

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Coldagelli, Clerk/Treasurer

Anthony Tammaro, Chairman

Supervisors: Lee Branville, Mark Chad, Richard Sather, Patrick Ziegler

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FAYAL TOWNSHIP ANNUAL MEETING

MARCH 10, 2020

The Town of Fayal Annual Meeting was called to order at 7:00 PM by Clerk/Treasurer Heidi Coldagelli. According to the sign-in sheet, 29 persons were in attendance. A list of those attending is attached to these minutes.

Clerk Coldagelli welcomed everyone to the Annual Meeting and introduced herself as well as Deputy Clerk/Treasurer Diane Dickson. She then asked everyone to stand and recite the Pledge of Allegiance. Clerk Coldagelli addressed the first agenda item, nominations for Moderator.

Motion to nominate Steve Shykes as Moderator, made by Lee Branville, support from Scott Smith. Clerk Coldagelli asked if there were any more nominations, there being none, Clerk Coldagelli called for the question. Motion carried unanimously.

Steve Shykes introduced himself and welcomed the citizens to the Annual Meeting.

APPROVAL OF THE 2019 ANNUAL MEETING MINUTES

Motion to approve the minutes of the March 12th, 2019 Annual Meeting, made by Scott Smith, support from Ed Vest. Motion carried unanimously.

FINANCIAL AND TREASURER'S REPORT

Moderator Shykes then called upon Clerk/Treasurer Coldagelli to report on the financial status of the Town. The General Fund began 2019 with \$692,278 and ended the year with a \$713,617 balance. The Road & Bridge Special Revenue Fund began 2019 with \$203,706 and ended the year with a \$183,767 balance. The Town of Fayal Net Position as of December 31, 2019 was \$12,315,404. The Fayal Water & Sewer Enterprise Funds Net Position as of December 31, 2019 was \$9,465,809. A complete report is attached to these minutes.

Motion to approve the 2019 Financial & Treasurer's Report, made by Ed Vest, support from Dale Dickson. Motion carried unanimously.

FINANCIAL NEEDS FOR THE TOWN IN 2021

Chairman Tony Tammaro thanked everyone for attending the Annual Meeting and thanked Steve Shykes for agreeing to serve as Moderator this year. He recognized the Town Board members and staff for all the work they do for the Township: Lee Branville- Buildings & Grounds; Pat Ziegler- Road & Bridge; Tony Tammaro- PUC and Finance Committee; Rich Sather- Police and Fire; Mark Chad- Blight, RAMS & Joint Cable; and staff members, Heidi Coldagelli- Clerk/Treasurer; Diane Dickson- Deputy Clerk/PUC Coordinator; Al Jurenic- Equipment Operator; Jason Latvaaho- new Foreman and Dale Dickson- Senior Wastewater Operator.

The Town Board is recommending the following for the 2020 Levy: General- \$95,000, Buildings & Grounds- \$53,000, Fire Department- \$77,500, Police- \$50,000, Recreation- \$27,000, Capital Equipment- \$75,000, Road & Bridge- \$320,000, Town Hall- \$10,000 and Public Safety- \$7,500. This is a total of \$715,000, or a 2.88% increase over the 2020 levy.

Joe Sopp questioned where is the levy for the Public Utilities Board for Sewer and Water? Chairman Tammaro answered that there isn't one and they are self funding. Mr. Sopp further questioned if they are funding for expansion? Chairman Tammaro clarified that there isn't an expansion fund, but money is put aside such as \$20,000 per year for depreciation that could be used for expansion. That fund is in excess of \$200,000. With the loans paid off there will also be some extra monies that the PUC will be looking for what to do with. At one time there was more funds available, but it was utilized when Fayal was sued by the City of Gilbert. Mark Johnson questioned how the levy line item for Public Safety was different from Police or Fire? Chairman Tammaro responded that Public Safety would include contributions for a replacement police squad or a fire truck and the Town will be building that fund up for those types of items. Chairman Tammaro also added that the Town recently contributed \$15,000 toward a new police car for the City of Eveleth.

