

# Shishmaref Activity Report

## Community Overview

Lead RUBA Staff: Leroy Seppilu, Nome Office  
 2003 Population: 594  
 Region: Bering Straits  
 Local Governments: 2<sup>nd</sup> 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. Nineteen 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

A very competent city bookkeeper submitted her resignation, effective March 31st. She resigned after the council started to blame her for the city's debts, which actually have been reduced while she was working. Nome RUBA staff will send a reminder that the council needs to continue reducing the payroll that it is having difficulty meeting each payday.

## Capacity Indicators

### Finances

#### Essential Indicators

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

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#### 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.   |
| <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:**

We will see what will happen in the next few months about what effect the bookkeeper resignation has. She had been the only one that actually made monthly financial reports and compiled the city's debts with additions or payments made. The bookkeeper position is a high-stress position with new bookkeepers burning out within months while working. This one that resigned actually enjoyed the job.

**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 checked="" type="checkbox"/>	<input type="checkbox"/>	An accounts payable system is in place.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The payroll system correctly calculates payroll and keeps records
<input checked="" type="checkbox"/>	<input type="checkbox"/>	A cash receipt system is in place that records incoming money and what it was for.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	The Utility has a cash disbursement system that records how money was spent.

**Sustainable Indicators**

<input checked="" type="checkbox"/>	<input type="checkbox"/>	A chart of accounts is used that identifies categories in a reasonable, usable manner.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Monthly bank reconciliations have been completed for all utility accounts.
<input checked="" type="checkbox"/>	<input 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:**

We will see if the new bookkeeper will be able to use Quickbooks Pro as extensively as the previous bookkeeper did.

**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"/>		If there are any past tax liabilities, a repayment agreement has been signed and repayments are current.

**Tax Problems Comments:**

The new council is the old guard that didn't really care about how many people they hired on temporary basis each day. This added up each quarter and payroll was very high and tax liabilities went very high too.

**Personnel System**

**Essential Indicators**

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

**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 council is advertising for the bookkeeper position. Nome RUBA staff has recommended that the council try to hire based on experience and qualifications.

**Organizational Management**

**Essential Indicators**

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

**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:**

There are no Organizational Management issues this quarter.

**Operation of Utility**

**Essential Indicators**

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

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**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 type="checkbox"/> | <input checked="" 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:**

As previously stated, RUBA was not able to meet with the new utility clerk due to time constraints while on on-site visit.

**RUBA Activities For The Coming Quarter**

None RUBA staff will make recommendations on who should be hired for the bookkeeper position and is ready to provide training.