

Stevensville Special Town Council Meeting Minutes**for TUESDAY, SEPTEMBER 23, 2025, 6:00 PM 206 Buck Street, Town Hall****1. Call to Order and Roll Call**

Mayor Michalson called the meeting to order. Councilmembers Barker, Brown, Bragg, Smith were all present.

2. Pledge of Allegiance**3. Public Comments (Public comment from citizens on items that are not on the agenda)**

Kristine Porter, 309 Spring Street. I came from Spring Street, three weeks ago town crews began work on a water leak on our street since then there have been serious issues on how it was handled. Residents were not consistently notified before water shut offs and blocked driveways. It is my understanding that we are due 24 hours of notice unless it is a true emergency since water was left pouring at roughly five gallons a minute all of last week I have no reason to believe that today's shut off was an emergency. Crews ran extension cords to private homes without asking, and the homeowners being at home. If I ran an extension cord to my neighbor's house I would be arrested, when they blew the breaker at one home they simply switched to another where no one was home. They had every opportunity to ask a neighbor that was available I never imagined that I would have to fear theft from not from other citizens but the town itself. Despite all of this work the leak has not been properly fixed water has been bubbling out of the ground for weeks. Today with no notice our water was shut off, my husband lost half a days wage, and my son missed a day of school because of this situation. I am happy to provide details upon request; my elderly neighbor was in the shower when the water was turned off. I am asking the town council to hold the town staff accountable and to ensure that residents are notified before water shut offs and blocked driveways. I ask that no private property is used without permission, and I would like clear communication from the town about what is wrong, why you had to go in and repair the same place and what the plan is I would actually like this to be standard procedure it is the least that you can be doing for us after our massive rate hikes. We should not have to fight you to make us whole after damages are caused. I also ask that repairs be completed properly and efficiently without causing harm to families I also ask that the town staff be held accountable I no longer feel safe in my home knowing that they might steal from me at any moment it was totally unacceptable.

Ariel, 318 Spring Street: I can speak to the same things that Kristine spoke of. I have plenty that I can provide regarding information. What I would like to do with my time

is ask some bullet questions, and if you can answer those questions for the residents of Spring Street and the town. I am going to go ahead and read those out.

Ariel provided the town council, mayor and town clerk with her questions.
(Questions have been added to the end of these minutes.)

Jim Crews: Public comment read by the town clerk, (Public comment has been added to the end of these minutes.)

4. Unfinished Business

a. Discussion/Decision: Resolution No. 574 a Resolution for Adopting a Budget and Adopting Wages and Salaries for the Town of Stevensville, Montana FY 25/26

Mayor Michalson: introduced unfinished business item a. Resolution No. 574 a Resolution for Adopting a Budget and Adopting Wages and Salaries for the Town of Stevensville, Montana FY 25/26. This was tabled last time and was voted on, then discussed the next day with Dan Clark and we did not have a quorum. That is on me, I just figured that we had 2 out o the three, but it does come down to the 4 body. We are here tonight with a full body, and I hope tonight that we can come to a resolution council, I would hope that we can be unanimous on this, it is very, very serious and we have a very serious issue down at the plant as you know. Real serious, we are very close to getting our sewage dumped into the river, and if it does go down there and the EPA gets a hold of this, water rates will be the least of our issues. I am telling you that they will come down hard; to just keep going back and forth on little stuff, this is your budget, and you own it lock, stock and barrel. All that I do is manage it, you own it, it is your meeting. We have made the recommendations to you so I will ask you council, ask all of the serious questions, this is your budget.

Councilmember Barker: I make a motion to approve Resolution No. 574 a Resolution for Adopting a Budget and Adopting Wages and Salaries for the Town of Stevensville, Montana FY 25/26.

Councilmember Bragg: 2nd.

Mayor Michalson: motion and a 2nd. if it is okay with the council I would like to have Robert does his updated status on all of this and if you the council would ask questions to Robert and then department heads can chime in and then the public.

Councilmember Brown: why are we asking Robert and not the finance officer.

