

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 14, 2023

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, 20 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 and Deputy Clerk/Treasurer Rebecca Waldorf. 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 Ed Vest. Clerk Coldagelli asked if there were any more nominations, there being none, Clerk Coldagelli called for the question. ***Steve Shykes abstained. Motion carried.***

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

APPROVAL OF THE 2022 ANNUAL MEETING MINUTES

Motion to approve the minutes of the March 8th, 2022 Annual Meeting as printed, made by Ed Vest, support from Scott Smith. Motion carried unanimously.

CLERK/TREASURER'S FINANCIAL REPORT

Moderator Shykes then called upon Clerk/Treasurer Coldagelli to report on the financial status of the Town. The General Fund began 2022 with \$770,978.00 and ended the year with a \$775,580.00 balance. The Road & Bridge Special Revenue Fund began 2022 with \$378,994.00 and ended the year with a \$397,366.00 balance. The Town of Fayal's net position as of December 31, 2022 was \$12,240,111. The Fayal Water & Sewer Enterprise Funds' net position as of December 31, 2022 was \$9,278,382.00. A complete report is attached to these minutes.

Motion to approve the 2022 Clerk/Treasurer's Financial Report, made by Kathryn Erjavec, support from Scott Smith. Motion carried unanimously.

FINANCIAL NEEDS FOR THE TOWN IN 2024

Town Board Vice-Chair Lee Branville 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: Pat Ziegler- Road & Bridge and Planning Commission; Tony Tammaro- Chairman, Finance Committee and Joint Cable TV Board; Rich Sather- Police/Fire, Recreation and Public Utilities Commission; Mark Chad- Blight Officer and representative for RAMS; Lee Branville- Vice-Chair and Buildings & Grounds. Staff members: Heidi Coldagelli- Clerk/Treasurer and Office Manager; Jason Latvaaho- Foreman; Jason Westby- Equipment Operator, Rick Bieganek- Wastewater Operator; Rebecca Waldorf- PUC Billing Clerk and Deputy Clerk/Treasurer; Dave Lang and Mike Erjavec- Casual Labor; and Robbi Ochis- Janitor and Office Assistant.

The Town Board is recommending the following for consideration for the 2024 Levy: General- \$95,000.00, Buildings & Grounds- \$55,000.00, Fire Department- \$120,000.00, Police- \$50,000.00, Recreation- \$25,000.00, Capital Equipment- \$80,000.00, Road & Bridge- \$410,000.00, Town Hall- \$10,000.00 and Public Safety- \$7,500.00. This is a total budget of \$852,500.00, or a 5.64% increase over the 2023 levy.

Katherine Disterhaft questioned more detailed budget information for all the departments. Clerk Coldagelli can provide that information to anyone who would like to utilize it, but it is a rather large document. Kathryn Erjavec clarified that the budgets are approved by the Town Board throughout the year. Mark Peterson requested detailed Fire Department expenditures added to the Fire Department minutes. Katherine Disterhaft had several questions regarding the website and navigation.

DESIGNATING POSTING PLACES

Moderator Shykes explained the present locations 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) Townline Short Stop, 6) Differding Point, 7) Fayal Website- www.fayaltwp.org.

Motion to approve the posting places, made by Steve Kniefel, support from Jamie Lindseth. Motion carried unanimously.

SETTING TOWN BOARD SALARIES

Moderator Shykes stated the next order of business was setting compensation for Town Board Officials. As of January 1, 2023, the IRS mileage rate is currently 65.5 cents per mile and the salaries are as follows: Supervisor- \$4,728.00 per year, or \$394.00 per month, plus mileage and expenses as incurred; and Chair- \$5,724.00 per year, or \$477.00 per month, plus mileage and expenses as incurred. Mark Peterson added that the IRS rate can change throughout the year and to include language to account for that.

