

Shishmaref Activity Report

Community Overview

Lead RUBA Staff: Leroy Seppilu, Nome Office

2001 Population: 562

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 the washeteria. They also provide a honey bucket haul service. The City Council is the policy making board for the utility.

Water is derived from a surface source, 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 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.



October 8, 2002

RUBA Activity This Reporting Period

The newly elected Mayor and City Council are looking for ways to raise revenues as current revenues sources decline. The City was assisted by Nome RUBA staff in revising the sales tax ordinance. There are also several businesses that collect sales tax but do not give the collected sales tax to the City as required by the ordinance. The City may have to take them to small claims court if they do not agree to pay the delinquent sales tax collected. The City also plans to be more strict with who may be exempt from being taxed. Forms will be required for those that are eligible. Telephone, fuel sales, and electricity have been included to be taxed. The current washeteria user rates may also be raised slightly to meet expenses.

Capacity Indicators

Finances

Essential Indicators

Yes	No	
<input type="checkbox"/>	<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 type="checkbox"/>	<input checked="" type="checkbox"/>	Monthly financial reports are prepared and submitted to the policy making body.
<input checked="" type="checkbox"/>	<input 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. This was not in Johnny' table.
<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.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	A monthly manager's report is prepared.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Budget amendments are completed and adopted as necessary.

Finances Comments: The City still has problems meeting payroll each week. However, the new Council is very serious about dealing with this issue. Major cutbacks have been made with payroll. A committee was formed to address the issue of who the essential employees are and job descriptions are being reviewed and revised.

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 checked="" type="checkbox"/>	<input 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

<input type="checkbox"/>	<input checked="" type="checkbox"/>	A chart of accounts is used that identifies categories in a reasonable, usable manner.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Monthly bank reconciliations have been completed for all utility accounts.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	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 council hired a CPA to work with them to fix the finances, but it has been slow going because the City Clerk was not taking advantage of the training provided. She had not been able to implement any of the accounting systems that have been set up.

Tax Problems

Essential Indicators

Yes	No	NA	
<input checked="" type="checkbox"/>	<input type="checkbox"/>		The utility has a system to accurately calculate, track, and report payroll tax liabilities.
<input checked="" type="checkbox"/>	<input 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: Despite IRS taking the City’s State Revenue Sharing (SRS) & Safe Communities money, the amount in delinquent payroll taxes continues to either grow or stay the same. It had been slow going because the city clerk had not been making efforts to inform the Council of the status of debts owed 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	The utility provides training opportunities to staff as needed and available.

Personnel System Comments: The Council is making efforts to control the hiring of employees. A committee, consisting of council members, has been formed to review and revise the personnel policies. RUBA staff has been able to provide samples and comment on personnel policy issues and provide resources from the Internet.

The City Clerk was fired after the Mayor did a performance evaluation. RUBA staff has made several trips in the past to provide training to the Clerk. Our observations were that she tended not to implement or keep up on the tasks she was trained on.

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 checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a adequately trained manager.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a adequately trained bookkeeper.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility has a 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 making great efforts to improve the city employees' performance by reviewing all the jobs and job descriptions and releasing those that do not perform well. The Council gives employees a certain amount of time to make improvements prior to further disciplinary action. We will see how the new bookkeeper will be doing in the next several months. The city clerk claims she is very good at what she does.

Operation of Utility

Essential Indicators

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility operator(s) are actively working towards necessary certification.
<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	The utility has a safety manual and holds safety meetings.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Utility facilities have not suffered any major problems/outages due to management issues that are still unresolved.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is operating at the level of service that was proposed.
<input checked="" type="checkbox"/>	<input 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</u> (CCR).
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The utility is not on the <u>Significant Non-Compliance</u> (SNC) 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: If the Council continues to work the way it is doing now, we may see major improvements in the next few months with the operation of the utility. The Mayor takes his job very seriously and is not afraid to let anyone at the utility department know if they need to work harder or improve.

RUBA Activities for the Coming Quarter

RUBA staff plan to travel to the community in April 2003 to provide training for the City Clerk if the position is filled.