DESIGNATING POSTING PLACES

Moderator Shykes explained the present location of our posting places are as follows: 1) Fayal Town Hall, 2) West Long Lake Road, 3) East Long Lake Road, 4) Ely Lake Shortstop, 5) At Your Convenience, 6) Differding Point, 7) Fayal Website- www.fayaltp.org.

Motion to keep the posting places the same, made by Joe Sopp, support from Dale Dickson. Motion carried unanimously.

SETTING TOWN BOARD SALARIES

Moderator Shykes stated the next order of business was setting compensation for Town Board Officials. The salaries are as follows: Supervisor- \$4,428 per year, or \$369 per month, plus mileage and expenses as incurred; and Chair- \$4,824 per year, or \$402 per month, plus mileage and expenses as incurred.

Motion to give all positions a \$25 per month raise with the 2020 Conus Rate of 57.5 cents per mile, made by Mike Erjavec, support from Scott Smith. Scott Smith questioned when the last time they were increased, which Clerk Coldagelli believed was approximately two years ago. ***Motion carried unanimously.***

FIRE DEPARTMENT BUSINESS

Motion to allow Moderator Shykes to step out of role of Moderator to present the Fire Department Report, made by Joe Sopp, support from Scott Smith. Motion carried unanimously.

Fire Chief Steve Shykes presented the 2019 Fire Department Report. Chief Shykes reported there were a total of 156 calls in 2019. There were 30 structure fires, 9 wildland fires, 5 vehicle fires, 20 fire alarms, 9 carbon monoxide alarms, 59 EMS calls, 7 motor vehicle accidents, 14 hazards and 3 rescues. Presently there are 22 firefighters on the Department. At last year's meeting there were 18. At this time there are three openings on the Fire Department. If you know of anyone interested in joining, applications can be picked up at the Town Hall. There were two retirements in 2019, Erik Garman and Frank Pavelich. We thank them for their service. There are twelve EMS first responders on the Fire Department. In 2019, the Department had 910 hours of in-house training and 480 hours of outside training. The Fire Department has one Mesabi Community College fire instructor on the Department and training is very important. The Fire Department received two grants for training in 2019.

The agreement between the Fayal Fire Department and the Eveleth Fire Department for a simulcast page system for all dispatches is still in effect. The box alarm that automatically dispatches three fire departments to a structure fire is working very well. The Shared Service study looking into how the fire departments of Fayal, Eveleth and Gilbert would be best suited to provide emergency services in the future has been completed. The final report from the consultant on the study was presented March 13th to all parties involved. The consultant's recommendation was that the three fire departments merge into a district fire department. The Fire Marshal's Office awarded a grant for joint training where all three departments are training once a month from an outside vendor. The excess monies from that will be used for other items. Will also be working on standard operating guidelines for all three communities.

The Fire Department participated in two community events in 2019, fire prevention in the Eveleth-Gilbert Schools and National Night Out at Veterans Park. The Department is also the sponsor of the local Boy Scout Troop. The Department is seeking two FEMA grants in 2020, one for airpacks that would cost approximately \$200,000 and radios that are estimated at \$100,000. The Fire Department's grant from the Fire Marshal's Office for a turnout gear extractor and dryer was completed. The grant was for \$17,850 and the machine removes contaminants from the gear. Studies have shown that firefighters are getting cancer at a higher rate than the general population. This way of cleaning the fire gear removes the carcinogens that are absorbed in the gear during fire activities.

The Fire Department Officers are: Chief- Steve Shykes, Assistant Chief- Bryan Sampson, Battalion Chief- Matt Hoffmann, Captain- Nick Preiner, Lieutenant- Cory Christianson and Secretary/Treasurer- Greg Chad. The Annual Fire Department Relief Association Spaghetti Feed is scheduled for April 5th from 11:00 AM to 5:00 PM.

Joe Sopp added that he supports working with Eveleth and Gilbert on a new department and questioned if the equipment that is looking to be purchased is compatible with all three departments? Chief Shykes confirmed the airpack grant is a joint grant with the City of Eveleth and the radios are standard.