Motion to increase the Chairman salary \$17.00 per month to make the differential between the Chairman and a Supervisor \$100.00 effective next pay period and adopt the IRS mileage rate, made by Mike Erjavec, support from Kathryn Erjavec. Katherine Disterhaft opposed due to a raise was received last year and based on inflation. Kathryn Erjavec commented that as a former board member, she has experience with the amount of work that the Chairman has compared to the other Supervisors. Lee Branville added that Chairman Tony Tamaro spends a significant amount of time and is very involved and committed to the job. Ed Vest recommended increasing the Supervisors to \$425.00 and the Chairman to \$525.00. Katherine Disterhaft requested more information regarding items that are to be voted on at the meeting and added to the packet. Patrick Ziegler clarified there is an agenda on the front page and it is up to the Townspeople to decide what they would like to vote on and would like to do. Kathryn Erjavec clarified that the Annual Meeting is the residents' meeting. ***Motion carried with 8 in favor and 3 opposed.***

Ed Vest brought forward that the Supervisors did not receive an increase last year and is recommending \$425.00 for the Supervisors and \$525.00 for the Chairman.

Motion to raise the salaries of Supervisors to \$425.00 and Board Chair to \$525.00, made by Ed Vest, support from Scott Smith. Kathryn Erjavec clarified that the increase would still support the \$100.00 differential between the Chairman and the Supervisors per Mike Erjavec's motion. Mike Erjavec raised concerns that while the Supervisors deserve a raise, there is not at this time an issue filling the Supervisor position and the Town has received qualified candidates at that salary. As a past Supervisor, the Supervisors were well paid in regards to the time invested. Katherine Disterhaft was opposed to any increases as a 7% increase is greater than inflation and had concerns with any funding changes in the year. Scott Smith was in support of raising the Supervisors' salary if the Chairman was receiving an increase. ***Motion carried with 8 in favor, 2 opposed. Richard Sather and Patrick Ziegler abstained.***

FIRE DEPARTMENT BUSINESS

Fire Chief Steve Shykes presented the 2022 Fire Department Report. Fire Chief Shykes reported a total of 186 calls in 2022, which is an average number of calls. The Fire Department is down at the station every Wednesday and the public is welcome. The Department received two grants in 2022, one for fire gear and another for pagers. The Department purchased a Polaris side by side with the help of funds from assisting with the Greenwood Fire and the sale of some equipment. The unit will be used for off road rescue and wild fires.

The Fire Department Officers are: Chief- Steve Shykes, Assistant Chief- Matt Hoffmann, Battalion Chief- Nick Preiner, Captain- Tim Sklors, Lieutenant- Jeremy Widmer and Secretary/Treasurer- Greg Chad. The Fire Department will not be holding a spaghetti feed this year.

Kathryn Erjavec questioned the age of the fire truck and has the Town been saving for a replacement? The truck is 32 years old and the Town has a Capital Equipment Fund. A new truck is estimated at \$500,000.00-\$600,000.00. Katherine Disterhaft questioned the cost of replacing the pump system, but keeping the truck body. Chief Shykes responded that the pump system was replaced a few years ago at a cost of approximately \$40,000.00. Discussion regarding ISO ratings and the Town's 3 rating. Kathryn Erjavec questioned how many of the Town's calls are due to mutual aid? Of the 186 calls, medical calls accounted for 89 calls and of the remaining calls, approximately 1/3 are mutual aid. Mutual aid also responds to Fayal calls.

SUPERVISORS' REPORTS

Buildings and Grounds- Supervisor Lee Branville reported that no major projects occurred this year. Two new televisions were added to the Town Hall for resident use as well as to use for presentations, such as the Board of Appeal. This year, the windows in the Town Hall may be replaced. Several years ago, a contractor repaired the weather stripping on the windows. There are issues with drafts and it is believed the windows are original to the Hall. The Hall and grounds are held to a high level of maintenance. Katherine Disterhaft questioned as a cost savings if a contractor could just repair around the windows? Supervisor Branville clarified that the windows are over 40 years old and more efficient windows are available for heat retention and energy savings. Katherine Disterhaft had concerns as money is being spent and threat of a recession. Supervisor Branville responded that

the Town is only seeking a quote at this time.

