

Teller Activity Report

Community Overview

Lead RUBA Staff: Leroy Seppilu, Nome Office

2001 Population: 268

Region: Bering Straits

Local Governments: Second Class City



The City of Teller operates the washeteria, a central watering point and a water truck delivery service. The City also provides a honeybucket haul service. The City Council is the policy making board for the utility.

During summer, water is hauled from the Gold Run River (20 miles away) by the City water truck, and delivered to home storage tanks. A few residents use their own ATVs or snowmachines to haul water. During winter, treated water is delivered from a large storage tank at the washeteria, or melt ice is used from area creeks. Preliminary work has begun on a piped water and sewer system, however, a new water source must first be developed. Wells have proven unsuccessful. The school operates its own sewer system. 42 residents use honeybuckets, which are hauled by the City. A few homes and facilities have septic tanks. A new landfill is under construction. The community participates in hazardous waste collection.

General Information

Leroy Seppilu, RUBA staff, went to the community about three times to encourage the Council to meet and appoint individuals to two vacant Council seats and appoint a competent City Clerk to run the day-to-day operations of the City. The Council did not take action until near the end of the December 2001. The Council appoint two new Council members and then the Mayor resigned and the council elected Kenny Hughes as Mayor. Several actions were immediately taken including hiring a new City Clerk.

The City Council had not passed the FY02 budget, a couple of resolutions or the Certified Financial Statement for FY00 and therefore, at least \$47,000 in SRS funds waited down in Juneau. The new Clerk is working on them and hopes to complete them shortly.

Observations and Recommendations

Finances — The washeteria has been closed for several months due to neglect. Nothing was working. ANTHC has a couple of washers it would like to install but is waiting for the Council to hire a City Clerk so that it can be managed properly. A budget was proposed by the Council to meet one of the requirements by ANTHC. The City will hire four workers to fix up the washeteria and be reimbursed by the consortium. There are a couple of large debts that the Council will need to pay, but the new Mayor is aware of them and has plans to pay them back.

Accounting Systems — The City uses a manual financial record keeping system. It has been slightly difficult to construct the actuals for FY01 since records have not been kept. The Mayor would like to purchase a computer for the Clerk to use.

Tax Problems — The City’s bank account has been frozen by the IRS until payments are made to back taxes totaling about \$7,300. Tax reports have not been made for about three quarters. Employment Security Division is not too worried about the City because it has a credit of \$900 for ESC taxes.

Personnel System — The new City Clerk is making a difference already. He has been very busy working on the SRS forms. He was working in the evenings since he already has a job at the local school. The principal does not want him to leave but the Clerk is talking about submitting his resignation to the school and working full time for the City.

Organizational Management — It is good to have Mayor Hughes come back. He resigned last winter because the rest of the Council was not listening to him. Since he quit, the Council has not gotten anywhere and actually fell more behind with everything.

Operation of Utility — We hope to have the washeteria functioning once more. The Council has raised the rates to comply with ANTHC’s requirements to have it self-functioning. I believe the Council has met that requirement by raising the rates.

Category	Inadequate	Meets Minimum Requirements	Exceeds Minimum Requirements
Finances	X		
Accounting Systems	X		
Payroll Taxes	X		
Personnel System		X	
Organizational Management		X	
Operation of Utility		X	

Anticipated Activity

Leroy Seppilu, RUBA staff, will be working with the city clerk on setting up special elections since the regular municipal elections were not held last October. I will be drafting an election timeline for him. The mayor has sent a letter to U.S. Dept. of Justice for preclearance for the special elections. We expect approval and will hold the special elections on February 12th, 2002.

The work on the washeteria should be starting very soon. The RMW will have the washers shipped in from Anchorage and install them. Once that is done, the washeteria will open to the public once again and hopefully break even or make money.