

# Old Harbor Activity Report

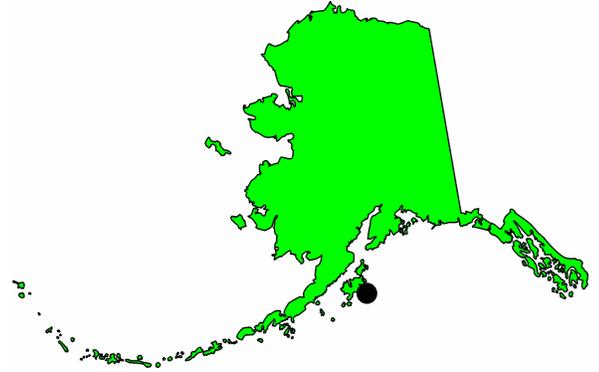
## Community Overview

Lead RUBA Staff: Tammy Helms, Anchorage Office

2003 Population: 196

Region: Kodiak Island

Local Governments: 2<sup>nd</sup> Class City,  
Tribal



Water is supplied by a dammed creek and an infiltration gallery, is treated and stored in a tank, then distributed via pipes. A community septic tank treats piped sewage. All residences are connected to the public water and sewer system and have complete plumbing. Refuse collection services are not available, although the City has requested funding for dumpsters and vehicles to do so. The landfill was recently relocated. They are interested in developing hydroelectricity. Electricity is provided by AVEC. There is one school located in the community, attended by 62 students. Local hospitals or health clinics include Old Harbor Health Clinic (286-2205). Old Harbor is classified as an isolated village, it is found in EMS Region 2G in the Kodiak Region. Emergency Services have coastal and air access. Emergency service is provided by volunteers and a health aide Auxiliary health care is provided by Old Harbor Village Response Team (286-2293/2270).

## RUBA Activity This Reporting Period

RUBA staff has been in contact frequently with the City of Old Harbor staff to help assist them in meeting the essential indicators. In June RUBA staff made an on site visit at the request of the Council. While there, RUBA staff reviewed the draft water and sewer ordinance pertaining to the RCA Provisional Certification, reviewed and discussed the draft FY07 budget. RUBA staff also provided a customer repayment agreement, a customer use agreement and trained Old Harbor staff in creating and editing collection letters within QuickBooks.

## 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 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.  |

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#### 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 checked="" type="checkbox"/> | <input 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:

Monthly Profit and Loss reports are prepared via QuickBooks by the City Treasurer Russell Fox. On December 18, 2005, the city took on 11,647 gallons of diesel which has been paid for. In the event of emergency repairs, the city will purchase parts from the general fund. The water and sewer revenues are not sufficient to cover operating expenses. The city subsidizes its water and sewer utility through fuel sales. The mayor and treasurer reported that revenues were approximately \$6000 to \$7000 under budget.

### 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.                               |

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#### Sustainable Indicators

- |                                     |                          |   |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input 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's 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 city has not adopted a collection policy to follow. Currently they are not doing disconnects for non-payment. It is recommended that the council write and adopt a collection policy and enforce it. The city utilizes QuickBooks for accounts receivable and accounts payable. The city administrator appears to be knowledgeable and fluent in working with QuickBooks.

**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 has signed a tax release form. IRS/DOL report that the city has no deficiencies at this time.

**Personnel System****Essential Indicators**

- | Yes                                 | No                       |   |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility has a posted workers compensation insurance policy in effect. |
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**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 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 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:**

The city has a posted worker's compensation insurance policy in effect from 7/1/05 to 7/1/06 with AML/JIA. The city's current hiring process is historical and not written. Job notices are posted with the job site and description for 10 days. Interested applicants apply within the city office. There is currently no probationary period for employees. Training opportunities to staff are provided as funds allow or opportunities by other sponsors come available.

## 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.

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### 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:

The mayor stated that the council is active in policy making. In February 2006 two water operators attended an OIT certification class in which they became certified operators.

## 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. This is being revised.

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### 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 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>Consumer Confidence Report</u> (CCR).
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is 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:

Steve Evavold, Remote Maintenance Worker, stated there is a preventative maintenance plan for the existing system. The current utility operator is trained but has not passed the OIT test. The community has an employee of the Tribal Council who will travel to Kodiak for the OIT certification class in February. Historically the utility operator reports to the mayor when there is a problem or he can forsee one. The utility operator and council attempt to keep critical spare parts on hand without a critical spare parts list.

**RUBA Activities For The Coming Quarter**

RUBA staff will provide support and assistance in meeting the deficient indicators noted in this assessment.

