

STEVENSVILLE TOWN COUNCIL MINUTES
Thursday, January 23, 2014
7:00 P.M.

Council for the Town of Stevensville came together at Council Chambers, this being the time set for the regularly scheduled meeting of the Town Council. Mayor Mim Mack called the meeting to order at 7:00 p.m. Councilpersons Perrin, Holcomb, Klaphake and Crews were all present along with several members of the public.

The Mayor, Council and all present then rose, faced the flag and recited the Pledge of Allegiance.

Approval of minutes from:

January 9th Council meeting and January 16th COW meeting

Councilperson Holcomb made a motion to approve the minutes from the January 9th Council meeting and the January 16th COW meeting as presented. Councilperson Crews seconded the motion and all voted “aye”. Motion carried 4-0.

Approval of bi-weekly claims:

Council reviewed the biweekly claims presented.

Councilperson Holcomb made a motion to approve the bi-weekly claims as presented. Councilperson Klaphake seconded the motion and all voted “aye”. Motion carried 4-0.

Administrative Report

Airport

Airport Manager Steve Knopp updated Council on the airport grant funding; a new business moving to the airport and a possible new hangar.

Court

There was no court report given.

Mayor Mim Mack informed Council that the current Judge’s term expires in June and he will begin the process of vetting candidates soon.

Police

Chief Marble updated Council on his department statistics and current software program. Council requested Ravalli County Sheriff Department statistics on their responses in Stevensville’s jurisdiction on a quarterly basis if possible. Chief also reported on alcohol compliance checks, the cemetery vandalism and introduced the new School Resource Officer Kelly Mason.

Treasurer

Treasurer Mapelli presented her monthly report. She also gave an update on the Town's business license applications and water/sewer production and usage.

Guests:

There were no guests.

Correspondence:

There was no correspondence.

Public Comments:

Tim Hunter, 501 South Avenue, representing the Stevensville Main Street Assn, gave a report on the SMSA annual retreat, budget, promotions on Main Street, and website update.

Unfinished Business:

A. Standing Agenda Item: Water Project

Mayor Mim Mack gave an update on the well house, treatment plant and well field. He stated he has a meeting next week regarding the water rights and will be keeping Council informed.

Michael Sharkey requested the Town offer an open house once the well house is completed and online.

B. Standing Agenda Item: Sewer Project

Mayor Mim Mack updated Council on the sewer project, stating there is a tentative date to restart the project in mid-end February. Mayor will be meeting with project engineer and contractor tomorrow and will keep Council informed.

New Business:

A. Discussion/decision on FY09/10, FY 10/11 and FY11/12 Audits – Galusha Higgins Galusha

Treasurer Mapelli introduced auditors Ryan Lindsay and Rick Eneas from Galusha Higgins and Galusha.

Mayor Mim Mack commented on the past history of the Town's audits and issues and delays of getting them completed.

Auditor Ryan Lindsay gave a brief explanation of the auditor's responsibilities and what an audit is. He also informed Council and the public that these reports are in draft form at this time and the final audit will be following soon.

Ryan then gave a presentation of the Draft FY 09/10 Audit Report. He stated as a result of the Town not maintaining adequate accounting records for this period, they were unable to obtain sufficient audit evidence to provide a

basis for an audit opinion. He then reviewed their findings, effect, recommendation and Mayor's response.

Mayor Mim Mack commented on the audit, findings and responses from the Town in regards to granting agency inquiries.

A citizen asked what percentage of the evidence was missing. The auditors could not give percentage.

Citizen Leslie Tadvick asked if the audit reports would be available to the public and Treasurer Mapelli stated they would be available on the Town's website.

Ryan then presented Draft FY 10/11 Audit Report. He stated as a result of the Town not maintaining adequate accounting records for this period, they were unable to obtain sufficient audit evidence to provide a basis for an audit opinion. Findings, effects, recommendations and responses/corrective actions planned were all reviewed.

There was further discussion on non-compliance in accordance with David-Bacon Act requirements with regard to the Water and Waste Disposal Systems and lack of documentation for costs charged to federal programs (Office of Management and Budget Circular A-87).

Mayor Mim Mack commented on the previous accounting procedures, the current accounting procedures and controls and corrective actions taken on the audit findings.

There was further discussion on restatements and recreating or correcting journal entries.

Ryan presented Draft FY11/12 Audit Report. He stated they were able to obtain sufficient evidence overall to provide for an audit opinion, however there were still inadequate accounting records as with the previous audit years. Other findings of non-compliance for Davis-Bacon Act and OMG Circular A-87 were reviewed and discussed.

Discussion ensued regarding restricted funds, identifying housing & community development funds, and reserve funds. The FY12/13 audit was discussed and they will begin this audit now that audits through June 30, 2012 have been completed.

Mayor Mim Mack commented on the public perception of no opinion on the audits. Rick commented on fraud and states they are not required to check for fraud, but if any fraudulent items were found during their audit, it would be reported to upper management. He also stated they could not guarantee there

was no fraud, but did not come across anything in all 3 audits that they felt were fraudulent.

Mayor Mim Mack commented on the past accounting and his disappointment in the deficiencies that were allowed by the Town. He stated he hopes the Town learned from these findings and these deficiencies in our accounting practices are not allowed to happen again. He then thanked the auditors for their difficult work.

There was a 5 minute recess at this time.

B. Discussion/decision on Prioritizing COW Meeting Items for 2014

Council discussed several items needing further discussion at a COW meeting and prioritized as follows:

- **February – Proposed Development Code Revisions**
- **March – Electronic Signs**
- **April – Water/Sewer Rate Review**
- **May – Employee Salary and Stipend Review**

It was also determined the LWCF Grant Community Survey will be added to the Council agenda when SMSA is ready to present how they will proceed and the Lewis and Clark Park Security Cameras/lights will be added to the Council agenda when there is a proposal to be presented.

C. Discussion/decision on Mayor's Appointment of Megan Hanson to the Planning and Zoning Board

Mayor Mim Mack reviewed his appointment of Megan Hanson to the Planning and Zoning Board.

Councilperson Klaphake made a motion to approve the Mayor's appointment of Megan Hanson to the Planning Board. Councilperson Holcomb seconded the motion and all voted "aye". Motion carried 4-0.

Executive Report

Mayor Mim Mack updated Council on:

- the issues at the County Treasurer's office
- notice board and payment drop box
- panic bar on exit of Council chambers
- Improvement plans for the Town Hall office

Town Council Comments

Councilperson Klaphake commented on:

- ✓ Upcoming MMIA training and he reminded Council of rules of not discussing Town business outside of Council meetings.

- ✓ Upcoming NorthWestern Energy reception next Thursday. Mayor Mim Mack will be attending.
- ✓ Upcoming Bureau of Business Economic Outlook, January 31st. Councilperson Klaphake will be attending.

Councilperson Perrin commented on the survey that was given to Council at a previous meeting and stated he felt the comments on the survey were mean spirited.

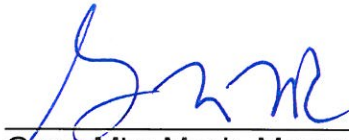
Board Reports

There were no board reports given.

Mayor requested to attend the Feb 12th Rural Fire meeting. Brandon Dewey will notify the Mayor of the meeting time.

Meeting adjourned at 9:30p.m.

APPROVE:



Gene Mim Mack, Mayor

ATTEST:



Stacy Bartlett, Town Clerk

