

Brevig Mission Activity Report

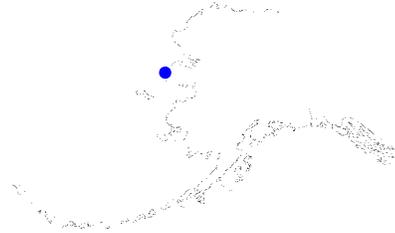
Community Overview

Lead RUBA Staff: Josie Morrow, Nome Office

2000 Census Population: 276

Region: Bering Straits

Local Governments: Second Class City



The City of Brevig Mission operates the central watering point used for hauling water to houses and maintains other watering points. The City also operates the honeybucket haul system and sewage lagoon. The City Council is the policy making body for the utility.

Brevig Mission is undergoing construction of a 4-phase, \$8.5 million piped water and sewer system and new landfill. This project is scheduled for completion by November 2001. Water is supplied by Shelmon Creek, is treated and stored in a 100,000-gallon tank at the

washeteria. The tank is filled monthly. Water is piped into the school from the washeteria. Water is currently hauled by residents to home storage tanks by ATVs or snow machines. Residents haul honeybuckets to bunkers, which the City deposits into a sewage lagoon. A septic tank serves the washeteria and school. The landfill is not permitted.



General Information

Nome RUBA Josie Morrow provided assistance through phone and fax this quarter in the following matters:

- Amendment of FY01 budget and preparation of FY02 budget.
- Reconciliation of 1999 Payroll Taxes with reports filed and payroll reporting issues.
- Provided a workplan for implementation of QuickBooks Pro 99.

- Conferred with Mayor on job descriptions and evaluations for City Administrator, City Clerk, and City Bookkeeper.
- Leave and holiday pay issues.
- Coordinated with the project engineer for purchase of a printer.
- Reviewed construction engineer's business plan for Water/Wastewater utilities and conferred with Administrator and project engineer on needed changes.
- Conferred with project engineer on questions the City had regarding administrative fees and water meters.

Anchorage RUBA Leroy Seppilu made one field trip to the City/Utility Offices in early May in order to gather information for updating the City's Code of Ordinances.

The City hired a new bookkeeper in early June. The City sent one Council Member and the City Administrator to the Utility Personnel Management workshop in Nome the week of May 21st.

Observations and Recommendations

Finances — The City continues to carry back debt for fuel and gravel to the local store in the amount of \$27,760. Last quarter the Mayor received information from the Alaska Native Tribal Health Consortium (ANTHC) engineer that the City still owes \$13,500 on the John Deere tractor that ANTHC helped finance. The Nome RUBA was unable to confirm this amount with the project engineer, and recommended to the Administrator that she ask the engineer to draw up an invoice for the City that includes the purchase price of the John Deere and payments made by the City. An amended FY01 budget was completed this quarter and included revisions for the outstanding FY00 bills that were paid this fiscal year. At the end of this quarter the City had accounts payable of \$8,121. The FY02 budget will include payment of these outstanding bills.

The City Administrator and Council began work on its FY02 budget in mid June. They had difficulties with the Water/Wastewater construction engineer's proposed utility budget, and eventually completed a draft utility budget that broke each utility out into its own cost center. It is expected that there will have to be an amended budget later in the next fiscal year, once the new hookups are in place and rates are approved by the Council.

The City obtains its workers compensation and liability insurance from AML/JIA and remains current in the payment of its premiums.

The City reduced its past due accounts receivable this fiscal year in the amount of \$9,300. The City Administrator continues to diligently contact customers for payback agreements and voluntary assignments of permanent fund dividends. The City's amendment to its collection policies to include gaming winnings has resulted in reduction in some of the past due accounts, however, the Administrator plans to send some of the older past due accounts to Small Claims Court. Balances due on Accounts Receivable at June 30, 2001, were as follows: Trash and Honey Bucket Haul - \$9,280; Cable TV -

\$4,590; Building Rent - \$1,476; Old Electric Utility - \$1,798; Washeteria - \$117; NSF Checks - \$1,248.

In prior quarters, the Nome RUBA had noticed that net proceeds from gaming had decreased and she recommended to the Mayor, Council, and City Administrator that review of expenditures and number of employees on the gaming payroll be examined closely. The City and Utilities are dependent on a steady subsidy from gaming net proceeds and the activity needs to be followed more closely by the Mayor and Council. It was also recommended that the Gaming Coordinator not be allowed to spend funds without prior approval from the Mayor and Administrator.

Accounting Systems — The City Administrator continues to keep monthly financial reports and all bank reconciliations up-to-date. All records are on manual systems with some use of Excel spreadsheets. A conversion to QuickBooks Pro 99 will begin next fiscal year. The Nome RUBA recommended to the Mayor and Administrator that they recruit for a qualified Bookkeeper at the earliest opportunity. The City advertised for a Bookkeeper and was successful in hiring a qualified applicant in early June.

