

New Stuyahok Activity Report

Community Overview

Lead RUBA Staff: Tim Troll, Dillingham Office

2001 Population: 471

Region: Dillingham

Local Governments: City, Village Council,
Utility non-profit



The City of New Stuyahok and DCED executed a RUBA agreement in October of 2002. The City operates a piped water and sewer system that was initially installed in 1971. The system serves some 94 homes and the school.

The City has also executed an agreement with the Alaska Native Tribal Health Consortium (ANTHC) to participate in a water and sewer cooperative. Participation is intended to bring some additional O&M and management assistance from ANTHC and cost savings.

RUBA Activity This Reporting Period

Prior to the execution of the RUBA agreement the following tasks were outlined:

- ◆ Task: Install Quick Books Pro. QB Pro installed, new chart of accounts, water and sewer set up as separate utility, customer accounts entered. Target full operation, except for check writing, by end of January 2003. Mary, the city clerk on temporary leave, completed a two day training course on Quick Books Pro. Note: Mary is not returning to work. New clerk needs training
- ◆ Task: Letter to be written to the Southwest Area School District advising the district that the rate for water will increase from the current \$80 per month to \$750 per month with individual household service billed at \$40 per month for the eight units of teacher housing. Letter written, but no formal response from school district. I advised Mayor to send a bill to the school district and not wait for a response to the letter.
- ◆ Task: Bill customers . Assemble customer information for New Stuyahok so that City can resume accurate billing for water and sewer at the current rate of \$40 an hour. City had written record of customer accounts. Customer data and balance forward information was entered. Statements were being prepared for mailing on 10/18, but were never mailed.
- ◆ Task: Initiate Small Claims Actions against worst delinquents
- ◆ Task: Review Rate Study
- ◆ Task: Utility Ordinance Enacted. I prepared an ordinance that was introduced to the Council. Public hearing was scheduled for November meeting, which has not yet occurred. I have twice aborted a trip to New Stuyahok to discuss ordinance with public. Ordinance is

ripe for final passage. I have been advised the city held a public hearing on the ordinance, but it still has not been enacted.

- ◆ **Task:** Sales Tax Ordinance Enacted
- ◆ **Task:** Set up separate checking account for water and sewer utility. Mayor advises this is being completed
- ◆ **Task:** Clean out the clutter in the city office and bring some order to filing system

During the last quarter I traveled to the community twice, and arranged a teleconference meeting with the City Council that was cancelled because not enough council members were present.

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 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 type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input checked="" type="checkbox"/> | Budget amendments are completed and adopted as necessary. |

Finances Comments: Mary Kusma the city clerk who I began to work with is no longer working. Her replacement is a former city clerk, but does not have the same familiarity with the Quick Books accounting program.

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 type="checkbox"/> | <input checked="" 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 type="checkbox"/> | The payroll system correctly calculates payroll and keeps records |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | A cash receipt system is in place that records incoming money and what it was for. |
| <input type="checkbox"/> | <input checked="" 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: Quick books Accounting system has been installed. New clerk will need training. Recommend all accounting be kept manually as a back up.

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 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: The utility had not or filed some past quarterly reports. City owes IRS approximately \$40,000. Mayor advises me that a payment agreement was executed with the IRS.

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"/> | | The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language. |
| <input type="checkbox"/> | <input checked="" 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 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 type="checkbox"/> | <input type="checkbox"/> | ? |
| <input type="checkbox"/> | <input 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: Have not focused any attention yet on the personnel system.

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 type="checkbox"/>	<input checked="" type="checkbox"/>	The policy making body enforces utility policy.
	<input checked="" type="checkbox"/>	The utility has an adequately trained manager.
	<input checked="" 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"/>	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 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 meetings act for all meetings.

Organizational Management Comments: The Council has yet to enact the ordinance prepared for them by the RUBA.

Operation of Utility

Essential Indicators

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	The utility operator(s) are actively working towards necessary certification.
<input 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 type="checkbox"/>	The utility has a safety manual and holds safety meetings.
<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	The operator provides status reports to the manager on a routine basis.
<input 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 type="checkbox"/>	The utility maintains an inventory control list.
<input type="checkbox"/>	<input type="checkbox"/>	The utility maintains a critical spare parts list.

Operation of Utility Comments: More information will be available in the next report.

RUBA Activities For The Coming Quarter

Work with ANTHC to develop a rate study to determine whether user fees as currently billed are sufficient to adequately pay for operations. Once the adequacy of the rate is determined the community can weigh the need for a sales tax.

Travel to village may be necessary during coming quarter to work with Clerk on accounting program.