

McGrath Activity Report

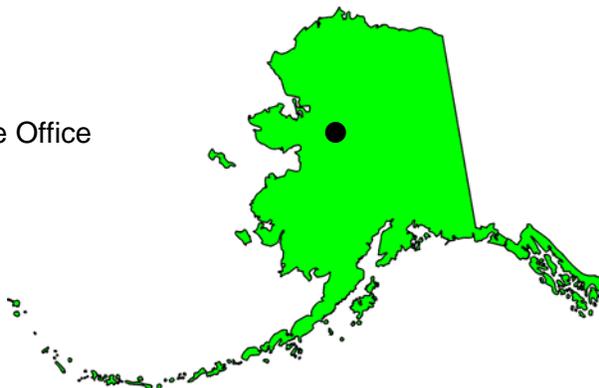
Community Overview

Lead RUBA Staff: Tammy Helms, Anchorage Office

2003 Population: 415

Region: Interior

Local Government: 2nd Class City



McGrath operates a piped water system that serves nearly all 178 households; a few homes have individual wells or haul water. The FAA operates its own water system. The majority of residents use individual septic tanks; a limited City sewage system serves approximately 34 homes. Funds have been requested to expand the piped sewer system to the 144 houses and businesses currently using septic tanks. A private firm, McGrath Trash and Refuse, collects refuse for disposal at the City landfill.

RUBA Activity This Quarter

Although no site visit was planned in November, RUBA staff, in failed efforts due to weather to get to Takotna, had the opportunity to meet with the City of McGrath Administrator while on weather hold for Takotna. A site visit is planned in March to complete a RUBA assessment and provide support in drafting and revising the city code as requested by the administrator.

Capacity Indicators

Finances

Essential Indicators

- | Yes | No | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has all revenue and expenses for the utility 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 current in paying all water/wastewater electric bills. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has on hand a year’s adequate fuel supply or it has financial plan to purchase an adequate. |
| <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 type="checkbox"/> | <input checked="" 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 checked="" type="checkbox"/> | <input 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:

RUBA staff did not receive documentation this quarter to substantiate the above indicators. A trip is planned to complete a reassessment next quarter.

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 to track customers, and to report 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 that allow staff to complete payroll tax reports and deposits on time. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The Utility has a cash receipt system that records incoming money. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The Utility has a cash disbursement system that records how money was spent. |

Sustainable Indicators

- The utility has a chart of accounts that identifies categories in a reasonable, usable manner.
- Monthly bank reconciliation's have been completed for all utility accounts.
- The utility has implemented a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts.

Accounting Comments:

RUBA staff turnover and reassignment of this community resulted in no site visit this quarter. A trip is scheduled to McGrath in March.

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:

There are no known tax problems or issues with the city.

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:

McGrath continues to carry Worker's Comp with AML/JIA.

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. (i.e. sets rates appropriately, passes budgets timely, adopts policies, plans and considers other matters brought before it).**
 - The policy making body enforces utility policy.**
 - The utility has an adequately trained manager (does not have to have the title but does the job responsibilities).**
 - The utility has an adequately trained bookkeeper (does not have to have the title but does the job responsibilities).**
 - The utility has an adequately trained operator(s) (does not have to have the title but does the job responsibilities).**
 - The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.**
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Sustainable Indicators

- The utility has adopted an organizational chart that reflects the current organizational structure.
- The policy making body meets as required.
- The utility complies with the open meeting act for all meetings.

Organizational Management Comments:

The position of plant operator has been filled.

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 type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has a preventative maintenance plan developed for the existing sanitation facilities. |

Sustainable Indicators

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The manager receives a monthly O&M report from the utility operator and routinely “spot checks” the facilities to see that the daily, weekly, and monthly maintenance items are complied with. |
| <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 (CCR)</u> . |
| <input checked="" type="checkbox"/> | <input 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 new operator is continuing the on the job training. The main Operator received Level 1 certification in October. The alternate operator is OIT certified. Training is planned for the second alternate in February.

RUBA Activities For The Coming Quarter

Continue work on the RUBA plan and provide assistance as requested. RUBA staff is planning a March trip to do a RUBA assessment and meet with the staff to provide support in drafting and revising the city code as requested by the administrator.