

## Port Alexander Activity Report

### Community Overview

Lead RUBA Staff: Gina Shirey, Juneau Office

2001 Population: 81

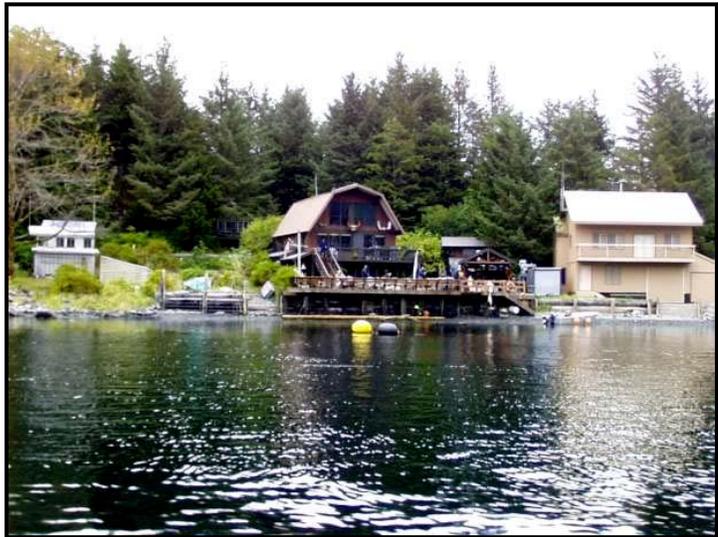
Region: Southeast

Local Governments: Second Class City



The City of Port Alexander operates a piped water system. The City Council is the policy making body for the utility.

Water is derived from a dam and is treated, stored in a tank and piped to 51 households. A new water filtration system is needed. One home uses a rain catchment system. Homes use individual septic tanks, haul honeybuckets, or use outhouses for sewage disposal. A number of homes in Port Alexander are used only seasonally.



### RUBA Activity This Quarter

RUBA staff is still working on updating the rate study done several years ago. A letter was faxed to the City office on July 8, 2002, with a list of items needed in order to update this rate study. Information needed included budget figures for FY99, FY00, and FY01 and updated information regarding meters.

## Capacity Indicators

### Finances

#### Essential Indicators

The utility meets all essential indicators.

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#### Sustainable Indicators

The utility meets all sustainable indicators.

**Finances Comments:** The City FY03 budget was passed on June, 21,2002. It is a balanced and realistic budget. Monthly financial reports are prepared by the City Clerk/ Treasurer and submitted to the Council. Although the City doesn't charge user fees at this time, there is enough revenue coming into the City to cover operating expenses. The City does budget for maintenance labor and maintenance supplies in the utility budget.

## Accounting Systems

### Essential Indicators

- | Yes                                 | No                                  |  |
|-------------------------------------|-------------------------------------|--|
| NA                                  | <input type="checkbox"/>            | The utility has adopted a collection policy and actively follows it.                                       |
| NA                                  | <input type="checkbox"/>            | The utility bills customers on a regular basis.  |
| NA                                  | <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 type="checkbox"/>            | <input checked="" 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 checked="" type="checkbox"/> | <input 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 Comments:** The City currently doesn't bill customers for water service. Due to the rising costs of water treatment, they are considering billing customers for part of the revenue needed to adequately run the water utility. If they decide to bill customers, QuickBooks will be set up to bill customers and track their accounts. The City doesn't have a cash receipts system because they take in so little money from residents. RUBA staff discussed this with the City Clerk and she may start a system either with a receipt book from an office supply store or with the receipt program in QuickBooks. Bank reconciliations are done monthly and the City has a purchase order system where purchases are compared to the budget.

### 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 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 City uses QuickBooks to calculate payroll taxes and does make payroll deposits after every pay period.

### Personnel System

#### Essential Indicators

- | Yes                      | No                                  |   |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" 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 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 checked="" type="checkbox"/> | <input 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 does have a workers compensation insurance policy, but the notice is not posted. The City has a personnel policy adopted in ordinance. It is referred to when personnel questions arise. The current City Clerk has some previous experience in personnel management and plans to review the ordinance for possible updating. Most positions with the City have a job description although there are a few exceptions. The Mayor is the supervisor of most employees and does evaluations when appropriate. RUBA staff will be providing the City Clerk with a sample letter of acceptance to use in the future. The City doesn't have a probationary period for new hires but provides orientation and on-the-job training for new employees. When possible and feasible, the City provides training opportunities to staff.

## 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 type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has a adequately trained manager.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a adequately trained bookkeeper.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a adequately trained operator(s).
<input 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 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 meetings act for all meetings.

**Organizational Management Comments:** The Council is active in making utility policy and is considering establishing rates for the water utility. RUBA staff is working on an updated rate study to assist the Council with their decision. The Utility Manager is a Council Member in charge of the Water Department. He hasn't been to any utility management workshops but has a great interest in how the water utility runs. The City doesn't have an organizational chart; however, with the small staff that they have, the lines of communication are well-known.

## 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.

### Sustainable Indicators

?	<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>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"/>	The utility maintains an inventory control list.
?	<input type="checkbox"/>	The utility maintains a critical spare parts list.

**Operation of Utility Comments:** The current operator is OIT certified. She will be taking the Level I exam in October 2002. At the same time, the Mayor will be taking the OIT exam. The utility has a preventative maintenance plan. The City Clerk wasn't sure if the Utility Manager received a monthly report from the operator. The water plant operator doesn't do

any maintenance of the facility. The Mayor is responsible for the maintenance. The utility doesn't have a safety manual or hold safety meetings. The City Clerk will look for assistance from VSW or SEARHC for a safety manual. The utility does have an inventory control list and a critical spare parts list, but neither of these lists is written down. The utility should be getting some more storage space and will look at having a clipboard with that information hanging in the storage area.

## **RUBA Activities For The Coming Quarter**

The goal for the coming quarter is to complete the rate study and have a draft copy available for the City Council to review in late December 2002 or early January 2003.