

Nightmute Activity Report

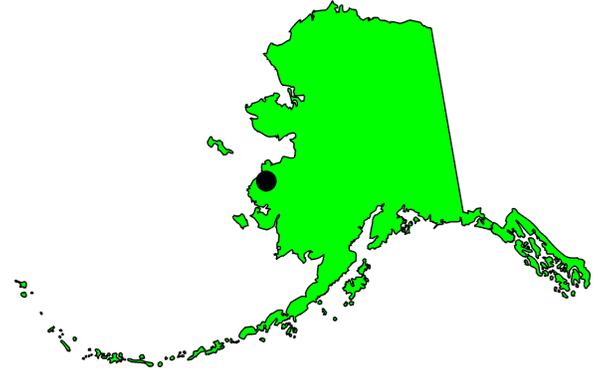
Community Overview

Lead RUBA Staff: Paul Chimiugak, Bethel Office

2002 Population: 224

Region: Lower Kuskokwim

Local Governments: Second Class City



The City of Nightmute provides a Small Water Facility, which is the central watering point for residents to haul their own water. The City of Nightmute also provides water and sewer haul service. The City Council is the policy making body for the utility.

The city utility system has 37 residential units, 5 Commercial/residential and 6 commercial units. The school has its own sewage lagoon that it discharges waste into. A washeteria is not available. The Nightmute Power Plant was acquired by AVEC in March 1998.

RUBA Activity This Quarter

The administration has changed again this quarter. The new administrator had been an administrator before. Since his departure a couple of quarters ago, the city had been on a decline both administratively and financially. Now that he's back, the operation and management of the city seems to be back on track. He is taking control of the operation by anticipating cuts to the city funding in terms of reducing hours of certain city employees. He has fired the city bookkeeper and replaced him with a more qualified employee.

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 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: Since the administrators return he has found that the previous administration did not have control or understanding of how the operations were expending their funds including the finances of the FTTHS.

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 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 checked="" type="checkbox"/>	<input 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 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: The previous bookkeeper worked as a bookkeeper in St. Mary’s and has requested more training to become proficient in her position. She is now correcting a payroll mistake on one of the employees who is paid on a monthly basis; she found that his Federal withholding tax had been done on a bi-weekly basis. There had been no tax deposits made this last quarter or quarterly reports done on the previous quarter. The new bookkeeper will provide monthly financial reports as soon as she can, when she has the numbers available.

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 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 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 new bookkeeper has found that there had been no tax deposits since June of 2003 and this quarter. She is compiling all the payroll taxes and preparing for the quarterly report and payment of the taxes.

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: The city has workers compensation insurance in place for its employees. A Personnel Policy has been done but is not in effect at this time since it is still under review by the council.

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.

The policy making body enforces utility policy.

The utility has a adequately trained manager.

The utility has a adequately trained bookkeeper.

The utility has a adequately trained operator(s).

The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.

Sustainable Indicators

The utility has adopted an organizational chart that reflects the current structure.

The policy making body meets as required.

The utility complies with the open meetings act for all meetings.

Organizational Management Comments: The city had a problem complying with the open meetings act in which they had banned people from attending their regular meetings. This has been remedied by providing the city clerk with Title 29 information in which it states that all meetings are open to the public except for executive meetings.

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 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 type="checkbox"/>	<input checked="" 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>Consumer Confidence Report (CCR)</u> .
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is 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 administrator is conserving revenues received in order to bring the utility funds to a comfortable operating level. He has restricted spending any funds from the utility until the deficit is corrected. The previous administration had not been keeping track of the expenditures last quarter, thus there was a deficit and checks that bounced as a result.

RUBA Activities For The Coming Quarter

The RUBA staff will continue to request monthly financial reports in order to complete the assessment of their financial status. The City loaned money to the corporation store, and there has been no payback of the loan to date. We will work with the city to enforce payback of the loan.

The last RUBA agreement with Nightmute was signed in 1996. We will be requesting a new RUBA agreement be signed by the utility.