Motion to allow Chief Shykes to return to role of Moderator, made by Mark Johnson, support from Joe Sopp. Motion carried unanimously.

SUPERVISORS' REPORTS

Buildings & Grounds- Supervisor Lee Branville reported that for the first time in many years there is little to report for projects in regard to our Buildings and Grounds. Last year it was reported that the Town was in the process of installing a new and much larger emergency power generator for the Town Hall complex. That project was completed during 2019 and both of our buildings are now backed up by the generator should the need arise. We continue to maintain our buildings and grounds at a high level to ensure that they will serve the Township's needs for many years to come.

Joe Sopp questioned how much does the power grid add or subtract to our power bill? Is it connected? Does it help? Chairman Tammaro responded that a grant covered the majority of the costs and it cost the Township \$15,000 for installation. It supplies the Township with a 100 amps of power a day and there is no battery backup. Dollarwise, unable to provide a figure, but it works. Clerk Coldagelli added that last year the inverter wasn't functioning and that was not known until an unusually large electric bill was received. Once repaired, the bill returned back to normal.

Recreation- Supervisor Branville presented this report on behalf of Supervisor Sather. In early summer 2019, the tennis courts received crack repair, paint, post replacement and new nets, with the majority of the assistance from a matching grant with the IRRRB to rehabilitate the courts. The Tennis for All program hosted youth lessons again for Fayal residents during the summer, utilizing the Fayal courts. Pickleball continued to be popular, with the courts being used twice a week during the summer months. Tennis court benches and a new pickleball net were purchased so there are now three pickleball courts. The Rec Department repainted the interior of the rink boards to complete the rink repainting project. Last but not least, the ballfield received two sets of bleachers. Fayal is still a member of the Eveleth, Fayal, Gilbert & School District 2154 Joint Powers Recreation Board with two members, Jamie Lindseth and Paul Coombe, representing Fayal. The Joint Powers Recreation Board handles staffing the rink as well as coordinating youth sports activities in the area.

Police- Deputy Chief Jesse Linde presented the Police Department report. For the year 2019, the Eveleth Police Department responded to 528 calls for service in Fayal Township compared to 468 calls in 2018. This increase does not mean crime went up, as there was an increase in traffic accidents, welfare checks, etc. In 2019, the Eveleth Police Department conducted 52 arrests and 94 traffic stops, but arrests does not actually mean someone was taken into custody. Citations issued for speeding would qualify as an arrest. The numbers for 2019 are not completed yet, but it is estimated that the Eveleth Police Department responded to 4,000 calls between Eveleth, Fayal and Leonidas.

Deputy Police Chief Linde would like warn residents about scams and to warn your friends and family about them. Many of these are phone scams. He also encouraged residents to call the Police Department if you see anything unusual. They are always staffed and also have a K9 unit. The Department will be looking at replacing the K9 unit at the end of this year or next year.

Public Utilities- Public Utility Commissioner, Vice-Chair Amy Jackson delivered the Public Utilities report. The Public Utility Commissioners are Chairman- Greg Buckley; Vice Chair- Amy Jackson; Treasurer- Chris Erickson; Commissioners- Ed Vest & Gina Brascugli and Secretary Diane Dickson. Thank you for volunteering your time. The water and sewer enterprises are self-supporting and not funded by the General Fund. Diane Dickson is the PUC Coordinator/Billing Clerk and she has been working with the Commissioners and customers for the last 22 years. She handles the day-to-day issues and generates the monthly bills for the 200 water customers and the 730 sewer customers.

Dale Dickson is the Senior Wastewater Operator and he has been taking care of the water and wastewater system for the last 20 years. He clears the snow around the lift stations, clears miles of right of way through the woods and yards to maintain access to our system and does a great job keeping the sewer system running. Fayal is a water distribution system and purchases the majority of our water from Eveleth and the rest from Gilbert for Differding Point. Fayal owns and maintains 60 fire hydrants, 22 valves, and 7 miles of waterline. There were no major repairs this year. Fayal is also a wastewater collection system. The effluent is treated by the City of Gilbert. Wastewater Operator Dickson maintains 30 duplex lift stations, 7 air release valves, 500 manholes, 23 miles of gravity line and 12 miles of force main, totaling 35 miles of sewer lines. The Sewer Department utilizes a SCADA system to monitor our lift stations 24/7 and employees: Dale, Jason, Albert, Diane and Curtis split the on call time. There were 27 call outs in 2019. Major bills for 2019 were for inspection and repairs, replacement of two pumps, repair of a number of pumps and cleaning and televising Section 2 of the sewer lines. The sewer loans have been paid off.