Mayor Michalson: we can ask them both. If you don't feel comfortable asking Robert then ask Gina. I will chime in on this, okay. There seems to be a lot of distrust going

on around here about Robert it really does. I have heard it back and forth all the years, Robert this and Robert that. I am sorry to say but Robert stepped up here since 2019 and you may not agree with a lot of his numbers here and there, and yes sometimes he can get a bit distorted, damit he knows his numbers. I would hope that council would have the confidence in him once he presents the numbers tonight to pass it. I here all the chatter out there, it is really sad that it has come to this and that there is so much distrust and all of a sudden, Roberts bookkeeping or accounting and it really saddens me, I have been on the council for ten years since 2019 I have put my trust in Robert, and we have not been broke yet. Please give him a chance to run his numbers. Robert go ahead.

Councilmember Brown: that is not the issue, Gina is the head, and Robert is the assistant that is why I asked the question.

Robert Underwood: let's start with what is a balanced budget, this seems to be some questions about what a balanced budget is. I went ahead and got how to check for a balanced budget. For a balanced budget each fund, the following information must be true. The total requirements must equal total resources. The budget in cash reserve cannot be a negative. I have always used a 33% rule for max appropriations in the general fund, and it is actually 50% and we have never been close to 50%, in our audit we use 33%. At the end of the year, we get our big tax check, and we spend it down for the rest of the year and the next check is in 6 months. Funds being overspent, you have to have the total resources equal the total requirements. What I have used for years is this little sheet, it is not the state sheet, this allows the town what percent we want here for cash reserve and where are our investments. That line is nontax revenue.

Councilmember Brown: that is not what we have.

Robert Underwood: I am just talking about the sheet; this is the updated from last time and we have more cash now. Total requirements for this to be true is proportion and all of your cash reserve is all of your requirements. Cash on hand over to 6 is your total revenue. Same numbers, this is what I have to turn into the state, (showed the state sheet for reporting). You have to take the general fund out from the other funds and when you do that the remaining goes here (on this sheet). It is all cash reserve if it is in your bank account. This is what it looks like for the state, if you look at total requirements every fund and if you add them together you get this. We have the cash reserve for it, it does not seem balanced but the total requirements, tax and fees. Does that make sense. This is a balanced budget.

Mayor Michalson: Robert could you go back and explain to council on how it got balanced.

Robert Underwood: I keep you telling you that if you want to have a 20% reserve this is how much cash you have to have. This is a tool to tell us where we are at. If we were to spend any more then our percentage would go down. That is why we use this as a tool.

Councilmember Bragg: this is a working document.

Robert Underwood: yes, it is a working document.

Councilmember Brown: if you would have given us the state one, it would have been easier.

Robert Underwood: no, because you can't change anything. These numbers add up right across the board, I can only put in numbers on the state sheet where there is a fund.

Councilmember Bragg: from what I am understanding the spreadsheets that you presented to us and made to be adjusted and then this is what you would plug it into once you have completed the project.

Robert Underwood: with that said, we are balanced. The spend down, and in five years we have never spent it all down. If you want it to be balanced, just like we have talked in the numerous budget workshops, you have to cut, I will give you some examples of cutting; pool, put park position back to public works, cut training to the council and admin, fire fighter reimbursement, food for fires, memberships. Bunker gear, a police officer. How many months we have been here over ten hours at a cost of about \$1,500 for employees. The budget has not changed since we started, no one has talked about the individual pieces, they have talked about other stuff. The sewer plant has an issue, we have looked at the budget, line by line and no one asked a question, the biggest loser in this town is the pool, but nobody wants to touch the pool. The budget is balanced, and I will open it up to the mayor and if you want to pass the budget with the numbers we have, if you want to look at every line item we can do that again. If you have something wrong with the budget, not passing the budget is not an answer the town has to keep going on. We have to have evaluations if the town is going to raise the taxes, the town does not have a special levy. One is for a permissive levy; we do not have any special levies. We have non-voted levies. And that is our general fund. Since I have all the time in the world, lets go back to mill levies, market value \$100,000 house pay \$94.00 in city taxes, \$300,000 house pay \$281.00 in city taxes. The town is valued out at \$406 million,

and we get \$380,000 for taxes. If you want to figure out your taxes take this number and this is what you pay for city taxes, we know that you pay even more than this.

Councilmember Brown: can you go to the page that was included in our agenda packet. I want people to realize that in the general fund line 4 cash available changed from the previous council meeting. my question is under the non-tax revenue that increase, and the property amount decreased by the same amount.