Police- Deputy Police Chief Brian Ness presented the Police Department Report. For the year 2022, the Eveleth Police Department responded to 425 calls for service in Fayal Township compared to 505 calls in 2021. Reduction is due to the officers able to spend more time out in Fayal, especially at night. No burglaries were reported for any of the storage units and the Department responded to 22 medical calls that the Fire Department had. Active scams for residents to be mindful of are Publishers Clearing House and IRS scams. Most importantly, if you see something, call 911 and report it.

Mike Erjavec questioned how to request patrolling on certain roads and Deputy Police Chief Ness responded that by calling the Police Department, they can sure do that. Kathryn Erjavec has been very satisfied with more police presence, but brought forward concerns with underage children riding four-wheelers and snowmobiles traveling at high speeds, and on the bike trail. Deputy Police Chief Ness recommended calling to report it. Katherine Disterhaft also spoke regarding snowmobiles traveling at excessive speeds near the skating rink. She questioned if barricades could be put up where the snowmobiles cross. Deputy Police Chief Ness will check with Mesabi Trail Authority. Scott Smith questioned if the Department was fully staffed. Currently, they are down two officers and potentially three. Moderator Shykes added that from the Fire Department aspect, it has been a great working relationship with the Eveleth Police Department.

Recreation- Supervisor Richard Sather reported that in 2022 the Tennis for All program hosted youth lessons again for Fayal residents during the summer, utilizing the Fayal courts and was a great success. Pickleball continued as well, with the courts being used twice a week during the summer months. The newly formed Rock Ridge Youth Baseball program utilized the Fayal ballfields multiple days a week during the summer for both practices and games. A used set of lights were generously donated for the field and the Township is exploring options for installation. A waterline and hydrant was also approved to bring water down to the field and installation will be completed this year. In the fall, Fayal constructed a new skate shack/picnic shelter to serve the rink and playground areas. The Town received a \$24,000 IRRRB Cultural and Recreation Grant to assist with the construction costs. A small storage garage will be constructed this summer as well as the addition of benches, tables and a few other items. Eveleth, Fayal, Gilbert & School District 2909 Joint Powers Recreation Board was dissolved in 2022 and for the first time in many, many years, Fayal was responsible for hiring and scheduling staff at the hockey rink. Rink attendants employed for the season were Gunnar Krmpotich, Brogan Vest and Liliana Coldagelli. A special thank you to Paul Coombe, Jeremy Nelson, Darryl Swan and Reagan Scuffy who volunteered for flooding the rink again this year.

Kathryn Erjavec brought forward a citizen request regarding the status of the basketball hoops as one resident was instrumental in acquiring those for the Township. Supervisor Sather provided an update that the old skate shack will be removed, replaced with a shed for storage and the basketball court will be replaced. Kathryn Erjavec thanked the staff for the work on the picnic shelter/skate shack and acquiring the grant. Katherine Disterhaft questioned the status of her request for the Town to offer a request for proposal for sale of the old skate shack. Supervisor Ziegler clarified that the building is not structurally sound to be moved and is rotted. The building is a liability risk and it would cost more to have the building moved than it would be to just build a new structure. Katherine Disterhaft would like consideration as someone may be interested in salvaging the wood. Kathryn Erjavec responded that while she is in favor of repurposing and salvaging, she would hate to see a blighted structure go from one place to another place in the Township and the Town has enough blight. Katherine Disterhaft requested that the Town Board discuss the matter. Supervisor Sather responded that it was discussed and the request was deemed not feasible and unsafe to move.

Public Utilities- Supervisor Sather delivered the Public Utilities report. The Public Utility Commissioners are Chairman Ed Vest, Vice-Chair Amy Jackson, Treasurer Chris Erickson, Commissioners Gene O'Brien and Dave Hamalainen, and Secretary Rebecca Waldorf. Thank you Commissioners for volunteering your time.