Projects for 2020 will include cleaning and televising the third section of the sewer lines. It will take 5 years to get through our system and then can go every other year to keep them in a 10 year rotation. Currently looking at a GIS system, which is a Geographic Information System that is designed to capture, store,

manipulate, analyze, manage and present spatial or geographic data. All of the manholes, valves, sewer and waterlines, etc. would be in one program. Due to Gilbert sewer plant upgrades, Gilbert is currently charging Fayal \$19.50 per customer for the Wastewater Treatment Upgrade and Fayal only raised our bill a total of \$13. The project is not completed yet. Also remember, all “flushable wipes” and other products should always be placed in the trash can. They do not decompose and cause excessive wear on our pumps which are 21 years old now.

Denny Bone questioned if anything out of the ordinary had been found while televising and cleaning the pipes, to which Employee Dale Dickson answered no, just minimal debris. Mr. Bone also questioned with the pumps being 21 years old are there any major future costs planned to replace on a timely basis. There is no rotation scheduled now, but two pumps had been replaced and several have been repaired. Joe Sopp brought forward that lots are being sold on Horseshoe Lake and what needs to be done to establish an expansion there and what channels to go through? Amy Jackson suggested to first start by attending a Public Utilities Commission meeting and they meet on the second Tuesday of the month at 7:00 PM.

Road & Bridge- Supervisor Patrick Ziegler reported that in August of 2019, Jason Latvaaho was hired to replace Joe Zavodnik. A pad was built for the front of the new sand dome and a driveway approach was repaired. Removed asphalt from the manhole covers and temporary filled with gravel for the PUC Department. Right of ways were cleared, bleachers installed at the ballfield, hauled gravel and tailings on various roads and hauled 200 yards of winter road sand from Seppi’s pit. Jason and Al’s duties include equipment maintenance and some repairs, snowplowing and sanding, grading, graveling and dust control on dirt roads, drainage work, roadside mowing and tree removal, culvert steaming and replacement, shouldering, sweeping and patching blacktops roads, replenishing the sand piles behind the Town Hall and operating and maintaining a yard waste site. Buildings & Grounds and Public Utilities are other departments they perform work for.

Work for 2020 will include culvert replacement, possible crack sealing, street sign replacement, blacktop work and continued mowing of our right of ways, along with an assessment of our blacktop roads to determine which roads need to be addressed on a priority basis. Road & Bridge will also be graveling more of our dirt roads, repairing the Fayal Township sign at the Ely Lake and Miller Trunk intersection, upgrading dead end road turnarounds and replacing the manhole covers with permanent asphalt.

Planning Commission- The Commission is made up of Alex Peritz, Chairman; Chris Erickson, Vice-chair; Heidi Coldagelli, Secretary; and members William Maki and William O’Neal. For 2019, the Commission continued to focus on ensuring goals within the Comprehensive Plan were addressed and/or met. The Commission continued to support the Township’s participation in the Aquatic Invasive Species Program by again partnering with North St. Louis County Soil and Water Conservation District. NSLSWCD applied for and was awarded a grant in 2019. The grant funding allowed Fayal to participate at no cost to the Township. The District provided inspections and education at the Ely Lake boat landing and provided inspections, education and decontaminations at Gilbert’s Lake-Ore-Be-Gone. In 2019, inspectors conducted 754 inspections on Ely Lake and determined that based upon survey responses, 10% of the boats entering Ely Lake should have been decontaminated prior to entering. The 2019 data received from the inspection season is very concerning, exposes serious risks and has become a top priority for the Planning Commission to focus on in 2020. The Commission is awaiting notification if the NSLSWCD was awarded a grant from St. Louis County for AIS prevention to continue to support staffing at the Ely Lake boat landing in 2020. The Commission also focused on the ballfield for improvements and the recreation complex at the Town Hall. The Complete Count Committee was created to assist with promotion of the 2020 Census and is comprised of the Commission members. The Committee promoted Census hiring and continues to focus on the upcoming Census. The Commission also worked cooperatively with St. Louis County regarding planning and zoning issues within the Township.

