

**TOWN OF FAYAL**  
**4375 SHADY LANE, EVELETH, MN 55734**

*Judy M. Sersha, Clerk/Treasurer*

*Steven J. Kniefel, Chairman*

*Supervisors: Tony Tamaro, James Pernu, Ron Beldo, Lee Branville*

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**REGULAR MEETING OF THE FAYAL TOWN BOARD**

**DECEMBER 5, 2006**

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 Beldo, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha. Audience member in attendance was Jerry Ulman.

***Motion to approve the minutes of the November 14, 2006 Regular Meeting, made by Supervisor Beldo, support from Supervisor Pernu. Motion carried unanimously.***

**REPORTS**

**Clerk/Treasurer's Report-** The November bank statements have not yet arrived, so all figures are tentative. Receipts for the month total \$37,755.73 and expenditures were \$62,314.29. Tentative ending balances are as follows:

Miners Bank-	\$197,073.70
Assessment Savings-	\$273,586.37
Mt. Iron Checking-	\$357,273.66

Certificates of Deposit totals as of November are:

Sewer Depreciation #1	\$65,170.93
Sewer Depreciation #1	\$57,695.42
Employee Benefits	\$68,957.28
Sewer Replacement	\$9,896.91
Waterline Depreciation	\$34,616.54
PUC Truck Depreciation	\$18,881.76
Capital Equipment	\$104,900.76

The second half apportionment was received December 4, 2006, totaling \$323,161.42, of which \$104,753.61 goes to the General fund, \$79,294.31 to Road & Bridge and \$139,113.50 to special assessments.

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

***Motion to enter into the record the November 2006 Police Report, made by Supervisor Branville, support from Supervisor Beldo. Motion carried unanimously.***

***Motion to accept the November 22, 2006 EFGSD Joint Rec Commission Regular Meeting minutes, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to accept the November 30, 2006 EFG Joint Cable TV Regular Meeting minutes, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.***

**CORRESPONDENCE**

MN DNR- 2007 Grant applications. Placed on file.

SLC Planning- Public Hearing will be held for the Preliminary Plat application by Naterra Land on Thursday, Dec. 14, 2 PM, Northland Office Center. Placed on file.

MN Association of Townships- Resolution document form, and notice that in 2007 daylight savings time will begin March 11, not April 1, and end November 4, not October 28. Placed on file.

East Range Academy- Invitation for public informational event on November 27 at the Days Inn, Eveleth. Placed on file.

Patricia Anderson, State Auditor- Letter regarding their office performing our 2006 audit. Response letter from Chairman Kniefel informing them we are still under contract to Walker Giroux & Hahne for 2006 and the state will be doing the 2007 audit. Referred to New Business.

Office of the State Auditor- MN Township Finances: 2005 Revenues Expenditures and Debt Report. Placed on file.

SLCATO- Regular Meeting minutes of Oct. 25, 2006. Next meeting is Dec. 6, 7 PM, Cotton Community Center. Placed on file.

SLC Planning- Board of Adjustment will be holding a public hearing on Tuesday, Dec. 19, 11:20 AM, Northland Office Building for the Kurt & Cara Jacka variance application. Referred to Planning Committee.

Steve Giorgi- Letter regarding contract negotiations. Referred to Closed Session.

Walker, Giroux & Hahne- Engagement letter for accounting assistance for 2007. Referred to New Business.

### **OLD BUSINESS**

#### **Supervisor Branville-**

**Firefighter Retirement-** Greg Weaver, a firefighter for 10 years, submitted a letter informing us he will be retiring from the department.

#### **Supervisor Pernu-**

**Rink-** The rink should be open this Saturday, and the hours will be increased.

#### **Supervisor Tamaro-**

**Kaleva Island-** The signed agreement from the Louma's has been received. The burden will now be on the PUC to have a plan ready for town board approval for sewer installation in the spring.

**Generator Purchase-** The Fire Department is requesting approval for the purchase of a 3,000 watt generator for Engine #6 at a cost of \$1,895.00 from their 2006 budget. The price quote is from Five Season's Sports.

**Motion to approve the generator purchase made by Supervisor Tamaro, support from Supervisor Pernu. Supervisor Branville abstained from the entire issue, since he is an employee of Five Seasons. Tamaro, Pernu, Beldo and Kniefel voted yes. Motion carried.**

### **NEW BUSINESS**

Discussion on the engagement letter from Walker Giroux & Hahne, to provide assistance with journal entries, transfers and reconciliations, as needed for the year 2007.

***Motion to approve the engagement letter for services from Walker Giroux & Hahne for the year 2007, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

Clerk Sersha informed the Board on the discussion she had with Greg Hierlinger regarding our 2007 audit, which will be performed by the MN State Auditor. The state would not give us a cost, but it expected to be more than what we have been paying to Walker Giroux & Hahne for the annual audit. The state auditors will also not guarantee the audit will be finished in time for the Annual Meeting.

Chairman Kniefel read aloud the letter from Walker Giroux & Hahne asking that Judy Sersha be designated to be responsible for non audit services.

***Motion to designate Judy Sersha to be responsible and accountable for overseeing the non audit services, made by Supervisor Branville, support from Supervisor Pernu. Short discussion who would be responsible if Sersha is unavailable, and a contingency if that happened. Motion carried unanimously.***

**CITIZEN CONCERNS AND COMMENTS**

Jerry Ulman was in attendance, but had no comment.

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

***Motion to close the meeting to the public to discuss contract strategy, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.***

Meeting closed at 7:35 PM.

**(Clerk's Note: Per MN Statute 13D.03, Subd. 2 (a) & (b) the closed portion of the meeting was tape recorded. The tape will be preserved for two years after the contract is signed and will be made available to the public after all labor contracts are signed by the board.)**

Regular meeting re-opened, and adjourned at 7:58 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

**Approved:** \_\_\_\_\_  
**Chair**

**Attest:** \_\_\_\_\_  
**Clerk**