Robert Underwood: that is after we did our mill levies, this is simple and will change according to the state sheet. When I put these numbers in here, this all comes with taxes in black mountain and when I fill out the state sheet I can't put that number in. there is no way in the state form to put that number in.

Councilmember Brown: on the state sheet it is different from the spread sheet.

Robert Underwood: once again this number I take out when we do planning, so you can see investment income compared to revenue from fees and stuff like this.

Councilmember Brown: other 2820, that number changed from last time. At the prior meeting it said a different amount.

Robert Underwood: remember prior we did the budget amendments, and those funds now have in them for equipment. Take 25% out of the gas tax and put it into the capital fund.

Councilmember Brown: so, in the prior meeting that had not been done correct.

Robert Underwood: we talked about it in workshops and then you passed it and I put it in there.

Councilmember Brown: for total revenues for the airport, it went up from the last time.

Robert Underwood: right here, that is why I highlighted it, the glitch in the formula did not calculate \$1,414.00 anticipated interest income. It did not add those numbers together.

Councilmember Brown: my last question, this number right here when I do the calculations comes out to \$3,273,029.00 I even added the numbers in the collum all the way down, using the formula at the top of the page.

Robert Underwood: cash available and the total, that is the same number that is over here, when I told you that there was a glitch in the formula, it is still the same number that we used over here.

Councilmember Brown: which number is correct?

Robert Underwood: (pointed to the spreadsheet) this number right here. This is the entire sheet that is going to the state, you are not approving this sheet (spread sheet) you are approving that budget.

Councilmember Smith: that was not in our packet.

Councilmember Brown: that was not in the packet.

Robert Underwood: you are approving each of these budgets right here, if we go through the entire budget, this is what you are approving this document right here. I guess my question is, what is the question.

Councilmember Brown: you just did the math and came up with the number that I had and now you are saying what is in the packet is not correct. I am confused this is not in our packet this spreadsheet. The one in our packet stated \$3, 475.977 and now the number is \$3,273,029.00 which is calculated when you use the number. Which number is correct?

Robert Underwood: this number is correct, this is a working document, what you are approving are appropriations and revenue and that is these two lines out here. Which does not include this, the numbers you are approving is right here, that is our appropriations and the resources to go with it. These numbers have not changed total requirements, and total reserves have not changed. The total has not changed.

Mayor Michalson: the only thing that changed was the cash on hand.

Robert Underwood: yes, and that extra revenue down here.

Councilmember Brown: so, my next two questions are I understand at the last council meeting that I was on vacation for \$3,000.00 was supposed to be put in for EMT training, has that been done?

Robert Underwood: it is planned to be put in the budget, and if you want that in there you need to do that now.

Councilmember Barker: we did not put it in there because it was not a passed budget. We did not vote on that budget; we made a motion to do it and without having a passed budget we could not show it in there.

Councilmember Brown: if I am understanding you correctly if we take the final number for the total requirements plus the cash remaining that equals that our total resources therefore we have a balanced budget.

Robert Underwood: yes. total requirements plus our total resources it is balanced in every fund. The way you can tell that is that we have a cash reserve in every fund.

Councilmember Brown: I realize that if you take the cash remaining minus the cash reserve on the worksheet that was presented to the council in the packet that comes out with close to being the total resources.

Mayor Michalson: is the council good with this, would the council like to go back through line by line or would you like.

Councilmember Brown: what was given to us and what is being presented with that additional it makes it a little bit more confusing and there was a math error on the sheet that was given to us.

Mayor Michalson: that is what we are here for is to fix that, that is your job, but if you are not right with it.

Robert Underwood: the appropriations have not changed and that is what you are voting on and the revenue.

Councilmember Smith: no sir we are voting on a balanced budget.

Robert Underwood: yes you are and balanced according to the state.

Councilmember Bragg: from what I am understanding the hang up is on these worksheets and from what I understand they are cheat sheets so that we can get this figured out quickly and have an overall summary where is the actual budget which is the pages that are passed these little cheat sheets have not changed so, we are quivering over a little cheat sheet instead of the actual budget.

Councilmember Smith: no, they are not cheat sheets.

Councilmember Brown: I would like to see that number fixed so that it is correct with the formulas.