Denny Bone questioned if there has been any discussion regarding the public landing at St. Mary’s Lake. To his knowledge, the DNR was going to put in a primitive landing last year, but the City of Eveleth had told them not to. Many St. Mary’s residents use this landing in both the summer and winter. Can the Township do anything help alleviate the poor landing? Supervisor Ziegler indicated that the Township can look into that.

SETTING THE TIME FOR THE 2021 ANNUAL MEETING

Motion to set 2021 Annual Meeting on the second Tuesday in March at 7:00 PM at the Fayal Town Hall, made by Dale Dickson, support from Mike Priest. Motion carried unanimously.

ANY OTHER BUSINESS TO COME BEFORE THE MEETING

Pat Brascugli brought forward that she would like two culverts placed at 7709 N Airport Road. Moderator Shykes informed Mrs. Brascugli that should be taken under consideration of the Road & Bridge Department.

Joe Sopp brought forward the expansion of sewer and water in the Township, specifically expansion at Horseshoe Lake. Moderator Shykes informed Mr. Sopp that Amy Jackson had recommended attending a Public Utilities Commission meeting to address that.

Ron Lampinen questioned the median removal on Bodas Road and Long Lake Road and if that was a final decision as it would cause a problem for those that live on the road. Moderator Shykes informed the audience on what Mr. Lampinen was referring to and that it was his understanding that was the final plan for that intersection. Residents would also no longer have the ability to travel south at the intersection of Miller Trunk and Hwy 53. The change was determined due to the number of severe and fatal car accidents at those locations. Mr. Lampinen also questioned if the Horseshoe Lake Road median would be eliminated as well. To Moderator's Shykes knowledge that will not be changed. The driving factors of the Bodas Road and Long Lake Road change are the entrance ramp to Highway 37 and the exit ramp to Highway 53 has created a number of accidents. Clerk Coldagelli added that the projects are being completed with funds from a safety grant.

Ed Vest brought forward that residents on St. Mary's Lake have concerns with MnDOT moving their facilities to the proposed site at the junction of Thunderbird Trail and Highway 53. He indicated that the intersection cannot support the traffic without a traffic light, a j-turn, etc. MnDOT appears to continue to pursue the site despite the neighborhood concern. Moderator Shykes updated the audience that the City of Eveleth owns the property and MnDOT approached the City for relocation of their facility out of Virginia. There is thirty plus acres available at the proposed site. Joe Sopp stated that there is property available across the highway at the former Woodline location. Mr. Vest added that he sees no economic advantage to the Township for that property as it would not be taxed. The City of Eveleth does not pay property taxes either. Moderator Shykes added that city water and sewer would need to be extended to service the facility. Extending those lines has not been feasible in the past due to the cost. With that facility there would be money available to do that. Mr. Vest did not feel that location was a safe location for trucks and graders to be entering a 70 MPH highway. Denny Bone added that the residents at St. Mary's don't have a problem if they build it in the right place, such as across the highway in an area that is zoned for industrial. He would think the Township would like to have more people live in the Township where its residential, rather than tear up residential property and let the industrial property sit there. Discussion regarding location of MnDOT's site in Virginia.

SETTING OF THE 2021 LEVY

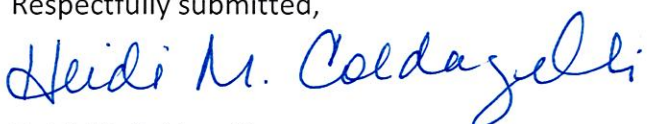
Moderator Shykes reviewed the Levy and asked for a motion to set the Levy for the year 2021.

