

# Hooper Bay Activity Report

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## General Information:

Paul Chimiugak, RUBA staff in Bethel, went to Hooper Bay and conducted the yearly assessment and discovered there has been a change in their financial situation. They no longer owe any payroll taxes as long as they keep current on the payments. They are considering hiring a consulting firm to fully assess their financial and administrative management system. This assessment will determine if they are capable of assuming control of the water and sewer project/system. Their water and sewer system is in the planning stages and the roads have been renovated for better access to areas that will have the piped system. The city has a very efficient Water/Sewer Planning Committee composed of a group from the two tribal entities, the local corporation and the city. Overall, a marked improvement in Hooper Bay's management and finances is slowly occurring. Their Council, Administrator, and community are making the effort to get on the way to self sufficiency.

## Observations and Recommendations:

Finances — Their FY99 Certified Financial Statement (CFS) shows that their overall revenue was \$597,192.11 and their overall expenditures were \$584,960.72. However, this is deceiving. Their actual washeteria/sauna revenues were \$87,276.09 and they had budgeted \$80,000. Their actual expenditures were \$104,343.38 and their budgeted amount was \$84,870. With these figures the washeteria/sauna had been operating at a loss. If it had not been for revenues from their equipment rentals to the water/sewer project, they would've had a serious loss. The bookkeeper needs to assert herself when reporting to the administrator and/or the council and she sees that there are some discrepancies in the financial situation. The administrator and the council need to listen to the bookkeeper and understand the financial management issues. Their revenue and expenditure need to balance in the budget for the next fiscal year and they need to pay attention to their monthly financial reports.

Accounting Systems — Their accounting system is still computerized, they recently had a problem with their software systems. They had to borrow monitors and computer equipment from other organizations. Their printer is still a Macintosh printer and needs a toner because the printed copies are hardly legible. They had to resort to using their fax machine and other organizations' equipment to make copies.

Tax Problems — They are now completely current with their tax payments. In fact when asked for notice letters from IRS and DOL, they showed the most recent letters and commented that they were all paid up. An authorization for release of tax information was sent to the IRS agent and he confirmed their status.

Personnel System — There has been no change in the administration.

Organizational Management — The administrator needs to keep in contact with his bookkeeper and apply what he learned from the 1999 Model Financial Record Keeping System (MFRKS) workshop.

Leadership/Governance — The mayor seems to be in the office almost every day and answers telephone calls when she is there. She requested a copy of their old ordinances that one of our Local Government Specialist (LGS) staff had in the file. Those were sent to her and she said that she has an ordinance committee looking over them. She also is adding the Alcohol and Drug Testing Ordinance. Once passed this will be put into a policy form for the employees.

Operation of Utility — They have a washeteria that they need to watch the expenses on, the recent Certified Financial Statement (CFS) did not show a favorable report. The bookkeeper said that it is barely breaking even and yet it showed a huge loss despite the overall revenue report in the FY99 CFS.

**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		