Robert Underwood: I fixed it. and then I went back on this one

Councilmember Smith: the point is that is not what we were given, and it is not what the people were given in the packet, it is almost \$203,000 off.

Robert Underwood: this is whatever you want to call it, a cheat sheet or whatever the budget is the appropriations and the revenue those two documents have not changed they have been throughout the entire time, they have not changed. That is what I actually turn in I still have this little cheat sheet for the state they do this, so

all the funds come up, I have to turn in all of the line items to the state depending on the appropriations and the revenue.

Councilmember Smith: on the property taxes were you looking at the value of the, let me get my notes here. We did that one and you asked that question. Were you looking at the assessed value of the taxable value when you computed the property taxes.

Robert Underwood: Property taxes, there is an assessed market value and then there is the assessed tax value, and you have to use them both to get the answer. Most people do not know their assessed tax value; you would have to look at your sheet.

Councilmember Smith: I am looking at column six where it says property tax and that is where my question was coming in which value is being used.

Robert Underwood: for this one?

Councilmember Smith: not that sheet, yes that one.

Robert Underwood: what about it?

Councilmember Smith: I was asking about is that based on the assessed value or the actual value or the tax value.

Robert Underwood: it is actually based on a, remember when you did a resolution for the mills we have to do a mill sheet before, I will show you what it looks like. It is just not something that we just come up with. This is the state document, what happens is the state gives us an evaluation of our entire market, said market value and we work through the worksheet and that is what gives us our mills and then we have to turn that into the state. Better yet here is what it is, (referring to the sheet on the screen). One mill for the town is \$4,136.00 and times that by 95.17 and that gives you this number. Basically, they tell us what it is.

Mayor Michalson: does that answer your question Councilmember Smith?

Councilmember Smith: I guess so. The public service director has made a mention that in the paper that there pumps needed at \$6,000 a piece has this been budgeted.

Robert Underwood: yes.

Councilmember Smith: we are talking like four pumps is that correct?

Robert Underwood: yes.

Councilmember Smith: and that was in the budget. Alright. I also read that the mayor plans to pave 2nd and 3rd streets is that in the budget.

Robert Underwood: right now, we are planning on spending, we are appropriating \$116, 500 out of the gas tax fund, whatever that gets you. by the time it comes to next summer and the prices go up but that is how much you are appropriating to do that street work.

Councilmember Smith: Finance officer Gina, how much of the salaries and wages is taking out of water and sewer?

Gina Crowe: for me or for everybody?

Councilmember Smith: Everybody.

Gina Crowe: each person has an allocated amount that is taken out of water and sewer, general, building and planning. Are you just wanting one person or everybody?

Councilmember Smith: Everybody.

Robert Underwood: it is this sheet that we have used every time. Across the board and if you look down here, here are the funds, general fund, building, planning fund, water and sewer. Those are salaries coming out of. First one is 110 and that is your salaries and 140 is the taxes and our benefits and if you look at it we have about.

Gina Crowe: if you look right here (referring to the wages spread sheet) these are the percentages that are taken out, so lets say for me I got the allocation 20% general, 32% water, 32% sewer, and 10% airport and then Jenelle is 90% general and 5% building and the next one that we have is Andrena who is 50/50 water/sewer. And then it just goes down from there. Of course, the police are general fund and if you look at the public works we have the director at 25% general, 37.5%, 37.5% water/sewer. Public works assistants of course are 50/50. Parks manager is 50% parks, 25% water and 25% sewer. So that is the allocation for each of the positions. And the mayor is split out 20% general, 35% water, 35% sewer and 10% airport. Airport manager is 100% airport. So that is how, when payroll is processed those percentages are taken out and matched into black mountain and if you look at the overall budget versus expenditures those salaries are accounted for on the budget itself. Does that help?

Councilmember Smith: yes, but I can see that not every position is coming out of water and sewer.

Gina Crowe: not every position, because the police officers do not come out of water and sewer, part of the parks do not. Everybody is split based on that allocation and that is how it is set up in the system.

Councilmember Smith: are there any water and sewer funds transferred to general fund?

Gina Crowe: absolutely not, that is illegal, and I am not going to jail for that, so I am laying that out, I would never transfer funds unless it is approved by council and you cannot legally transfer funds from sewer and water to anywhere else and will not happen while I am here and Robert is here.