The Water and Sewer Enterprise Funds are self-supporting and not funded by the General Fund. Rick Bieganeck is the Equipment/Water Wastewater Operator. The Town hired a new employee, Rebecca Waldorf to serve as the PUC Coordinator/Billing Clerk. She began her employment with the Town in April of 2022. Fayal's water distribution system serves approximately 220 residents and most of our water is purchased from Eveleth, but the Differding Point water is purchased from Gilbert. Fayal owns and maintains 60 fire hydrants, 22 valves and 7 miles of waterline. There were no major water repairs this year. Fayal's wastewater collection system serves approximately 733 residents, with our effluent treated by the City of Gilbert. Water/Wastewater Operator Bieganeck maintains 30 duplex lift stations, 35 miles of sewer lines, 23 miles of gravity line and 12 miles of force main, 500 manholes and 7 air release valves. Fayal uses an automated SCADA system to monitor the lift stations. Rick Bieganeck, Jason Latvaaho, Jason Westby and Rebecca Waldorf share the on-call time. There were 21 call outs in 2022.

Major bills for 2022 were for cleaning and televising section five Cedar Island Drive of the sewer lines, installation of new equipment to secure piping at Lift Station "I" and new elbows for Lift Station "R". At this time, there are no known projects for 2023. Remember, do not flush "flushable wipes" and other personal products, put them in the trash. They do not decompose and cause clogs and excessive wear on our pumps, which are 24 years old now.

Mark Peterson brought forward questions regarding a screen for the aqueduct going into St. Mary's Lake. The City of Eveleth and the DNR are responsible for control of the aqueduct. Discussion regarding the specific requirements in order to open the aqueduct. Ely Lake has zebra mussels and trying to contain them from spreading to St. Mary's Lake. Ed Vest brought forward that last year the aqueduct was opened in order raise the lake level and at this time a solution has not been created to prevent the spread into St. Mary's. Katherine Disterhaft requested minutes of the Road & Bridge, Planning Commission and the Recreation Department be listed online. Supervisor Sather informed Ms. Disterhaft that there are no Recreation Department minutes. The Joint Powers Recreation Board has dissolved and is served by youth boards and Community Education.

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 2022, they continued to ensure goals within the Comprehensive Plan were addressed and/or met. The Commission has continued to focus on future improvements to the ballfield as well as working with the Town Board and staff for the construction of the skate shack/picnic shelter located near the playground at the Town Hall complex. The Commission also worked cooperatively with St. Louis County regarding planning and zoning issues within the Township.

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. The District was awarded a grant from St. Louis County for AIS prevention to continue to support staffing at the Ely Lake boat landing in 2022. The grant funding allowed Fayal to participate with no cost to the Township. The District provided inspections, education and decontaminations and in 2022 inspectors conducted 708 inspections and 2 decontaminations at the Ely Lake boat landing.

Katherine Disterhaft suggested placing aquatic invasive species signs at St. Mary's Lake and Ely Lake. Supervisor Ziegler responded that the DNR is responsible for signage at the lakes and they could be contacted to request that. Discussion that the area on St. Mary's Lake is not a boat launch, but a canoe carry in and the property is owned by the City of Eveleth. Keith Nelson responded that the area is not a boat landing, but is available for use and any signage is up to the DNR. Kathryn Erjavec added that there is a liability with an unmonitored site that has the dangers of a boat landing. Richard Sather had concerns that if signs were placed treating it as a boat landing, the public may think it is a boat landing. Mark Peterson brought forward that Horseshoe Lake Road needs some salt/sand due to high traffic. Jamie Lindseth questioned if there were any plans to improve that road this year? Supervisor Ziegler responded not this year, but individuals can access Highway 53 by utilizing the Highway 37 bridge and exit. Scott Smith questioned if all Township employees participate in snow removal, to which there are three employees that participate. Katherine Disterhaft questioned if there was a way to target all the individuals living on Ely Lake that there are zebra mussels? Supervisor Ziegler responded that the boat landing is signed to reflect the infested waters. Clerk Coldagelli responded that a flyer was sent in the utility bills that highlighted how to identify zebra mussels, what to do if you find them and ways to prevent their spread. Ms. Disterhaft questioned if that could be sent out again in the bills, which there is a cost to produce them. Mike Erjavec added that its not the individuals that live on the lake that is the issue, but nonresidents utilizing the lake. Ed Vest added that there is potential of spread through the trailers that don't seem to dry.

