

Mountain Village Activity Report

Community Overview

Lead RUBA Staff: Ken Berlin, Bethel Office

2002 Census Population: 755

Region: Lower Yukon

Local Governments: Second Class City,
Tribal Council



The City Council operates and maintains the Piped Water and Sewer system to 142 households and commercial users. This system was built in the 1970s. It has four wells from which it gets its water supply. Water is distributed by two loops, a lower and upper loop. Two main pumps, middle and upper pump houses circulate water. Water is stored in two 100,000 gallon storage tanks. The wastewater system is a Rotating Biological Contractor (RBC) but currently not functional. Wastewater is being drained into the Yukon River.

RUBA Activity This Reporting Period

In January, RUBA staff traveled to attend meeting with Doug Poage, VSW; Chuck Eggner, CE2, City of Mountain, Asa'sarsarmuit Tribal Council and Azachorak Incorporation concerning Water and Sewer Business Plan. The assistance that RUBA could provide was explained in that meeting. As a follow up to that meeting, requested an update on Finance Director situation, appointment of Utility Board and City Manager, copy of latest financial report and copy of FY 03 budget.

RUBA staff contacted Doug Poage, VSW and Mayor Rivers to get update on February 11th City Council meeting. At the meeting the City passed and signed RUBA Agreement. The City reported that the Finance Director is back at work. We again requested copies of the latest financial reports. At the meeting a water and sewer rate increase was discussed. Present rates are \$60 for water and sewer. Proposed rate increase is up to \$80 for water and sewer. City currently has a 50% collection rate. Once the Utility Board members are all appointed I am ready to go and work with them on these issues. The water and sewer ordinance needs to be reviewed and updated with a more stringent collection policy.

Mayor Rivers called, City appointed to the Utility Board: Joyce Brown Rivers, Andrew Brown Sr., Harry Wilde, John Agwiak, and Kathy Harper.

RUBA staff called Joyce to get update on what is happening with the City Manager hire. She said the Council was waiting for reference checks and has not made any decision as who to hire. I recommend Council need to do some action on this vacant City Manager's position. I also mentioned there might be some sort of conflict with her being the Mayor and Manager at the same time.

In March RUBA staff traveled and completed the RUBA assessment. The results of the complete assessment will be used to plan assistance to the City.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	All revenue and expenses for the utility are listed in the utility budget.
<input checked="" type="checkbox"/>	<input 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.

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 type="checkbox"/>	<input checked="" 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 has copies of monthly financial reports current to January 03. They are not being prepared and given to the Council on a routine basis. Collection rates are between 50% to 60% and delinquent amounts ranging from \$20 to \$6,700.

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 checked="" type="checkbox"/>	<input type="checkbox"/>	An accounts receivable system is in place which track customers and reports 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
<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 checked="" type="checkbox"/>	<input type="checkbox"/>	Monthly bank reconciliation has been completed for all utility accounts.
<input checked="" type="checkbox"/>	<input 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: Water and sewer ordinance has a collection policy but it is not being enforced. The chart of accounts needs to be used correctly in order for QuickBooks Pro to produce accurate reports. Accounts receivable clerk just hired. Finance Director Kate Thompson said she is thinking about resigning in the near future.

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 checked="" type="checkbox"/>	<input 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: Problems came from tax year 2002, unpaid tax liabilities. In January 2003 an installment agreement was signed between IRS and City. City current with payroll tax deposits and quarterly reports.

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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has an adequate written hiring process.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility provides training opportunities to staff as needed and available.

Personnel System Comments: Funding has limited the Cities ability to provide training. They need to more closely follow a written timeline to accomplish hires in a reasonable time.

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 type="checkbox"/>	<input checked="" type="checkbox"/>	The policy making body is active in policy making of the utility.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The policy making body enforces utility policy.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has an adequately trained manager.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has an adequately trained bookkeeper.
<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted an organizational chart that reflects the current structure.
<input type="checkbox"/>	<input checked="" 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: Utility Board was inactive for years, City just appointed five new Board members in March but they have yet to meet. City Mayor is also the acting City

Manager since last fall 2002, it has two interested applicants but has not hired. City is still advertising for this position.

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 maintenance items are being completed.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has a safety manual and holds safety meetings.
<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has completed and distributed its <u>Community Confidence Report</u> (CCR).
<input checked="" type="checkbox"/>	<input 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: Water and sewer operators have Water Treatment and Distribution OIT certifications but not wastewater. According to VSW Operators need to get level II Water Distribution and level I Wastewater Treatment and Collection certification.

RUBA Activities For The Coming Quarter

- Help hire City Manager.
- Enroll Water and Sewer operators for OIT certification at according to VSWs requirements.
- Help organize Utility Board and train if necessary.
- Get more training in QuickBooks Pro for Finance Director and Accounts Receivable Clerk.
- Update Utility Ordinance and start enforcing collection policy.