

Shishmaref Activity Report

Josie Morrow, LGS/RUBA, Nome Regional Office

General Information

Nome RUBA/LGS Josie Morrow assisted the City through phone and fax this quarter in matters pertaining to the FY01 budget, interpretation of Gaming regulations, personnel issues, and various journal entries on the accounting software.

The City sent one of its Council members to the Utility Organization Management workshop in Nome the week of November 13th.

Observations and Recommendations:

Finances — The City Gaming activities now includes Bingo as well as Pulltabs. The Gaming Coordinator continues to work 40 hour weeks and has cut back on the transmittal of net proceeds to the City general government. The City Clerk has calculated that there will be a \$60,000 shortfall in Gaming Net Proceeds this fiscal year, due to the hours the Coordinator is working and the re-institution of door prizes. All attempts by the City Clerk to bring the matter to the attention of the Mayor have failed. The Nome RUBA recommended she bring the matter up at a Council meeting when reviewing financial reports with the Council members.

The Utility Clerk continued to remain behind on billings this quarter. The Nome 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 this 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 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 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 has provided for payment of both 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 are a shambles. 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 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 with all payroll tax deposits and reports.

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.

Shishmaref continues to be out of control this quarter with employees related to Council Members. The Mayor continues to bring family issues to meetings. The Council members will not speak out to the Mayor, and there have been two incidences of employees humiliated in front of Council members and staff. The Nome RUBA recommended that the City Clerk contact the Vice-Mayor to set up a meeting with him and the Mayor to work out these issues before they are brought up at Council meetings. Most of the issues are of a confidential nature and should not be dealt with at Council meetings unless there is an executive session.

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.

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 was reelected to his office for another year. He continues to disassociate himself from the day-to-day operations of the City, except when family members have a complaint. The Council and Mayor need training this calendar year on their powers and responsibilities, and the Nome RUBA will do this as soon as possible this next quarter.

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		