Road & Bridge- Supervisor Patrick Ziegler reported that for the year of 2022, the Road & Bridge Department replaced a culvert on River Lane and North Peary Road and completed some ditching. Gravel was hauled to Hill Road and River Lane to bring the roads back to the correct height to maintain the correct crown for drainage. Hauled material and leveled for the sewer line repair in between Shady Lane and North Airport. Continued to clear right-of-ways. Dust control was placed on dirt roads that required it.

Road & Bridge duties include equipment maintenance and some repairs, snow plowing, sanding, grading, graveling and dust control on dirt roads, drainage work, roadside mowing and tree removal, culvert steaming and replacement, shouldering, sweeping and patching blacktop roads, replenishing the sand piles behind the Town Hall and operating and maintaining a yard waste site. Buildings and Grounds, Recreation and Public Utilities are other departments they do work for.

Work for 2023 will include culvert replacement, possible crack sealing, street sign replacement, blacktop work and continued mowing of the 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 and replacing the asphalt that was removed from Thunderbird Trail. Graveling and building turnarounds for lift

stations will take place as well as leveling the dirt entrance to the PUC, Fire Department and the Road & Bridge storage.

Russell Keating questioned the status of Thunderbird Trail and if it will be blacktopped. The section missing the asphalt will be repaired. Discussion regarding the condition of the road.

SETTING THE TIME FOR THE 2024 ANNUAL MEETING

Motion to set the 2024 Annual Meeting on the second Tuesday in March at 7:00 PM at the Fayal Town Hall, made by Patrick Ziegler, support from Jamie Lindseth. Motion carried unanimously.

ANY OTHER BUSINESS TO COME BEFORE THE MEETING

Motion that the Town Board send out with the Public Utility bills in black and white every year in April information about zebra mussels to the Town members as that reminder and the Town Board follow up with the aqueduct and address concerns to prevent zebra mussels from spreading into St. Mary's Lake, made by Katherine Disterhaft, support from Mark Peterson. Ms. Disterhaft added that a filtration system would need to be installed and investigate options. Ed Vest brought forward that at the last PUC meeting it was discussed that Town Foreman Jason Latvaaho was going to speak with the City of Eveleth regarding the status of the aqueduct. Rebecca Waldorf provided an update that at this time the aqueduct will not be opened. Discussion regarding clarification regarding the mailing. Is the intent for all the property owners? Katherine Disterhaft would like to have a mailing to the entire area. Clerk Coldagelli clarified that the utility bills cover approximately 700 homes, which would be a rather daunting task to mail to the entire Township. Keith Nelson recommended that a better tactic is utilizing AIS funding through the State to send those mailings by partnering with North St. Louis County Soil and Water Conservation District. Steve Kniefel added that may provide something addressing the whole Township. Ms. Disterhaft wanted to amend her motion.

Motion that the Town this year pay for the mailing in April and to seek funding for future years as well as funding for the filtration for the water treatment plant before opening the aqueduct, made by Katherine Disterhaft, support from Mark Peterson. Clarification to send to the residents of Ely Lake and St. Mary's Lake and expand to the entire Township with funding from an outside source. Clerk Coldagelli had concerns with pursuing funding for the aqueduct as the Town has no ownership authority over the aqueduct as ownership lies with the City of Eveleth and the DNR. Katherine Disterhaft responded that Fayal could request that Eveleth pursue that avenue. Clarification that the Town has already been in contact with the City of Eveleth regarding a resolution for that issue. At this time, the DNR is not allowing the aqueduct to be opened. The mailing can go to all the utility bill customers. Motion was further amended.

Motion that the Town this year pay for the mailing in April and to seek funding for future years as well as contact the DNR and Eveleth regarding the aqueduct, made by Katherine Disterhaft, support from Mark Peterson. Motion carried with 7 in favor and 5 opposed.

Motion for the Town Board to seek an RFP for either the removal or moving of the skate shack for a revenue versus a cost to the Town, made by Katherine Disterhaft. Motion fails for lack of a second.

