The proposed project to renovate the existing piped water/sewer system still appears to be in the early stages and is expected to receive Village Safe Water funding. According to an ADEC report on August 26, 2005, both of the city-operated water systems are identified on the Significant Non-compliance List. In summary, the Manokotak Heights water/sewer system #AK2262246 was listed for matters including Radiological sampling and other tracking documentation. The second system, #AK2260090 was listed for similar concerns. Concerning the public school's private system, the Southwest Region School District Manokotak Heights School was also listed for matters including operation period documentation and BacT sampling requirements. Concerning winter fuel supplies, the community's primary fuel vendor, the village corporation is facing financial challenges and may be unable to stock up on a sufficient quantity of fuel. Residents are having fuel flown in but hope to see a barge delivery shortly. Fuel prices in the region are higher than prior years; RUBA encouraged the city to explore options via the Small Municipality Energy Assistance Program.

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; the city has reportedly adopted the 2006 budget. 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 continue to explore improved methods of tracking Accounts Receivable and Accounts Payable.

Tax Problems

Essential Indicators

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

Personnel System Essential Indicators are met. RUBA will confirm the city's Workers Compensation policy is current.

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:

Due to turnover in the bookkeeping clerk role, RUBA will continue to recommend Quickbooks training which, according to the new administrator, is desired by city staff.

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 August 26, 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 and will plan travel to the community upon request.

