

Hydaburg Activity Report

General Information:

In mid-July, Gina Atkinson called and spoke with Mayor Wes Morrison. They discussed items for the July 26th trip to Hydaburg. Gina's ideas included going over Quickbooks to make sure everything is running smoothly. The Mayor said the auditor (Paul Hogan) would be there the week before so everything should be in order. They also talked about personnel issues: job descriptions and cross-training. Gina mentioned doing a rate study. The Mayor said he intends to raise the rates 9/1/99 to \$60/mo; however, he would like a rate study to see how close he is to what the rates should be. Gina also mentioned the Consumer Confidence Reports (CCR). He's never heard of them. Gina said that the water plant operator Clarence Peele might know about them since John Blankenship, the RMW, might have discussed it with him. Clarence is out of town so he'll talk to his assistant about it. Finally, Gina said she would go over election stuff with the City Clerk April Edenshaw since the municipal election is less than 90 days away.

In late July, Gina Atkinson received a call from Mayor Morrison, who wanted Gina to know that he spoke with the assistant water plant operator, and he has the numbers for the CCR. The assistant water plant operator wants to run the numbers by Clarence before they are published. Gina advised the Mayor that she could assist with formatting the report if necessary while she was there.

On July 26-28, 1999, Gina Atkinson and Athena Logan traveled to Hydaburg. They worked in the City office with the Mayor, the City Clerk and the Office Assistant. Subjects covered included:

- Job duties of the Mayor, City Clerk and Office Assistant

- Job descriptions for each position

- Quick Books:

 - Corrected Income and Expense Accounts

 - Corrected Employees Templates

 - Corrected Previous Payroll Checks

 - Reviewed Payroll and Invoicing procedures

- Discussed proper Cash management procedures with Harbormaster.

- Trained City Clerk on QB, specifically invoicing, scheduling & grouping, payroll entry, entering payments, making deposits, entering budgets, preparing financial reports.

We left the Clerk with a list of tasks to accomplish, including entering all the deposits and checks from the beginning of the year. When she has that completed she will be able to reconcile her account with the bank statements.

In early August, Gina Atkinson received a call from Mayor Morrison. The Mayor said he spoke with Clarence about the CCR. He said Clarence thought there was a form to fill out. Gina explained that there is no form to fill out but that templates are available. On August 3, Gina mailed a copy to him as well as a copy of Juneau's report so they can see what a published one looks like.

In mid-August, Gina Atkinson received a message to call Mayor Morrison about a CCR training on Prince of Wales Island. Gina called and spoke to John Blankenship, the RMW. John said Steve Schreiber from Rural Water is putting on the workshop. John said he has already spoken with Clarence about the workshop and faxed him the details. Gina said she would follow up with the Mayor. Gina called and asked for Mayor Morrison. He was out of the office for a week or so. Gina spoke with Norma who answered the phone. She confirmed Clarence has spoken to John about the CCR workshop.

Observations and Recommendations:

Finances — The City passed the FY00 budget in early July. However, the budget was very general and lacked detailed line items. There were very few details in the passed budget and when RUBA staff requested the line item details from the Mayor he was not able to provide them. The totals for the line items did not match the passed budget in the information that was provided. The Clerk does not provide monthly reports to the Council, so they are unaware of the financial condition of the City.

Accounting Systems — The City has converted to Quickbooks with the help of their accountant. Everything should be in Quickbooks including the billing for water and sewer. However, Quick Books as setup by the accountant has numerous problems. The Chart of Accounts does not correspond with Budget Line Items. The A/R Accounts did not correspond with the real account receivables. Beginning Payroll Liabilities are very high. The Clerk doesn't know how to enter payroll tax deposit checks against payroll liabilities. No memorized invoice groups are set up. No budgets are set up. A lot of data entry still needs to be done before any accurate financial reports can be done. The accountant and/or City staff hadn't input all the records into the computer back to January 1, 1999. There are still checks and deposits that needed to be entered into the system.

Tax Problems — There appears to be no tax problem. The accountant is calculating the payroll taxes and telling the City how much they have to pay.

Personnel System — City personnel has remained constant this past quarter. However, a municipal election will be held in October. The current Mayor is who was appointed last year is not running so the City will have a new mayor in October. More work needs to be done in the areas of job descriptions and cross training.

Organizational Management — The City Administrator position is still vacant. However, the Mayor is assuming the duties of the City Administrator. He also put money into the FY00 budget to hire an Administrator after the October municipal election.

Leadership/Governance — Last quarter the City appeared to be improving in the area of leadership and governance. Now however, there is some evidence that the new Mayor is losing his enthusiasm for the job. Employment at the City office appears to have stabilized. The current mayor appears to be spending less time in the City office than he has in the past.

Operation of Utility — There appears to be no problem with the operation of the utility.

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	