

Shishmaref Activity Report

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General Information

The City Clerk/Treasurer went on maternity leave in late February. She expects to return to work May 1st. In the interim, the City Council had assigned her duties to the Gaming Coordinator. The interim Clerk left City employment in March, and Gilbert Pootoogooluk was hired for the interim.

Nome RUBA provided assistance to the City Clerk in developing a method to account for all monies while the Clerk was on leave. She also helped the Clerk devise a spreadsheet for recapping all deposits for input into QuickBooks.

The City sent one of its Council members and the Utility Clerk to the Utility Planning Management workshop in Nome the week of January 29th.

Observations and Recommendations:

Finances — The City Gaming activities now includes Bingo as well as Pulltabs. There has been a reduction in the amount of net proceeds donated to City general fund. The City Clerk had calculated that there will be a \$60,000 reduction in gaming donations this fiscal year. The Gaming Coordinator continues to work 40 hour weeks, and has re-institution giving out door prizes. All attempts by the City Clerk to bring the matter to the attention of the Mayor have failed. The Nome RUBA recommended the Clerk bring the matter up at a council meeting when reviewing financial reports with the Council members. The Clerk did follow this advice and the Mayor promised he would meet with her to come up with a solution, but that has not happened as of March 31, 2000. As a result, the City is now \$39,000 behind in payroll taxes.

The Utility Clerk continued to remain behind on billings this quarter, resulting in approximately 36 customers being back billed for over \$4,800 in Honey Bucket bin removal fees. The RUBA recommended that the City Clerk make a full report to the Council and that she provide the Council each month with a list of customer accounts receivable. At the end of last quarter, the City Clerk had all customer accounts on the accounting software and will be doing the customer billing herself; so an aging of customer accounts receivable should be available with the monthly financial reports.

The City does not have any insurance (including workers compensation) at this time. They have past debt due AML/JIA in the amount of \$24,000. AML/JIA discontinued coverage for the City in 1997. In addition, the City owes the Alaska Energy Authority approximately \$51,000 for a bulk fuel loan from 1994. The FY01 budget had provided for payment of both debts, but with the shortfall in Gaming net proceeds there have been no payments against these debts.

Accounting Systems — The QuickBooks Pro implementation went well last summer. The City Clerk is using the software for all applications. The Nome RUBA will help her expand the chart of accounts for the Gaming activities, such that the quarterly and annual reports can be done off the computer.

Both City and Utility files need help. It was determined last summer that there will be established a centralized record keeping system for both the City and Utility functions with appropriate vendor, customer, and payroll files. These files will be maintained by the Utility Clerk.

The Utility Clerk's job description was rewritten last calendar year because of the changes in the way the accounting system works for payroll, vendor payments, and billing. An appropriate working title was to be determined for this Clerk, but her basic duties are the receipting of all monies coming to the City, bank deposits, preparation of purchase orders, check requests, and time sheets, maintenance of leave accrual records, filing, minutes of meetings, and answering the phone. The City Clerk maintains the accounting software, preparing all payroll and vendor checks, customer bills, inputting cash receipts and reconciling them with bank deposits, payroll reports, bank reconciliations, accounts payable and receivable reconciliations, monthly financial reports, and periodic grant reports. At the end of this quarter, the Utility Clerk was only doing the receipting of money, bank deposits, and some ordering of supplies.

Tax Problems — The City and Utility are behind with calendar year 2000 payroll taxes. Discussions with IRS revealed that they owe \$39,000 in taxes, interest, and penalties. The Council and staff are aware of this situation as of March 31, 2001.

Personnel System — Personnel policies and procedures need updating as well as job descriptions, classification, and pay scale. Intense personnel training is needed for all the Council members and staff and is a priority for this fiscal year. Delegation of supervisory authority needs to be considered for the City Clerk. Currently, there continues to be day to day problems with the employees that could be addressed if the City Clerk had such authority.

Organizational Management — Customer service agreements need to be identified and filed into customer accounts, and those with missing signatures need to be followed up with the customer. Collection policies and procedures need to be reviewed and revised, with necessary changes incorporated into the customer agreements. The Council and staff need training in the current organization and options for improvements that have been presented by Nome RUBA need to be considered. An organization chart needs to be agreed upon and communicated to Council, staff, and public.

Josie has recommended to the Council that they recruit for an alternate City Clerk as soon as possible so that a backup person can be trained on the accounting systems.

Leadership/Governance — The Mayor was reelected to his office for another year. He continues to disassociate himself from the day-to-day operations of the City. The Council and Mayor need training on their powers and responsibilities.

Operation of Utility — The long-time Water Plant Operator was successful in passing one of the OIT tests this quarter. He is optimistic that he will pass the second test next time it is offered. The newly hired second operator is OIT qualified.

Monthly operating reports need to be generated by both the water plant and haul operators and presented at the monthly Council meetings. It was recommended that the operators attend the monthly Council meetings to give their reports and answer questions. There needs to be more public awareness of the “dirty” job all the operators have and an appreciation for their continued service to the community.

The City’s water system is on the Significant Non Compliance (SNC) List for Surface Water Treatment Rule (SWTR) and Total Coliform Rule. The City is currently overdue for total coliform sampling and will need six consecutive months of sampling to clear this violation. The RMW is monitoring this situation. The SWTR violations are for no distribution chlorine residual and late operator reports.

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:

The Nome RUBA will be visiting the City/Utility in early June to review the FY02 budget and conduct a personnel training session for the Council and staff.