

## Brevig Mission

Josie Morrow, LGS/RUBA, Nome Regional Office

### General Information:

Assistance continued to be provided this quarter by Nome RUBA/LGS Josie Morrow through telephone and fax and was as follows:

- Interpreted overtime for the City Clerk and helped him with the proper classification of part-time employees and casual hires.
- Obtained the status of all open grants with the City and reviewed them with the City Clerk. Also passed on the information to the Bookkeeper.
- Advised the Bookkeeper to track all accounts payable and to provide the Council with a list of these amounts at the regular monthly meetings. Gave her direction for amending the FY01 budget to include bills from prior years.
- Reviewed the Bookkeeper's concerns about daily cash receipts at the Teen Center and Washeteria. Recommended again that all cash receipts be turned in to her before the end of the day and that any cash be converted to a money order before going home for the evening. Also recommended that a reconciliation sheet similar to the one used in Shaktoolik be instituted for everyone handling cash and that daily receipts be deposited in a more timely manner.
- Gave the City Clerk direction for developing a pay scale. Reviewed his letter to the cities in the Nome Region requesting job descriptions, starting pay, history of increases for each position, and other pertinent information needed to develop a pay scale. Also recommended he survey the Kotzebue Region cities.
- Explained to the Bookkeeper the IRS letters the City had received in early September requesting additional information about 1997 and 1998 payroll taxes and forms filed. The City Clerk had filed the W-2's late for 1998, and the penalty could not be avoided. The 1997 quarterly reports did not agree with the W-2's filed for that year. In addition, the W-3 total did not equal the total of W-2's received by the Social Security Administration. Josie advised her to locate the payroll files for 1997 and then she could give her more specific direction.
- At the end of September, there was a turnover in the City Clerk position and Mayor's office. The City Clerk was terminated and the Mayor resigned. There was a lot of turmoil associated with both actions, and Josie assisted the City Council with the appropriate follow-up.
- Recommended once again to the Council that they hire a City Administrator, rather than another City Clerk. The Council agreed, and they promoted the City Bookkeeper to this position.
- Discussed the vacant office and Council Seat with the Vice-Mayor and Secretary/Treasurer. The Council later chose to keep the Vice-Mayor as the acting Mayor until after the regular municipal elections on December 31, and they were recruiting for a person to appoint to the vacant seat on the Council.

## **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. In addition, there are many FY00 bills outstanding at year-end. None of these debts and unpaid bills were included in the FY01 budget. The new City Administrator is compiling a list of these bills so that a budget amendment can be prepared early in the new calendar year.

The City has been obtaining its insurance from AML/JIA and is up to date in the payment of its premiums.

21% of the Cable TV and 48% of the Trash/Honey Bucket customers continue to be seriously past due on their accounts. The Bookkeeper, who is now the City Administrator, had been diligently contacting customers for payback agreements, voluntary assignments of permanent fund dividends, and had turned over accounts to the former City Clerk/Administrator for small claims procedures. The former Clerk had not followed up on these small claims actions, and the new City Administrator says she will pursue these accounts early in the new year. The City's recent amendment to its collection policies to include gaming winnings has resulted in reduction in some of the past due accounts. There was a fear that this collection policy would negatively affect gaming revenue, but the City Administrator says that gaming activities have actually increased these past two quarters when compared to the same periods in prior years.

At the end of last quarter past due accounts totaled \$27,791 and consisted of: Honey Bucket and Trash Haul - \$16,355; Cable TV - \$3,456; Washeteria - \$726; NSF Checks - \$977; Building Rentals - \$1,670; Per Diem and Course Fees - \$439; Medical Loans - \$44; and former Electric Utility - \$4,124.

Accounting Systems — The City Bookkeeper, who is now the City Administrator, continues to keep monthly financial reports and all bank reconciliations up to date. All records are on manual systems, but it is expected that a conversion to QuickBooks Pro in the new calendar year will help the office staff to not feel so rushed. Implementation and training in the new accounting software will be provided through a consultant and is scheduled to begin early in the new calendar year. The City is recruiting for a Utility Clerk.