Councilmember Smith: thank you.

Mayor Michalson: let's just say somebody did that, that would be pretty hard to hide wouldn't it.

Robert Underwood: that is the first thing that the auditors look for is transferred funds. The only fund that you can, is the general fund you can spend it on anything all of the other funds are restricted on what they can be used for, the airport is only the airport. Sewer is the same, that is how you get into trouble is when you move funds and that is what the auditor is looking for. It is hard for them to find a three-dollar mistake but when you transfer out of a fund they find it really quickly because the program is designed to do that. You can't do it; it is against the law. You can take general fund money into the other funds and that is always the fund that is short.

Mayor Michalson: that is why we always get our water and sewer because it is the biggest thing.

Robert Underwood: water and sewer is the biggest expense and revenue. When the town does not exist water and sewer would still be here, there would be a water and a sewer district. That is why they are stand alone funds along with the airport.

Mayor Michalson: any other comments to Robert and Gina? Department heads and the public.

PUBLIC COMMENTS

Sue Allen: what I found I didn't necessarily look at the numbers, because it has been too long since I have had to deal with budgets do you folks have auto check and spell check, most computers do. I stopped reading after a while, all of the miss spellings (Sue Devlin went through and pointed out page numbers and miss spellings on the black mountain budget document). I gave up this is something that

is going to go down in the records and nobody could use spell check, I am very ashamed of the town, and these should all be fixed before the budget is signed.

Steve Gibson: to clarify Robert what Councilmember Smith was asking about is you fell this year because the legislature changed the property taxes. Example is Helena they estimated their revenue on appraised value, and they got it back and they are \$200,000 short. This is the taxable value, todays Ravalli Republic, raising mills or whatever, it does not actually increase the revenue very much because of what happened in the legislature. I would be cautious on how you get your revenue; it is on taxable value.

Robert Underwood: the state has us fill out the form; they tell us I cannot change this. They ask for this, and they tell me what this number is. I did not come up with this.

Steve Gibson: I am not saying that you did, it was legislature, but you can take Helena as the example and the past and they based it on appraised value. If you look at your tax sheet, appraised value went up and taxable value went down and that is because of the last legislature.

Mayor Michalson: any other comments from the public on the budget.

Jeff Motley: do I understand that the request for \$3,000.00 is not in the budget that you are presenting tonight. What, you are giving a proposed budget without the changes because it was not passed.

Councilmember Barker: Jeff, we did not have a quorum at that last meeting, so that budget even though we put that in there this was not a passed budget, so we have to make a motion if we want to add that to the budget again. Has to be brought back and we can do that still.

Jeff Motley: okay.

Councilmember Smith: I move that we put \$3,000 into EMS training.

Councilmember Barker: 2nd.

Mayor Michalson: motion and a 2nd. to amend the budget and add \$3,000.00 to the training. Discussion?

Councilmember Barker: what will that final number come to if we are going to do that amendment.

Robert Underwood: appropriations go up by \$3,000.00.

Councilmember Barker: and is it going to change those other numbers?

Robert Underwood: cash reserve goes down by \$3,000.00. what it basically does is take from cash reserve and into appropriations.

Mayor Michalson: any further comments from the council? Public comments? Seeing none, Jenelle please take the vote.

Councilmember Brown: aye.

Councilmember Smith: aye.

Councilmember Barker: aye.

Councilmember Bragg: aye.

Mayor Michalson: passes 4-0

Mayor Michalson: and now back to the original budget any comments from the public? Any further comments from the council?

Councilmember Smith: a question that just came up you showed a spread sheet up here that we did not have in the packet that could have helped, can you go up to that one again.

Councilmember Brown: the one that you are turning into the state.

Councilmember Smith: not that one, the one showing column three and eight were identical numbers.

Robert Underwood: the \$3,000.00 does not change the number for the requirements because the cash reserve just goes down.

Councilmember Smith: roll up a little bit so I can make sure we are on the right page. My question is why was this spread sheet and also the one you showed why was this not included in the packet?

Robert Underwood: this is not a requirement for us; we don't have a voted levy. So, we are not raising anybody's taxes. This sheet has been used for the last four years; it gives us this number here. It may appear easy now that we have gone through the entire process, this sheet here is basically this one.

