

Stebbins Activity Report

Josie Morrow, LGS/RUBA, Nome Regional Office

General Information:

Nome RUBA/LGS Josie Morrow assisted the City Administrator this quarter with the completion of the City's FY99 Certified Financial Reports and the ordering of some office equipment.

Observations and Recommendations:

Finances — The City has no back debt, other than IRS, that the Nome RUBA could ascertain on her field trip last summer. A more complete picture of the City's financial status will be available during FY01, as Josie implements the new accounting software.

The City is current with their insurance premiums.

Accounting Systems — The City is using manual registers, journals, and checks. Over the past fiscal year, there has been a constant turnover in the City Administrator and City Clerk positions, both of whom do the bookkeeping and accounting functions for the City and Utility. The newly hired City Administrator is not very proficient with computers, but she has recently hired a City Clerk who has good bookkeeping skills. The Nome RUBA will be working with these permanent staff members later next quarter to implement QuickBooks Pro 99.

Utility billings are current, but Josie reports that she needs to examine them closely on her next field trip to make sure that all corrections for missed billings were passed on to the customers.

Tax Problems — The City is unsure how much it owes in back taxes. The Nome RUBA found one piece of paper in the City files that indicated there was a lien against some City Property in the amount of \$200,000. She found some notes from an IRS auditor during a March 2000 audit where he came up with an \$89,000 amount due. Josie says that she will have to clarify the tax problem with IRS/Anchorage and will have a more definite report next quarter. As of last summer, the City was making \$2,000 per month payments to IRS against amounts owed for back payroll taxes.

The City was current through this quarter with its FY01 payroll taxes.

Personnel System — The City has an older personnel ordinance and in the past year has requested a more up-to-date ordinance from the Nome RUBA. Josie did send them one, but the Council has not done anything with it. They did discuss the need to attend to amending the current personnel ordinance this next fiscal year, and will make it a priority on the RUBA work plans.

Organizational Management — The City adopted a Utility Ordinance in April 2000. The Ordinance was written by the Mayor and needs to be amended to include more specific language about each utility, how to handle corrections to accounts, past due bills, and disconnects. Overall, this new ordinance is vague in language and difficult for the office staff to understand. In addition, there needs to be adopted a resolution with all rates. There is no current rate schedule. The rates being charged appear to have been done administratively by the Mayor.

The Nome RUBA has requested a copy of the Memorandum of Agreement (MOA) between the City and IRA. It is unclear to both entities where the organization is going in the long-term. As of the end of this quarter, Josie has not yet received a copy of this MOA.

Leadership/Governance — The Vice-Mayor this past year was elected to the office of Mayor for this next municipal year. He had been the long-time Mayor in the past, and has a strong hands-on style of management. The Council and Mayor do need training in their roles and responsibilities in the near future. They also need to read through the ordinances and Title 29. Josie will try to work in a training session before the end of this fiscal year.

Operation of Utility — The primary water plant operator passed the OIT test this quarter. The City’s water system is on the Significant Non Compliance (SNC) List for Surface Water Treatment Rule (SWTR) Violations. The violations are for not monitoring entry point chlorine residual daily, no distribution chlorine residual and late operator reports. The RMW and project engineer are working with the operator to clear up these violations.

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	