The Nome RUBA did notice that the City Administrator was having difficulty letting go of the Bookkeeping functions and discussed with her and the Mayor the necessity of training the new hire as soon as possible in all responsibilities of the bookkeeping function. The Administrator did have the Bookkeeper do payroll while she was out of town in late June, and the work was excellent. All payroll history and tax deposits completely reconciled at the end of the quarter. The new Bookkeeper has also been doing the budget detail sheets for the monthly financial reports as checks are written, so the FY01 Certified Financial Reports will be completed early in July. The Bookkeeper needs to learn how to reconcile bank accounts and the prepare monthly reports.

Tax Problems — The new City Administrator continues to keep all payroll taxes and reports up-to-date. At the end of last quarter, the City Administrator was in receipt of a letter from IRS inquiring about discrepancies in the 1998 payroll reports and W-2's. She reconciled those reports this quarter and filed all corrected reports with IRS. IRS did levy the City a penalty in the amount of \$1,890 for late filing of the 1998 W-2's. The City Administrator was trying to get the penalty waived as of the end of this quarter.

Personnel System — An ordinance prohibiting pay advances was repealed late last fiscal year, and the large number of pay advances have become a serious. City staff spend an inordinate amount of time with payroll activities, and these dangerous and costly practices were discussed with the Mayor and City Administrator this quarter. It has been recommended to the Mayor and Administrator that this practice be limited when the City's Ordinances are updated the next fiscal year.

The need for Personnel Management training continues to be a high priority. Issues are currently dealt with as they arise, but serious training needs to happen with the Council and staff at the earliest opportunity. The City did send one of its Council Members and Administrator to the Personnel Management workshop in Nome the week of May 21st,

but the remainder of the Council and Supervisory Staff, such as the Gaming Coordinator, need training.

Evaluations of staff supervised by the Administrator are up to date. The Administrator has stated that she is going to do an interim evaluation on the Gaming Coordinator because of too many problems. She will give her up to her annual evaluation in December to improve. The Mayor needs to complete an evaluation for the Administrator.

Organizational Management — In the past, the Nome RUBA had recommended that the City Council combine the City Clerk functions with those of the City Administrator and that the City hire a competent, full-time bookkeeper. At the end of this quarter the City did hire a qualified applicant for bookkeeper, but they have her working part-time. The City Clerk is also working part-time, but needs constant supervision. The bookkeeper needs to be full-time, and the Clerk position needs to be evaluated as to the incumbent's performance and possibility of combining the functions with that of the Administrator's.

The City's Code of Ordinances has been amended over the past two years, but the changes were not incorporated into the Code. Anchorage LGS/RUBA Leroy Seppilu did gather information this quarter on the City's Code while on a field trip in early May.

Filing and records management continue to be poor. An office for the City Administrator, was completed this past Fall by the Water/Sewer project, and has provided needed space for records management. The City Administrator has obtained additional filing cabinets and has the intention to organize all files over the next fiscal year.

Leadership/Governance — The City Council meets on a monthly basis. There have been improvements these past three-quarters with the City Administrator and new Mayor to improve the flow of information to the Council Members before and during meetings. Meetings are much improved, and that the Council members seem more informed before making decisions.

The City has made it a policy to have joint meetings with the IRA whenever Water/Sewer project updates, decisions, and related issues are presented. These joint meetings are well attended by the Public and are a good way to involve and inform the future users of the system under construction.

The regular municipal election for Council Members is held on December 31st. This December 31st election date occurs in the midst of the City sponsored holiday celebrations, and there is a perception that Council Members, who traditionally work the games (with pay), are influencing votes. The Nome RUBA has recommended to the Administrator that she bring up the subject to the Council that they move the regular municipal elections to October. They can do this change when working with LGS Leroy Seppilu to update the Code of Ordinances.

Operation of Utility — The City continues to be a model for trash and honey bucket haul. Visitors are always impressed by the cleanliness of the community, and the City is to be commended on the diligence of their employees in this matter. Both Water Plant Operators are Operator In Training (OIT) certified and are current with daily and monthly tests and necessary waivers.

The Water/Sewer project is an Alaska Native Tribal Health Consortium (ANTHC) project and began this past summer with construction of a water treatment plant and well house improvements. The new water treatment plant was still under construction this quarter, and both operators are working on the project. Approximately twenty-seven homes and five commercial buildings are expected to be hooked up late next Fall. When the system is complete in FY03, there will be seventy-two residential customers and five commercial.

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

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

Anticipated Activity

Leroy Seppilu, LGS/RUBA in the Anchorage office, will be moving to the Nome Regional Office September 1, 2001, and will continue to work with the City to review the Code, incorporate changes, and update sections as needed. In addition, Leroy will assist the City to develop a Water/Wastewater Ordinance.