Motion to set the Levy at \$715,000, a 2.88% increase, made by Mike Erjavec, support from Scott Smith. Mr. Vest brought forward that the fund balance from last year is higher than the previous year and not entirely sure if its needed. Would hope that if it's the same thing next year, that the Levy is not increased. Chairman Tammaro added that the Township is going to need a new dump truck as well as a new loader and will need to accumulate funds to pay for those items. ***Motion carried unanimously.***

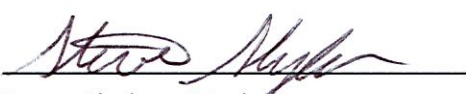
Motion to adjourn, made by Joe Sopp, support from Dale Dickson. Motion carried unanimously.

Moderator Shykes adjourned the Annual Meeting of 2020 at 8:08 PM.

Respectfully submitted,



Heidi M. Coldagelli
Clerk of Fayal



Steve Shykes, Moderator

Tuesday, March 10th, 2020

Annual Meeting Sign-In

<u>Name</u>	<u>Address</u>
1. Gina Brascugli	7727 Airport Drive North, Euclid ^{mn}
2. Patricia Brascugli	7709 Airport Drive North, Euclid
3. Tony Timmon	4812 Maple Ln
4. Diane Dickson	4343 Golf Course Rd
5. Amy Jackson	7915 Bodas Rd
6. Greg Brock	3829 Trunk
7. Jesse Linde	Euclid PD
8. Dale Dickson	4343 Golf Course Rd
9. Mark Mesich	4356 Golf Course Rd
10. Steve Shykes	7450 Ely Lake Dr
11. Ed Vest	2153 St. Mary's Ct
12. Nick Pinner	4451 Woodlawn Circle
13. Michael Pries	4326 Miller Trunk
14. Patrick Ziegler	7724 Pine Dr
15. Heidi Coldagelli	7615 Ely Lake Dr.
16. MARK Johnson	7565 W Park Blvd
17. Michael Johnson	7565 W Park Blvd
18. Scott Smith	4014 Miller Trunk Rd
19. Joe Joe	3923 HouseShoe Lk Ct. So
20. Mike Erin	2547 N. Airport Dr.
21. Off Off	4512 Woodlawn Pt.
22. MATT HOFFMANN	FFD
23. GREG J. CHAD	FFD
24. Mark Peterson	7798 Bodas Rd.
25. Jamie Linzeth	7802 Bodas Rd
26. Ron Lampinen	7865 Long Lake Rd.
27. TERRY BONE	4163 ST. MARYS CT
28. Keith Nelson	2861 E. Tanager Rd
29. Dwayne Pankratz	7756 Ely Lake Dr
30.	
31.	
32.	

