

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tamaro, James Pernu, Lee Branville, Mike Erjavec

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REGULAR MEETING OF THE FAYAL TOWN BOARD

DECEMBER 6, 2011

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:00 PM by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha.

Audience member in attendance were: Jerry Ulman, Jim Johnson and Brad Reifsteck.

Motion to approve the minutes of the November 15, 2011 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the month of November 2011, all account statements have been received and reconciled. There were \$42,094.39 in revenues and \$108,347.08 in expenditures. Ending balances are as follows:

Miners Bank-	\$154,320.52
Assessment Savings-	\$349,174.33
Mt. Iron Checking-	\$583,185.18

The second half tax apportionment was received from St. Louis County in the amount of \$334,037.73, which includes general and road and bridge levy funds and special assessments.

The purchase of the snowplow from MacQueen Equipment should have been tax exempt. A tax exempt certificate has been forwarded to them and a request for refund in the amount of \$1,500.73.

The 2011 Audit starts January 23, 2012.

Motion to approve the Clerk/Treasurer's Report made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the November 2011 Road & Bridge Report made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

CORRESPONDENCE

Mediacom- Rate changes will be implemented Dec. 15, 2011. Increases of \$2 - \$3, depending on service.

SLC Planning- Public Hearing will be held Thursday, Dec. 8, 9:30 am, Northland Office Center to consider comments on draft Ordinance 60, Subdivision Regulations.

City of Gilbert- Wellhead protection plan for the City of Gilbert.

SLCATO- Regular Meeting minutes of Oct. 26, 2011. Next meeting Dec. 7, 7 pm, Cotton. Speaker will be SLC Planning, Scott Smith.

SLC Planning- Variance hearing will be held Tuesday, Dec. 13, 9:10 am Northland Office Center for John Opsahl, 4307 St. Mary's Drive, and at 9:00 am for Lawrence Meglen, 4310 Miller Trunk Road.

OLD BUSINESS

Supervisor Erjavec-

Sewer Agreement- Nothing at this time.

Airport Lane Stop Sign- The area has been brushed and the sign was raised, visibility is now good.

Supervisor Tamaro-

Solar Project- The project has been wrapped up until spring.

Sign Reflectivity- A night check of sign reflectivity needs to be made. Supervisor Pernu and Steve Verkovich to take care of that. The mandate deadline has been pushed back to 2018 from 2018.

NEW BUSINESS

Supervisor Pernu-

Building Energy Check- Steve Manion of the Blue/Green Alliance has offered to come to the town complex and give a free energy check to see if we can improve on energy savings. Al Jurenic and Supervisor Pernu to meet with him next week.

Chairman Kniefel-

Gilbert Lawsuit Costs- Costs for the litigation to date are in excess of \$23,000, and there are another \$7,000+ in costs in bills due. The PUC fund has been depleted. Discussion on which funds to use to pay the bills for the lawsuit.

Motion to take the funds from the Sewer Access Fees for present and future bills, up to \$25,900, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Chairman Kniefel questioned when the last rate study was done? Clerk Sersha stated the last study was done through 2008. Supervisor Erjavec will discuss with the PUC if the water and sewer rates should be adjusted and a study be done at their next meeting.

2011 Audit-

Motion to designate Judy Sersha to be responsible and accountable for overseeing non-audit services for the 2011 Audit, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Clerk Sersha explained that we must be GASB 54 compliant by the end of 2011. GASB 54 requires the town board to adopt a policy establishing guidelines and classification of the town's general fund. The purpose of the policy is to ensure that an adequate level of fund balances is maintained to provide for cash flow requirements and contingency needs. The finance committee met and proposed an unrestricted fund balance of \$150,000 be maintained. A draft policy and resolution was distributed to the board for their consideration.

Motion to table adoption of GASB 54 until the next meeting, made by Supervisor Erjavec, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Pernu reported the rink is flooded and should be ready soon. Two rink attendants have been hired by the Joint Rec.

Supervisor Erjavec questioned if the Planning Committee is still meeting? John Damberg will be contacted.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman, Brad Reifsteck and Jim Johnson were in attendance but had no comment.

Motion to pay the bills made by Supervisor Pernu, support from Supervisor Branville. Motion carried unanimously.

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 7:36 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk