

# Upper Kalskag Activity Report

Leroy Seppilu, LGS/RUBA, Anchorage Regional Office

## General Information:

The mayor told the utility clerk, Bernice Hetherington, that she may not have her job back if she decides to return on September 1<sup>st</sup> after an extended leave of absence. She had requested to take time off from May to September to help her husband build a house.

The city clerk, Rachel Wise, resigned after the mayor told her not to come back when she threatened to resign. They had been at odds over several issues since the mayor came on board. The council hired the mayor's sister (she was also a council member) to be the city clerk. She resigned her council seat after she accepted the position.

The VSW sewer project's engineer, Paul Gabbert, accepted an engineer position with DOTPF and a new VSW Engineer took over. The city is still trying to get a grant to provide sewer service to the high school. The city's problem has been that it does not have OIT certified plant operators. The main operator went to training, but failed the test because he missed one day of the class.

## Observations and Recommendations:

Finances — The utility has been operating in the red (-\$7,500) since the beginning of January. I believe the former utility clerk (Shinna Stewart) was not making efforts to collect sewer utility bills from customers.

Accounting Systems — The utility clerk was entering all revenues, regardless of what revenues they were, as sewer utility revenues. The utility's revenues are also from heavy equipment rental, building rental, lodging. Shinna was not categorizing them and thus making it difficult for us to determine where the money was coming from. I tried to show her what to do but she still didn't do it.

Tax Problems — The quarterly tax reports may not be completed during this quarter due to the fact that the substitute for Bernice has quit.

Personnel System — The utility clerk quit after it was revealed that the utility has been operating in red. The city clerk is now filling in but she does not know most of the utility clerk's duties. The utility clerk, Bernice Hetherington, was told by the mayor that her job may not be waiting for her on Sept. 1<sup>st</sup> (the day she was suppose to come back).

Organizational Management — This is in shambles and may get worse before it gets better.

Leadership/Governance — The mayor is strong-willed and has at least four close relatives in the council so he does what he pleases. Sometimes this is detrimental to the utility itself.

Operation of Utility — The once near-perfect rating for this utility has reversed and it's a free for all now. The mayor, against the advice of RUBA, told the utility clerk Bernice Hetherington that she may not have her job back when she comes back on Sept. 1<sup>st</sup>. She had asked for an extended leave of absence for the summer. The city clerk, who is suppose to be filling in, does not have any kind of training with billing and collections. This should be real interesting.

**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 |   |   |