Mayor Michalson: Robert can you please back up.

Councilmember Brown: can you scroll down so everybody can see column three and column eight is in balance please.

Robert Underwood: yes. this the subtotal of every fund but the general fund because that is what I have to put into the state, each of these lines are the same, balanced and this is the total of all funds.

Councilmember Brown: can you go back to the general fund; I just need to check the numbers it would have been so nice if we would have had this one in our packet.

Councilmember Smtih: certainly would, would have solved a lot of questions.

Councilmember Brown: scroll down.

Mayor Michalson: any other comments from the council, is the council ready to vote.

Councilmember Barker: I came into to town hall and spent two hours going over the budget with Gina. Going over numbers and finding numbers I to do not catch what was off, but after it was explained and brought forward I do not understand why there is some issue.

Mayor Michalson: it looks balanced to me. With no further comments, Jenelle would you please take the vote.

Councilmember Brown: No. Because I would have appreciated that the public would have had all of information before so they could see the numbers too.

Councilmember Smith: Because of what was given in the packet, and I have a problem with the final summation and that it was \$200,000.00 off this is what the people were given and also knowing that MCA 7-6-405 tells us that we are responsible and that is any official so with that I got to say No.

Councilmember Barker: aye.

Councilmember Bragg: aye.

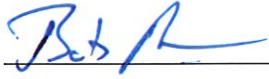
Jenelle Berthoud: I have two NO's and two AYE's sir.

Mayor Mchichalson: I will break the tie, 2025/2026 budget is approved.

5. Adjournment

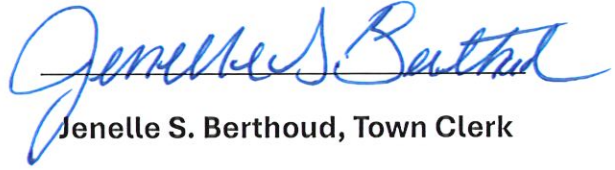
Councilmember Brown: motion to adjourn.

APPROVE:



Bob Michalson, Mayor

ATTEST:



Jenelle S. Berthoud, Town Clerk

Questions for the members:

Were there any water line issues or damages caused by the paving of Mission Street?

Were there any water line issues or damages caused by the paving of Spring Street?

Are there any active leaks in the town of Stevensville in need of repairs?

Have all necessary repairs been completed or scheduled?

Have the residents of Stevensville been made aware of all repairs and the expected costs?

Was the repair at 317 Spring Street an emergency repair?

Does the town of Stevensville require a 24 hour notice to repair non emergency repairs that may interrupt utilities?

Is the town of Stevensville allowed to enter private property to use residents' private utilities in the course of repairs?

Will the pavement and shoulder damage of Spring Street be repaired by the end of year?

Is the town of Stevensville in compliance with all audits?

Jenelle Berthoud

From: Jim Crews <shadowdolittle@gmail.com>
Sent: Thursday, September 18, 2025 12:15 PM
To: Bob Michalson; Gina Crowe; Jenelle Berthoud
Cc: Stacie Barker; Wallace Smith; Samantha Bragg; Cindy Brown; Greg Overstreet
Subject: Special Meeting 9-23-25 Public Comment

Public comment for Town Council Meeting 9-23-25 to be read into the record.

Mr. Mayor, Finance Officer, Town Clerk, and town clerk,

Please publish the Wages and Salaries that you are asking the Town Council to approve in Resolution 574.

The Public has a Right to Know under the Constitution for the State of Montana, Article II, Part II, Section 9.

Right to know. No person shall be deprived of the right to examine documents or to observe the deliberations of all public bodies or agencies of state government and its subdivisions, except in cases in which the demand of individual privacy clearly exceeds the merits of public disclosure.

For some reason you public servants seem to think that you do not need to publish the Wages and Salaries. You are wrong. The people have a right to know how much each position in this town is costing them and what to expect for their hard earned money.

You consistently refuse to disclose these items to the public and it is time to stop the charade of compliance.

Jim Crews

Private American Citizen

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Jim Crews * 316 9th Street * Stevensville, MT * 59870 * shadowdolittle@gmail.com * 406-546-1102

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