

# Shishmaref Activity Report

Josie Morrow, LGS/RUBA, Nome Regional Office

## General Information

Assistance to the City by Nome RUBA/LGS Josie Morrow through phone and fax this quarter were primarily in response to personnel problems and municipal elections. During the month of July there was much discontent from two employees who were directly affected by cutbacks discussed in the last RUBA report. These two employees are related to three of the current Council Members, and their constant complaining resulted in the Council Members backing off from the changes that were instituted last quarter.

A municipal election calendar was reviewed by Josie and it was determined that the City Clerk had the process well in hand.

## Observations and Recommendations:

Finances — The City continues to play Pulltabs only. At the end of last quarter, the Council finally put into effect the Nome RUBA's recommendations that the Gaming Coordinator's hours be cut back, that door prizes be discontinued, and net proceeds be dedicated totally to debt reduction and support of City services. These changes could have infused an additional \$50,000 to the General Fund, and the FY01 budget factored this increase into revenues. However, during this current quarter, the employee involved complained long and bitterly to the Council and Mayor, and they put her hours back to 40 hours per week and re-instituted the door prizes. The City Clerk has asked the Council to give her their recommendations for the budget shortfall that will result from these actions. As of the end of this quarter, the Council and Mayor have not responded.

The Council and employees have become aware that user fees are not adequate to support the utility budgets. The Council is now of a mind to accept a Rate Study as part of the FY2001 work plans. Once some good financial information can be obtained, the Nome RUBA will develop some rates and present them in a training workshop with the Council and staff.

The Utility Clerk continues to remain behind on billings this quarter. Repeated requests for an aging of customer accounts receivable have been ignored by this same Clerk, so it is difficult to assess at this time the amount past due. As of the end of this quarter, the City Clerk had redone all Utility financial reports for FY00 so that they could be included in the annual requirement of Certified Financial Statements. All FY01 reports are being done with QuickBooks Pro by the City Clerk.

The City does not have any insurance 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 has provided for payment of both debts. AVEC had a levy on the City's FY01 Shared Revenues in the amount of \$13,120 for unpaid electric utility bills, but the City paid these in full early this quarter.

Accounting Systems — The QuickBooks Pro implementation went well the last quarter, and the City Clerk is using the software for all applications except billing. The Nome RUBA will help her with that implementation early next calendar year.

Both City and Utility files are a shambles. It was determined last quarter 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 quarter because of the changes in the way the accounting system will work for payroll, vendor payments, and ultimately 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, 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.

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 system.

Tax Problems — The City and Utility are current this quarter with payroll tax deposits and reports. They still need to amend the first quarter reports done by the Utility Clerk, and it is expected there will be some amount due.

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, and the Nome RUBA discussed this with the Vice-Mayor during the June field trip. The Vice-Mayor was going to visit the ailing Mayor and encourage him to write a letter of delegation of authority. Currently, there continues to be day to day problems with the employees that could be addressed if the City Clerk had such authority. As of the end of this quarter, the delegation of authority had not happened.

Shishmaref has been out of control this quarter with employees related to Council Members. The situation is of such a serious nature that the Nome RUBA has put the Council on notice that they must remedy the problems before she will return to offer any more direct assistance. The City Clerk is working with the Council and Mayor this next quarter to make all of them aware of the problems happening with the two employees. It has been a slow process, but Josie says that the Clerk and Mayor, as well as Council

Members, need to develop some leadership/supervisory skills and not rely on her to be the “bad guy”.

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 with lines of authority needs to be agreed upon and communicated to Council, staff, and public.

The City’s Code of Ordinances are very old, and the Nome RUBA is obtaining assistance from Anchorage RUBA Leroy Seppilu later this fiscal year to work with the Council to revise the Code.

Leadership/Governance — The Mayor underwent serious surgery last quarter, and the Vice-Mayor had been acting for him. The Vice-Mayor was doing really well in this arrangement, and had instituted some positive changes. However, with the return of the Mayor this quarter, there was a serious reversal in many areas, most notably in Financial and Personnel Management. The Mayor is not a hands-on leader, but only likes to conduct meetings. The City Clerk is making a long list of problems to be resolved this next quarter but reports that she is getting very perturbed with the situation.

The Council needs training this calendar year on Council Powers and Responsibilities, and the Nome RUBA will do this as soon as possible after the municipal elections and reorganization of the Council.

Operation of Utility — Neither operator has been successful in passing the OIT tests. The RMW is trying for a practical exam for at least one of the operators. 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 Remote Maintenance Worker (RMW) recently completed a Preventative Maintenance Plan for the Utility and presented it to the Council last quarter. The RMW also developed a log for daily, weekly, and other periodic maintenance, and he reviewed this log with the City Clerk and primary Water Plant Operator, City Clerk, and Council. The Council understands that these logs, along with the testing logs, should be presented to them monthly. When the Nome RUBA discussed the terrible results the City had on its 1999 Consumer Confidence Report on water quality, it was decided between the Vice Mayor and City Clerk that the City Clerk, who is OIT Certified, will meet the operator on duty at a designated time; and she will supervise that the testing happens as proscribed. This change did not happen this quarter, and the situation is being looked into by the Nome RUBA and Norton Sound Health Corporation, Office of Environmental Health.

**Ranking**

1 = Inadequate

4 = Adequate to meet minimum requirements

7 = Exceeds requirements

<b>Category</b>	<b>1</b>	<b>4</b>	<b>7</b>
Finances		<b>X</b>	
Accounting Systems			<b>X</b>
Tax Problems			<b>X</b>
Personnel System		<b>X</b>	
Organizational Management		<b>X</b>	
Leadership/Governance		<b>X</b>	
Operation of Utility	<b>X</b>		