

Shishmaref Activity Report

Community Overview

Lead RUBA Staff: Leroy Seppilu, Nome Office

2002 Population: 589

Region: Bering Straits

Local Governments: Second Class City



The City of Shishmaref operates a central watering point, a water truck delivery service, multiple watering points and a washeteria. They also provide a honey bucket service. The City Council is the policy making body for the utilities.

Water is derived from a surface source, it is treated and stored in a new tank. Shishmaref is undergoing major improvements, with the construction of a flush/haul system and household plumbing. 19 HUD homes have been completed, and 71 homes remain. The new system provides water delivery, but the unserved homes continue to haul their own water. The City hauls honeybuckets and the new flush tanks. The school, clinic, friendship center, city hall and fire hall are connected to a sewage lagoon.

RUBA Activity This Quarter

The City was able to pay off most of the IRS tax liabilities using SOA’s Temporary Financial Relief Program. But the 2nd quarter payroll taxes added another \$14,000 in tax liabilities. In addition to that, there is still about \$10,000 from past tax liabilities.

The City had to deal with a fuel delivery company that refused to deliver fuel unless a past due account was paid up. Fortunately, the City had money coming from the Temporary Fiscal Relief Funds and Payment-In-Lieu-of-Taxes (PILT) Program and was able to pay off most of the debts.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>		All revenue and expenses for the utility are listed in the utility budget.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted a balanced realistic budget.
	<input checked="" type="checkbox"/>	Monthly financial reports are prepared and submitted to the policy making body.
	<input checked="" type="checkbox"/>	The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses.

Sustainable Indicators

<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility is receiving revenues (user fees or other sources) sufficient to cover operating expenses and Repair & Replacement (R&R) costs.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	YTD revenues are at a level equal to or above those budgeted.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	YTD expenditures are at a level equal to or below those budgeted.

- A monthly manager’s report is prepared.
- Budget amendments are completed and adopted as necessary.

Finances Comments: Through some creative use of funds, the City was able to pay off most of its debts to various vendors including IRS, a fuel delivery company and the city’s insurance company.

Accounting Systems

Essential Indicators

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The utility has adopted a collection policy and actively follows it. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The utility bills customers on a regular basis. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | An accounts receivable system is in place which track customers and reports past due accounts and amounts. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | An accounts payable system is in place. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The payroll system correctly calculates payroll and keeps records |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | A cash receipt system is in place that records incoming money and what it was for. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | The Utility has a cash disbursement system that records how money was spent. |

Sustainable Indicators

- A chart of accounts is used that identifies categories in a reasonable, usable manner.
- Monthly bank reconciliations have been completed for all utility accounts.
- The utility has a purchasing system that requires approval prior to purchase, and the approval process compares proposed purchases to budgeted amounts.

Accounting System Comments: The new city clerk is trying to implement the Quickbooks Pro software program. She has experience using the program from her previous work.

Tax Problems

Essential Indicators

- | Yes | No | NA | |
|--------------------------|-------------------------------------|--------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility has a system to accurately calculate, track, and report payroll tax liabilities. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility is current on filing tax reports. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | The utility is current on making tax deposits. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | If there are any past tax liabilities, a repayment agreement has been signed and repayments are current. |

Tax Problems Comments: The City managed to pay off most of its IRS tax liabilities. The City still owes about \$14,000 from the 3rd quarter, 2003 and at least \$10,000 from previous quarters. The mayor has said the council does not want to make anymore cutbacks for the services provided by the City.

Personnel System

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a posted workers compensation insurance policy in effect.

Sustainable Indicators

<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted and uses a Personnel Policy, which has been reviewed by an attorney, AML, or DCED for topics and language.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adequate written job descriptions for all positions.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has adopted and follows a written personnel evaluation process that ties the job description to the evaluation.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has an adequate written hiring process.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has personnel folders on every employee that contain at least: I-9, Job Application and Letter of Acceptance.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a probationary period for new hires that includes orientation, job-training/oversight, and evaluations.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility provides training opportunities to staff as needed and available.

Personnel System Comments: The utility clerk has managed to hold on to her job despite taking on the extra duties of the city clerk while the council searched to fill the city clerk position. The clerk positions are high stress due to frequent contact with the public. The council is always having a hard time finding qualified persons to fill the position.

Organizational Management

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The entity that owns the utility is known and the entity that will operate the utility is set.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The policy making body is active in policy making of the utility.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The policy making body enforces utility policy.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has an adequately trained manager.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has an adequately trained bookkeeper.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has an adequately trained operator(s).
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted the necessary ordinances (or rules and regulations) necessary to give it the authority to operate.

Sustainable Indicators

<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has adopted an organizational chart that reflects the current structure.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The policy making body meets as required.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility complies with the open meeting act for all meetings.

Organizational Management Comments: The council is still reviewing the code of ordinances, including the washeteria, honeybucket haul & trash haul ordinances. Some of the rates have been raised without negatively affecting the quality of service.

The mayor decided to continue serving his term one more year, this is after seriously considering stepping down last fall. He had said that he was getting burnt out last year.

Operation of Utility

Essential Indicators

Yes	No	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility operator(s) are actively working towards necessary certification.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has a preventative maintenance plan developed for the existing sanitation facilities.

Sustainable Indicators

<input type="checkbox"/>	<input checked="" type="checkbox"/>	The manager receives a monthly O&M report from the utility operator and routinely “spot checks” the facilities to see that the maintenance items are being completed.
	<input checked="" type="checkbox"/>	The utility has a safety manual and holds safety meetings.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility is operating at the level of service that was proposed.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The operator provides status reports to the manager on a routine basis.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has completed and distributed its <u>Community Confidence Report (CCR)</u> .
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is not on the <u>Significant Non-Compliance (SNC)</u> list.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility maintains an inventory control list.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The utility maintains a critical spare parts list.

Operation of Utility Comments: The utility clerk has continued on with her work despite facing difficulties with her job. She is the longest lasting clerk in quite a while. Previously, there have been at least 2 or 3 different clerks a year.

RUBA Activities For The Coming Quarter

The Nome Regional Office is in the process of hiring a new LGS and this community is on top of the list for use as a place to train him or her. Once the new LGS is on, we will arrange travel and training for the City.