

# Upper Kalskag Activity Report

## Community Overview

Lead RUBA Staff: Jimmy Smith, Anchorage Office

2001 Population: 230

Region: Lower Kuskokwim

Local Governments: Second Class City



The City of Upper Kalskag operates the piped sewer system. The City Council is the policy making board for the utility.

As of November 1997, nearly all homes, the school and the store have individual wells with potable water and indoor plumbing. A new piped gravity sewage system with lift stations, force main and lagoon now serves over 60 households and facilities. The school has requested funds for a new septic tank and leachfield, or connection to the community sewer system. The landfill is located between Upper and Lower Kalskag.



## RUBA Activity This Reporting Period

RUBA staff has made recommendations to the Utility clerk and Mayor to start shutting customers that are behind on their Utility payments. Per the past Mayor there were arrangements made for customers to get current or they will be shut off for services.

The city council elected a new Mayor and an Administrator for the city this quarter. Both the Mayor and Administrator have been getting themselves familiar with the activities of the City and Utility.

RUBA staff told the Mayor, Administrator and Clerk to start disconnecting the customers that are behind in their Utility payments. RUBA staff told the Mayor and staff to go house to

house to set up a repayment plan with the customers that are behind in their payments to the Utility.

RUBA staff met with the City council members and told them as of December 17, 2002 the customers owe the Utility \$7,535.00. RUBA staff told the council and staff that they need to go house to house for customer to sign a repayment agreement, educate to the customers of the cost of operating the system, collections from customers pays for the operation of the system, and establish shut off valves for homes that don't have the shut off valves.

## 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.

**Finances Comments:** The Utility customers are not making payments for their services. Therefore as of December 2002 the customers owed the Utility \$7,535.00.

### 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.

**Accounting System Comments:** The Utility has not followed their collection policy of disconnecting customers that are behind in payment. The reason for this is most of the homes that are behind in payment to the Utility does not have a shut off valve.

### 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 clerk has been making the quarterly reports to the proper agencies.

### Personnel System

#### Essential Indicators

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

**Personnel System Comments:** A personnel policy needs to be in place for the city. Adequate job descriptions need to be implemented for the city and utility employees. Many other personnel issues (job training, evaluation process, etc.) need to be implemented by the city council.

### 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"/>	<input 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 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.

**Organizational Management Comments:** The council and staff need to understand the operations of the utility are under the city council. The utility staff seems to understand the utility is not under the city. RUBA staff has been explaining this issue to the council members and staff without much success.

## Operation of Utility

### Essential Indicators

Yes No

The utility operator(s) are actively working towards necessary certification.

The utility has a preventative maintenance plan developed for the existing sanitation facilities.

**Operation of Utility Comments:** At the rate the utility is operating it is going to be hurt financially. The council and staff cannot continue to operate the utility at a loss each month.

## RUBA Activities For The Coming Quarter

The new mayor and administrator need to keep abreast of the status of the utility. They also need to start disconnecting the customers that are behind in their payments to the utility.

RUBA staff plans to have the administrator and clerk complete financial reports to the policy making body including RUBA staff.