TOWN OF FAYAL 2019 FINANCIAL REPORT - 2020 ANNUAL MEETING

	<u>2019</u>	<u>2018</u>
<u>BEGINNING BALANCE JAN 1-</u>	<u>692,278</u>	<u>802,883</u>
REVENUES - GENERAL FUND		
General Property Taxes	319,228	301,387
Franchise Fees	9,793	9,412
Other MISC. (Fiscal Disparities, Lodging Tax, Unmined tac, P&I)	19,552	29,977
TOTAL TAXES	<u>348,573</u>	<u>340,776</u>
LICENSES AND PERMITS	<u>70</u>	<u>127</u>
INTERGOVERNMENTAL		
State		
Disparity Aid	4,016	2,505
Mining Effects	44,719	41,740
Market Value Credit	844	733
Taconite Production	50,000	50,000
Taconite Municipal Aid	27,437	25,959
Taconite Homestead Credit	47,044	44,345
PERA Aid	512	512
Fire Aid	16,846	12,819
Town Aid	852	861
State Fire Marshall Grant	16,819	26,332
Voting Equipment Grant	-	1,858
TOTAL INTERGOVERNMENTAL	<u>209,089</u>	<u>207,664</u>
CHARGES FOR SERVICES		
General Government		
Town Hall Rent	1,680	1,350
MISC.	900	800
Public Safety		
Other	-	13,868
TOTAL CHARGES FOR SERVICES	<u>2,580</u>	<u>16,018</u>
FINES		
Court Fines	<u>3,152</u>	<u>3,076</u>
CONTRIBUTIONS (Grants)	<u>15,209</u>	<u>15,209</u>
INTEREST	<u>3,416</u>	<u>3,300</u>
MISCELLANEOUS		
Refunds and Reimbursements	<u>20,331</u>	<u>7,069</u>
<u>TOTAL REVENUES</u>	<u>602,420</u>	<u>578,030</u>
<u>EXPENDITURES - GENERAL FUND</u>		
GENERAL GOVERNMENT		
Chair and Board	24,232	24,165
Administration	154,233	130,821
Administration Capital Outlay	-	5,715
Director of Operations	-	4,452
Clerk	4,465	4,607
Deputy Clerk and Office Assistant	5,286	4,167
Public Utilities	9,519	10,088
Town Hall	57,078	60,110
Town Hall Capital Outlay	23,518	32,192
TOTAL GENERAL GOVERNMENT	<u>278,331</u>	<u>276,317</u>
PUBLIC SAFETY		
Police	47,156	52,722
Fire	103,165	112,949
Fire Relief Association	30,846	26,819
Fire Capital Outlay	18,662	174,659
TOTAL PUBLIC SAFETY	<u>199,829</u>	<u>367,149</u>
CULTURE AND RECREATION		
Parks and Recreation	28,011	26,578
Parks and Recreation Capital Outlay	24,950	8,833
TOTAL CULTURE AND RECREATION	<u>52,961</u>	<u>35,411</u>
DEBT SERVICE		
Principal	29,578	15,109
Interest and Other Charges	10,111	10,397
TOTAL DEBT SERVICE	<u>39,689</u>	<u>25,506</u>
<u>TOTAL EXPENDITURES</u>	<u>570,810</u>	<u>704,383</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>31,610</u>	<u>(126,353)</u>
OTHER FINANCING SOURCES (USES)		
*Transfer In	30,000	30,000
**Transfers Out	(40,271)	(14,252)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(10,271)</u>	<u>15,748</u>
NET CHANGE IN FUND BALANCE	<u>21,339</u>	<u>(110,605)</u>
FUND BALANCE DECEMBER 31	<u>713,617</u>	<u>692,278</u>

<u>ROAD & BRIDGE SPECIAL REVENUE FUND</u>	<u>2019</u>	<u>2018</u>
BEGINNING BALANCE, Jan 1	203,706	273,227
REVENUES - ROAD & BRIDGE TAXES		
General Property	241,890	247,720
Other (Disparities aid, Unmired tac, P&I, tac mun aid)	11,989	12,003
TOTAL TAXES	253,879	259,723
INTERGOVERNMENTAL - STATE		
Taconite Homestead Credit	33,185	32,836
Town Road Aid	19,584	19,775
IRRRB Grant	-	28,189
TOTAL INTERGOVERNMENTAL	52,769	80,800
INTEREST		
Interest	324	-
MISCELLANEOUS		
Refunds and Reimbursements	1,355	-
TOTAL REVENUES	308,327	340,523
EXPENDITURES- ROAD AND BRIDGE		
CURRENT ROADS		
Road Maintenance	222,497	240,399
Equipment Maintenance	33,559	60,857
Capital Outlay	28,527	73,811
TOTAL PUBLIC WORKS	284,583	375,067
DEBT SERVICE		
Principal	54,433	19,660
Interest and Other Charges	14,521	14,569
TOTAL DEBT SERVICE	68,954	34,229
TOTAL EXPENDITURES	353,537	409,296
DEFICIENCY OF REVENUES OVER EXPENDITURES	(45,210)	(68,773)
OTHER FINANCING SOURCES (USES)		
*Transfer In	40,271	14,252
*Transfers Out	(15,000)	(15,000)
TOTAL OTHER FINANCING SOURCES (USES)	25,271	(748)
NET CHANGE IN FUND BALANCE	(19,939)	(69,521)
FUND BALANCE DECEMBER 31	183,767	203,706