Mark Peterson questioned the status with the old Bullfrogs building. Clerk Coldagelli clarified that the Town was working with an attorney regarding an appraisal and purchasing the building. Clerk Coldagelli then spoke with a different attorney who advised the Town not purchase the building due to liability and potential soil contamination. The property owner is currently under contract and if payment is not made, per the contract terms, the tax forfeit process will begin. The tax forfeit process is the best case scenario. Keith Nelson added that if the property goes tax forfeit, the process can start as early as November of 2023. Commissioner Nelson has committed to the Town Board and Chairman that the building will be torn down as soon as they legally can. In St. Louis County, 98% of residents pay their taxes on time.

Kathryn Erjavec brought forward a complaint regarding people feeding deer. She appreciated the flyer that went out in the bills discouraging deer feeding. Underbrush and cedars are gone and the deer will rely on those for feeding. Buckthorn is becoming a problem and the deer do not eat it. Katherine Disterhaft would like to make a motion in regards to purple loosestrife and phragmites. Kathryn Erjavec added that an Ordinance could be created regarding feeding deer or a special hunt.

Motion for charging the Town Board work with the DNR and St. Louis County Soil and Water to address some of the non aquatic invasive species such as purple loosestrife and buckthorn that are in the public right-of-ways and try to secure grant funding for that and to address some of the control methods of that, made by Katherine Disterhaft. Ms. Disterhaft went on to add that insects can be introduced as a control method. Clerk Coldagelli responded that Fayal does work with Kristin Fogard from St. Louis County and the Town does remove noxious weeds in the road right-of-ways or when a property owner contacts the Town. The Town Foreman is the noxious

weed inspector. An annual report is also completed in regards to noxious weed efforts. **Motion fails for lack of a second.**

SETTING OF THE 2024 LEVY

Moderator Shykes reviewed the levy and asked for a motion to set the levy for the year 2024. The proposed levy is \$852,500.00, a 5.64% increase.

Katherine Disterhaft questioned if when culverts are replaced are they fish passageway friendly? Patrick Ziegler responded that the culverts are just replaced as is.

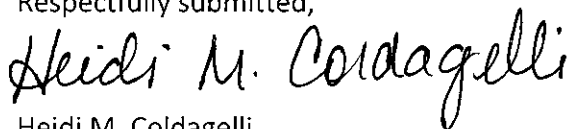
Moderator Shykes repeated the proposed levy.

Motion to approve the 2024 Levy as proposed by the Town Board, made by Scott Smith, support from Patrick Ziegler. Katherine Disterhaft brought forward concerns that if the Town isn't replacing culverts fish passable, that she would like to see the Town partner with the DNR and St. Louis County Soil and Water. Moderator Shykes recommended that Ms. Disterhaft bring those concerns to the Town Board. Ms. Disterhaft wasn't sure if the justification for the Road & Bridge increase had to deal with a bridge being removed, to which it was clarified that St. Louis County was responsible for removing that bridge and that the Road & Bridge Department is responsible for grading, snowplowing, culvert replacement and other road maintenance activities. **All in favor, except one opposed. Motion carried.**

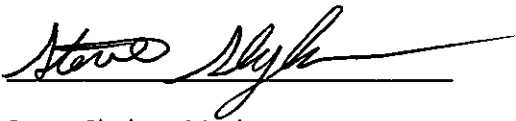
Motion to adjourn, made by Jamie Lindseth, support from Patrick Ziegler. Motion carried unanimously.

Moderator Shykes adjourned the Annual Meeting of 2023 at 9:04 PM.

