

Teller Activity Report

Josie Morrow, LGS/RUBA, Nome Regional Office

General Information:

Anchorage Office LGS/RUBA Leroy Seppilu traveled to the City in July to meet with the Mayor and Council to review and revise the current City Ordinances. The City Clerk resigned from her position in August. The City was unable to fill the position, but appointed a temporary hire for the interim.

Nome RUBA/LGS Josie Morrow assisted the interim City Clerk and Mayor through telephone, email, and fax this quarter with the following:

- Job descriptions for City Clerk and City Bookkeeper.
- Updated list of customer accounts receivable for water/sewer.
- Provided list of customer accounts receivable for cable service as of June 30, 2000, so that the interim City Clerk could continue with customer billings.
- Notice of Election for the upcoming municipal election, election calendar, filing forms, and ballots.
- Second quarter payroll reports.
- Referral to insurance company for workers compensation. Assisted with payroll information needed for premium estimate.

Observations and Recommendations:

Finances — The City remains approximately \$235,000 in debt, with the largest amounts being owed to IRS, AML/JIA, and the Cable Company. IRS and AML/JIA have levied the City's FY01 Shared Revenues in the amounts of \$40,504 and \$37,111, respectively. The City asked for reappropriation of some of its Capital Matching Grants so that the debt with the Cable Company for equipment could be bought out at a negotiated price.

Almost none of the City's utility customers are current in their payments. Honey Bucket/Trash Haul customer accounts increased to \$95,790 at the end of this quarter. The Cable TV customer accounts receivable were \$9,300 at June 30, 2000. The Mayor has indicated to the Nome RUBA that all these accounts are being reviewed for accuracy and that the cable hookups to houses are being inventoried. The Mayor suspects that not all people are being billed for the service, and that the actual amount of Cable TV accounts receivable may be higher than the June 30th balance.

Accounting Systems — The City Clerk had been the bookkeeper for the City and Utility Departments, with the exception of Bingo and Pulltab activities. All of the record keeping is done through manual registers and journals, with some excel spreadsheets for employee history information. Unfortunately, the City Clerk does not keep the excel spreadsheets up to date on the employees, and has a difficult time completing the payroll tax reports. At the beginning of this quarter, the City Clerk admitted that none of the financial reports were up

to date. She did discuss her workload with the Mayor, and a City Bookkeeper position was put up for recruitment at the end of July.

Josie did remind the interim City Clerk that the third quarter payroll taxes were due, as well as Certified Financial Reports for FY 99 and FY 00. The interim City Clerk said that he was unable to start any of the bookkeeping tasks because he was still trying to catch up on all the filing.

The Mayor is desirous of automating all accounting at the City, and the City's FY01 Capital Matching Grant request included the purchase of computers and software.

Cash receipts are still not being deposited daily. The former City Clerk was far too casual in her handling of money; and it has been recommended by Josie, since she began working with this community over a year ago, that the City must deposit all receipts daily. Josie did discuss the mechanics of this procedure with the interim Clerk this quarter, but the Clerk did nothing to institute the procedure.

Tax Problems — The IRS levy on the City's FY01 Shared Revenues in the amount of \$40,504 is for amounts due from 1999 payroll taxes. Gaming Activities employees account for 55% of these amounts due, and the Nome RUBA has provided the Mayor and City Clerk with a breakdown of payroll taxes that the Gaming account needs to remit to the City. Discussions between IRS/Fairbanks and the Nome RUBA this quarter indicated that very few payroll tax deposits have been made for this current year. These matters were brought to the attention of the Mayor and City Clerks.

Personnel System — There continues to be a serious lack of supervision of key employees, primarily the City Clerk and Gaming Coordinator. The new Mayor was exhibiting some really good managerial skills the first three months after he was elected to his office in November of 1999; however, the expected gains that would result from closer supervision have not materialized. Both employees have attendance and productivity problems that are not being addressed. The City Clerk did tender her resignation this quarter, and the interim City Clerk is at work every day. However, there remains very little supervision over this position. The Mayor did warn the Gaming Coordinator, but no improvement has been observed by the Nome RUBA. The Mayor still has not followed through with the RUBA/LGS recommendation that the Gaming Coordinator have more direct supervision, including approval of expenditures, timesheets, work schedules, reports, and bank deposits.

Organizational Management — The City Clerk had not been able to do the bookkeeping and accounting functions expected of her. This is also true of the immediate past City Clerks. In the past, the City always had a Bookkeeper position; however, the duties of the position were more those of a secretary/receptionist, rather than a true bookkeeper's. The Nome RUBA has recommended that the City either hire a more experienced Clerk, or that the Clerk's position be scaled back to the traditional City Clerk functions, and that a more skilled person be hired to do all bookkeeping and accounting, including Gaming. This will have to happen, anyway, once the City starts using an automated accounting system, such as QuickBooks Pro; so it would be best if the Mayor and Council prepared for this change

early in the fiscal year. The Mayor did acquiesce to a Bookkeeper position this quarter, with a proper job description; however, applicants for the position were not competent, and the City has extended its recruitment. The City is also continuing its advertising for a City Clerk. The successful applicant for the position turned down the offer of employment.

The City needs to develop customer files and agreements for services. Collections on old debts must happen this next fiscal year; and it is a priority for the Nome RUBA that the Council act on her recommendation for an experienced Bookkeeper.

Leadership/Governance — The Mayor was aggressive in pushing through an amendment to the City’s billing and collection policies late last quarter. He was also instrumental in getting the FY01 Budget passed before the beginning of the new fiscal year. He remains a strong leader and concerned Mayor. It is expected that once the summer months are over, he will again be at the City Offices on a more frequent basis. None of the Council is able to assist the Mayor, and it is hoped that the next municipal election in October will result in some stronger support and talent for the City.

The new Council will be required to attend a training session conducted by the Nome RUBA that will familiarize them with their roles and responsibilities. Anchorage RUBA Leroy Seppilu will also be stressing leadership as he reviews and rewrites the City’s Code of Ordinances with the Council. A large part of Leroy’s review will include answering questions and instilling in the Council and Staff a better understanding of their government and what is expected of each of them.

Operation of Utility — The City has not distributed the 1998 and 1999 Consumer Confidence Reports on water quality that the Nome RUBA and RMW assisted them with. Josie has contacted the Mayor concerning this requirement, and she will follow up with the City to make sure the reports are posted and filed.

The School continues to operate the Water Treatment Plant. Turbidity testing equipment and training will be provided by the RMW, so that violations in this area can be eliminated.

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	