TOWN OF FAYAL STATEMENT OF NET POSITION - DEC. 31, 2019

	<u>Governmental and Business Type Activities</u>
ASSETS	
Cash & Cash Equivalents	1,647,386
Investments	413,374
Taxes Receivable	25,309
Spec. Assessments Rec.	287,683
Accounts Receivable	71,932
Inventories (class 5)	9,335
Prepaid Items	3,938
Restricted Cash	14,086
Capital Assets not being depreciated	
Land	56,267
Capital Assets, net of accumulated depreciation	
Buildings	1,510,616
Infrastructure	9,155,986
Improvements	257,640
Machinery & Equipment	320,022
Licensed Vehicles	647,864
TOTAL ASSETS	14,421,438
DEFERRED OUTFLOWS OF RESOURCES	
Related to other postemployment benefits	20,668
Related to Pensions	18,966
TOTAL DEFERRED OUTFLOW OF RESOURCE:	39,634
LIABILITIES	
Accounts Payable	16,607
Accrued Salaries	20,156
Customer Deposits	12,214
Accrued Interest Payable	10,894
Noncurrent Liabilities	
Due Within One Year	
Certificates of Indebtedness, Lease Purchases and	
General Obligation Revenue Notes	400,371
Due In More Than One Year	
Certificates of Indebtedness, Lease Purchases and	
General Obligation Revenue Notes	737,006
Severance Payable	47,391
OPEB	646,753
PERA Net Pension Liability	210,093
TOTAL LIABILITIES	2,101,485

DEFERRED INFLOWS OF RESOURCES	
Related to Pensions	<u>44,183</u>
NET POSITION	
Invested in Capital Assets	10,811,018
Restricted For:	
Debt Service	732,061
Sewer Replacement	14,086
Unrestricted	<u>758,239</u>
TOTAL NET POSITION	<u>12,315,404</u>
Total Net Position 12-31-18	<u>12,460,988</u>

**TOWN OF FAYAL STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION PROPRIETARY FUNDS - DEC. 31, 2019**

	<u>Business-type Activities- Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	
	<u>Enterprise</u>	<u>Enterprise</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for sales and services	75,539	617,551	693,090
Standby Charges	2,134	-	2,134
Access Charges	181	19,875	20,056
Miscellaneous Fees	-	1,205	1,205
TOTAL OPERATING REVENUES	<u>77,854</u>	<u>638,631</u>	<u>716,485</u>
OPERATING EXPENSES			
Purchased Water	37,010	-	37,010
Sewage Collection	-	361,170	361,170
Salaries	16,698	101,407	118,105
Employee Benefits	3,960	35,152	39,112
Insurance	-	5,417	5,417
Maintenance	-	7,106	7,106
Office Supplies	700	4,926	5,626
Operating Supplies	-	2,804	2,804
Professional Services	6,175	57,320	63,495
Refunds	-	200	200
Repairs and Maintenance	1,584	9,257	10,841
Training	775	1,897	2,672
Utilities	1,154	28,274	29,428
Depreciation	65,893	176,701	242,594
TOTAL OPERATING EXPENSES	<u>133,949</u>	<u>791,631</u>	<u>925,580</u>
OPERATING LOSS	<u>(56,095)</u>	<u>(153,000)</u>	<u>(209,095)</u>
NONOPERATING EXPENSES			
Interest Income	1,267	2969	4236
Interest Expense	(11)	(11,386)	(11,397)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,256</u>	<u>(8,417)</u>	<u>(7,161)</u>
LOSS BEFORE TRANSFERS	<u>(54,839)</u>	<u>(161,417)</u>	<u>(216,256)</u>
Transfers In	-	315,975	315,135
Transfers Out	(5,000)	(10,000)	(15,000)
CHANGE IN NET POSITION	<u>(59,839)</u>	<u>144,558</u>	<u>84,719</u>
TOTAL NET POSITION- JANUARY 1	<u>2,623,554</u>	<u>6,757,536</u>	<u>9,381,090</u>
TOTAL NET POSITION- DECEMBER 31	<u>2,563,715</u>	<u>6,902,094</u>	<u>9,465,809</u>