Respectfully submitted,



Heidi M. Coldagelli
Clerk of Fayal



Steve Shykes, Moderator

TOWN OF FAYAL 2022 FINANCIAL REPORT - 2023 ANNUAL MEETING

	<u>2022</u>	<u>2021</u>
BEGINNING BALANCE JAN 1-	770,978	795,565
REVENUES - GENERAL FUND		
General Property Taxes	375,929	330,429
Franchise Fees	11,490	10,925
Other MISC. (Fiscal Disparities, Lodging Tax, Unmined tac, P&I)	21,429	21,661
TOTAL TAXES	408,848	363,015
LICENSES AND PERMITS	67	140
INTERGOVERNMENTAL		
State		
Disparity Aid	2,505	2,505
Mining Effects	52,836	34,920
Market Value Credit	818	782
Taconite Production	50,000	50,000
Taconite Municipal Aid	28,465	26,211
Taconite Homestead Credit	36,490	41,428
Fire Aid	15,662	14,516
Town Aid	1,022	947
State Fire Marshall Grant	3,206	5,573
IRRRB Grant	24,000	-
TOTAL INTERGOVERNMENTAL	215,004	176,882
CHARGES FOR SERVICES		
General Government		
Town Hall Rent	2,260	1,020
MISC.	670	1,140
Public Safety		
Fire Protection	5,247	62,950
TOTAL CHARGES FOR SERVICES	8,177	65,110
FINES		
Court Fines	2,124	3,036
CONTRIBUTIONS (Grants)	-	173
INTEREST	3,313	2,219
MISCELLANEOUS		
Refunds and Reimbursements	12,797	14,867
TOTAL REVENUES	650,330	625,442
EXPENDITURES - GENERAL FUND		
GENERAL GOVERNMENT		
Chair and Board	26,163	25,736
Administration	143,618	143,869
Clerk	4,497	4,439
Deputy Clerk and Office Assistant	5,131	4,755
Public Utilities	10,255	10,142
Town Hall	56,713	41,453
Town Hall Capital Outlay	-	-
TOTAL GENERAL GOVERNMENT	246,377	230,394
PUBLIC SAFETY		
Police	47,622	49,068
Fire	120,389	143,334
Fire Relief Association	29,662	28,516
Fire Capital Outlay	53,518	85,693
TOTAL PUBLIC SAFETY	251,191	306,611
CULTURE AND RECREATION		
Parks and Recreation	10,750	22,199
Parks and Recreation Capital Outlay	87,545	-
TOTAL CULTURE AND RECREATION	98,295	22,199
DEBT SERVICE		
Principal	73,813	77,027
Interest and Other Charges	7,301	10,271
TOTAL DEBT SERVICE	81,114	87,298
TOTAL EXPENDITURES	676,977	646,502
DEFICIENCY OF REVENUES OVER EXPENDITURES	(26,647)	(21,060)
OTHER FINANCING SOURCES (USES)		
Transfer In	74,440	30,000
Transfers Out	(55,191)	(144,043)
Proceeds from Lease Purchase	-	82,956
Sale of Capital Assets	12,000	3,200
TOTAL OTHER FINANCING SOURCES (USES)	31,249	(27,887)
NET CHANGE IN FUND BALANCE	4,602	(48,947)
Prior Period Adjustment	-	24,360
FUND BALANCE DECEMBER 31	775,580	770,978

<u>ROAD & BRIDGE SPECIAL REVENUE FUND</u>	<u>2022</u>	<u>2021</u>
BEGINNING BALANCE, Jan 1	<u>378,994</u>	<u>189,720</u>
REVENUES - ROAD & BRIDGE TAXES		
General Property	298,362	273,821
Other (Disparities aid, Unmined tac, P&I, tac mun aid)	13,665	12,011
TOTAL TAXES	<u>312,027</u>	<u>285,832</u>
INTERGOVERNMENTAL		
State		
Mining Effects	5,000	13,674
Taconite Homestead Credit	29,399	30,541
Town Road Aid	27,823	18,835
TOTAL INTERGOVERNMENTAL	<u>62,222</u>	<u>63,050</u>
INTEREST		
Interest	94	30
MISCELLANEOUS		
Refunds and Reimbursements	386	-
<u>TOTAL REVENUES</u>	<u>374,729</u>	<u>348,912</u>
EXPENDITURES- ROAD AND BRIDGE		
CURRENT ROADS		
Road Maintenance	277,594	231,032
Equipment Maintenance	39,884	26,519
Capital Outlay	-	13,674
TOTAL PUBLIC WORKS	<u>317,478</u>	<u>271,225</u>
DEBT SERVICE		
Principal	67,596	163,431
Interest and Other Charges	12,273	14,251
TOTAL DEBT SERVICE	<u>79,869</u>	<u>177,682</u>
<u>TOTAL EXPENDITURES</u>	<u>397,347</u>	<u>448,907</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(22,618)</u>	<u>(99,995)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In	31,959	120,132
Transfers Out	(5,000)	(15,000)
Proceeds from Lease Purchase	-	184,137
Sale of Capital Assets	14,031	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>40,990</u>	<u>289,369</u>
NET CHANGE IN FUND BALANCE	<u>18,372</u>	<u>189,274</u>
FUND BALANCE DECEMBER 31	<u>397,366</u>	<u>378,994</u>