Tax Problems — The new City Administrator continues to keep all payroll taxes and reports up to date. The Administrator reports that IRS has sent the City a letter requesting explanation for a large discrepancy in the 1997 payroll tax reports with the W-2's filed for that year. The reports were done by the prior City Clerk, and there is little documentation in the City files to work from. The Nome RUBA will be assisting with the resolution of this situation next quarter.

Personnel System — Pay advances were prohibited in an ordinance in May 2000, but the Council continues to be inconsistent in the application of this policy. They are allowing Bingo employees to take advances. Josie did discuss this with the prior City Clerk and Bookkeeper, and the new City Administrator has asked for assistance in helping the Council understand this policy.

The Council had great difficulty this quarter in the termination of an employee. They received much conflicting information from the prior City Clerk, and were very confused about the Personnel Ordinance. None of them had read the ordinance, and the Nome RUBA had the Vice-Mayor and Secretary/Treasurer of the City Council and the new Administrator read the policies over the phone with her. They also looked at Title 29. Although the Council did terminate the employee, it was observed by the Nome RUBA that a few of them were encouraging the same employee to reapply for the position from which he had been dismissed. Again, the need for Personnel Management training is a high priority this fiscal year. The Nome RUBA is working with the City Administrator on issues as they arise, but serious training needs to happen with the Council and staff at the earliest opportunity.

Organizational Management — There continues to be serious problems with employees being on the City Council. That organizational impact will have to be examined more closely when the review of the ordinances is done later this fiscal year.

The City has a Code of Ordinances, but it is still unavailable to the public and employees. The former City Clerk had temporary staff input the entire Code onto the computer and then threw away the printed code. Subsequently, Josie has found many errors in printouts of sections of the computer version of the Code, so earlier this year she sent the City Clerk a hard copy of the Code with directions to proof the copy that is currently on the computer. The former City Clerk did not follow through with this proofing, and Josie has recommended to the new City Administrator that she make this review and correction of the Ordinances a priority.

Filing and records management continue to be poor. An office for the Bookkeeper, now the City Administrator, was completed this quarter by the Water/Sewer project, and has provided needed space for records management. The City Administrator is obtaining additional filing cabinets and has the intention to organize all files this next quarter.

Late this quarter, the City Council finally implemented Josie's recommendation for the appointment of a competent City Administrator. The Bookkeeper was promoted to this position, and it is expected that there will be some measurable improvements in employee supervision and work performance these upcoming quarters.

Utility Ordinances, User Agreements, and other related documents need to be reviewed and updated in appropriate ordinances this year. The Nome RUBA has included this task in the City's work plan for this fiscal year.

Leadership/Governance — The City Council meets on a monthly basis, but the former City Clerk/City Administrator would read everything to them. They do not get financial reports and correspondence before the meeting so they can review the material. Meetings are way too long. The agendas include reports from employees, but this happens after all the other business matters. The utility operators do not make monthly reports. The Council would defer to the former City Clerk, and it was observed that he was really running the meetings. Correspondence was opened and screened by the Clerk, and those of special interest to him, such as grants and workshops, make it to the agenda. Josie has since discussed needed changes with the new City Administrator, and it is expected that reports will be included with the agendas in a more timely manner so that the Council can review the materials before the regular Council Meetings. Monitoring of this process is happening this next quarter.

The Mayor resigned from the City Council this quarter. An appointment was made to the vacant seat, and it was determined by the Council that the current Vice-Mayor would act as Mayor for the remainder of the year.

Operation of Utility — The City is 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 OIT certified. The alternate Water Plant Operator needs to attend OIT training. She keeps the Washeteria and Plant in pristine order and should be encouraged to continue in this field.

The Water/Sewer project is a PHS/ANTHC project and began this summer with construction of a water treatment plant and well house improvements. The Contractor on the project has made provision for development of Utility Management capacity and has hired a consultant to work with the City on these issues.

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

Category	1	4	7
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>