

AlaskansforAlaskaElfinCove

A new voice for our Citizens and State



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May 16, 2012

Dear Representatives and Senators:

As long-time residents of Elfin Cove, we have concerns about the leadership and governance of our community. For over 30 years, we have been governed by a non-profit corporation, the Community of Elfin Cove Nonprofit Corporation (CECNPC). In the past 10 years, however, the corporation has been run by several people who don't even live in Alaska. As business owners, they have controlled the priorities and the monies for our village – usually putting their business interests before the community at-large. When we have questioned their decisions and asked for accountability and transparency, we have been met with defiance and hostility. We are at a point where we must have help from the State to get to the truth of our community's finances, governance, and decision making process. Listed below are five key areas of concern and our reasons for these concerns.

Revenue Sharing: Since we live year-round in Elfin Cove and can account for 20 or less people for over half of the year, we question the legitimacy of the Head Count Censuses done to obtain Revenue Sharing funds. Our count agrees with the 2010 U.S. Census count. We ask for a verification of the Head Count Censuses of 2008 and 2011 to determine the residency of those on these censuses.

Grants: Elfin Cove has received many grants from the State and Federal governments. The monies from these grants are put into two general accounts, then shifted from one account to another. We are not allowed to see the books for CECNPC, but at least two water grants were zeroed and the water pipes were never installed. We ask that all grant funds be audited and accounted for to insure they were used according to the grant specifications.

Audit of CECNPC: There have been repeated requests by community members to conduct an audit of CECNPC. This organization has never had an audit of the books in its thirty year history. The only checks and balances in place are the two bookkeepers and the Treasurer reviewing the other's books. The "second-class" city application was stalled because there was opposition to disclosing parts of the finances of CECNPC. Grants requiring audits have also been passed over. We ask for an audit of CECNPC and its subsidiaries- Elfin Cove Utility Commission and Elfin Cove Fuel (dock).

Elfin Cove Fuel and Elfin Cove Fuel Cooperative: Elfin Cove Fuel (ECF) was formed in 1997 by CECNPC to operate the fuel dock purchased from Pelican Seafoods and Elfin Cove Fuel Cooperative (ECFC) was formed in 2000 to acquire a loan from AEA - because, as a non-profit, CECNPC wasn't eligible for the loan. ECFC has portrayed itself as a separate entity from CECNPC, a subsidiary of CECNPC and now as a "Paper Corporation". Community members have repeatedly asked for a clarification of these entities and the ability to review the books, yet no one has seen all the books. We ask for an audit of both ECF and ECFC and an investigation into the status of both entities.

Residency: In Elfin Cove, out-of-state business owners use business addresses to claim Alaska residency and voter cards. This allows them to vote in CECNPC elections and be elected to the Board of Directors. These positions enable them to represent Elfin Cove and to control community funds. We ask that the requirements for Alaska residency/voter registration be enforced and the voter list for Elfin Cove precinct be reviewed to check the legitimacy of those listed to be considered Alaskan residents or voters. Enforcement of the residency requirements would solve many of our issues.

We realize that our concerns are many and are complex. We want accountability and transparency in our government and leadership. We want to develop a community that has a legitimate claim to revenue sharing and grants with proper accounting and record keeping of those monies. To achieve this, we need your help. We ask for a thorough audit of CECNPC finances and of its assets. We ask for support in our efforts to achieve second-class city status. Please contact us for more information on these concerns. What our leaders provide you may not be the same as what they have provided the community, and we want you to be able to see the troubling red flags we see.

Sincerely,

Lane Ply, President

Travis Lewis, Vice President

Karen Nemecek, Secretary/Treasurer