

## Angoon Activity Report

### General Information:

In early July, Peter Freer, Southeast Regional Office Supervisor, and Gina Atkinson, LGS/RUBA staff, called and spoke with Mayor Maxine Thompson about the FY00 City budget. The Mayor indicated that the budget shortfall was \$40,000. Peter and Gina went over some of the revenue the City would receive from the State. The Payment in Lieu of Taxes (PILT) payment turned out to be about \$20,000 more than she thought. However, the Timber Disaster money was finished. Peter and Gina also discussed revenue the City would receive from taxes and user fees. The City needs to improve its collection of harbor and utility fees and sales tax. The Mayor indicated that the Council was getting tough and passed a policy that if a boat stall isn't paid for, the space would be available to someone on the waitlist. Finally, the City needs to make some reductions in spending. At the end of the discussion, Mayor Thompson indicated that the City was now short \$50,000. Peter Freer suggested a budget workshop, and Mayor Thompson agreed.

In late July, Gina Atkinson received a message to call Mayor Thompson about the new requirements in the Capital Matching Grant Program for a preventative maintenance (PM) program. Gina researched the new requirement and didn't find very much information about it. Gina called Mayor Thompson back. The Mayor said she would fax the letter outlining the new requirements to Gina. Gina also recommended John Blankenship, Remote Maintenance Worker, as a good person to contact about this new requirement since he works with PM plans.

On August 5, Gina Atkinson traveled to Angoon to present a budget workshop. Gina began the workshop with a discussion about increasing local revenues. Some carryover funds from last year were discovered at this time, and the shortfall was decreased to \$13,000. The Council decided to audit some sales tax returns, and the money received would cover the rest of the deficit. Discussion of decreasing expenditures also took place, but since the budget shortfall had already been closed, the solutions were mostly long-term.

In mid-August, Gina Atkinson faxed to Mayor Thompson the updated copy of the workplan. In the fax cover letter, Gina advised the Mayor that the City needs to decide soon if it wants to outsource billing to a Department hired contractor. Gina followed-up the fax with a telephone call to Mayor Thompson. While on the telephone with Mayor Thompson, Gina asked about the new computer accounting software Great Plains. The Mayor explained the software is on the computer. The accounting clerk Clarice Frank is inputting back data. The Mayor doesn't know when that will be completed.

In late September, Gina Atkinson received a call from Clarice. She had some questions about the proposed contractor utility billing and collection service. Gina explained how it would work. Clarice asked if it would include garbage & cable TV. Gina said she didn't think so, but it might be a consideration for the future. Gina requested to speak with Mayor Thompson. Gina advised the Mayor that the next step is for her to call Mike Black, RUBA Program Manager in the Anchorage office, to let him know if the City was interested. She doesn't need to prepare any questions at this time before she talks to him. After she lets him

know the City is interested, a teleconference would be set up for Q & A. Gina strongly encouraged her to call Mike.

**Observations and Recommendations:**

Finances — The City has balanced the budget with carryover funds from FY99. The budget hasn't been adopted yet by the Council due to technical errors. The Mayor thought the budget had been introduced already. The City Clerk's records showed that it hadn't. So the budget is being introduced then set for public hearing.

Accounting Systems — The City has switched to Great Plains. The Accounting Clerk is still working on inputting all the back information. The Clerk also needs training on the new program that the auditors are supposed to provide.

Tax Problems — There appears to be no tax problem.

Personnel System — Employment is still steady with regard to the City Clerk and Accounting Clerk.

Organizational Management — There still appears to be a lack of teamwork between the City employees and the Mayor.

Leadership/Governance — It seems like the Mayor has good ideas for the direction of the City; however, following through on those ideas seems to be a problem. For example, the Mayor still has yet to act on the utility billing and collection service invitation.

Operation of Utility — There appears to be no problem with the operation of the utility. The water utility operator is OIT and Level I certified. He's been working at the job for 22 years. The back-up water utility operator has been working there for 16 years. The sewer utility operator has been on the job for about 5 years. He is not certified.

**Ranking**      1 = Inadequate  
                      4 = Adequate to meet minimum requirements  
                      7 = Exceeds requirements

<b>Category</b>	<b>1</b>	<b>4</b>	<b>7</b>
Finances	<b>X</b>		
Accounting Systems	<b>X</b>		
Tax Problems		<b>X</b>	
Personnel System		<b>X</b>	
Organizational Management	<b>X</b>		
Leadership/Governance	<b>X</b>		
Operation of Utility		<b>X</b>	