TOWN OF FAYAL STATEMENT OF NET POSITION - DEC. 31, 2022

	<u>includes</u>
	<u>Governmental</u>
	<u>and Business</u>
	<u>Type</u>
	<u>Activities</u>
ASSETS	
Cash & Cash Equivalents	2,204,659
Taxes Receivable	25,247
Spec. Assessments Rec.	5,890
Accounts Receivable	48,957
Inventories (class 5)	9,335
Prepaid Items	7,164
Restricted Cash	184,150
Capital Assets not being depreciated	
Land	56,267
Construction in progress	100,571
Capital Assets, net of accumulated depreciation	
Buildings	1,430,005
Infrastructure	8,410,700
Improvements	210,844
Machinery & Equipment	344,673
Licensed Vehicles	529,656
<u>TOTAL ASSETS</u>	<u>13,592,118</u>
DEFERRED OUTFLOWS OF RESOURCES	
Related to other postemployment benefits	22,514
Related to Pensions	85,269
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>107,783</u>
LIABILITIES	
Accounts Payable	59,029
Accrued Salaries	25,914
Customer Deposits	12,210
Unearned Revenue	54,838
Accrued Interest Payable	5,361

Noncurrent Liabilities	
Due Within One Year	
Certificates of Indebtedness and	
Financed Purchases	103,637
Severance Payable	9,477
Due In More Than One Year	
Certificates of Indebtedness and	
Financed Purchases	500,463
Severance Payable	9,477
OPEB	380,638
PERA Net Pension Liability	293,041
TOTAL LIABILITIES	<u>1,454,085</u>

DEFERRED INFLOWS OF RESOURCES	
Related to Pensions	<u>5,705</u>

NET POSITION	
Invested in Capital Assets	10,478,616
Restricted For:	
Debt Service	449,759
Unrestricted	<u>1,311,736</u>

TOTAL NET POSITION	<u>12,240,111</u>
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Total Net Position 12-31-21	<u>12,018,589</u>
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TOWN OF FAYAL STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION PROPRIETARY FUNDS - DEC. 31, 2022

	Business-type Activities- Enterprise Funds		
	Water	Sewer	Totals
OPERATING REVENUES			
Charges for sales and services	86,319	654,678	740,997
Standby Charges	2,057	-	2,057
Access Charges	3,600	9,154	12,754
Miscellaneous Fees	-	3,519	3,519
TOTAL OPERATING REVENUES	<u>91,976</u>	<u>667,351</u>	<u>759,327</u>
OPERATING EXPENSES			
Purchased Water	33,427	-	33,427
Sewage Collection	-	446,045	446,045
Salaries	11,322	69,468	80,790
Employee Benefits	725	(2,131)	(1,406)
Insurance	-	7,101	7,101
Office Supplies	867	4,895	5,762
Operating Supplies	-	3,655	3,655
Professional Services	5,962	25,009	30,971
Repairs and Maintenance	924	4,994	5,918
Training	575	1,497	2,072
Utilities	736	36,037	36,773
Depreciation	66,136	178,528	244,664
TOTAL OPERATING EXPENSES	<u>120,674</u>	<u>775,098</u>	<u>895,772</u>
OPERATING LOSS	<u>(28,698)</u>	<u>(107,747)</u>	<u>(136,445)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	998	936	1,934
LOSS BEFORE TRANSFERS	<u>(27,700)</u>	<u>(106,811)</u>	<u>(134,511)</u>
Transfers In	2,879	20,353	23,232
Transfers Out	<u>(1,000)</u>	<u>(4,000)</u>	<u>(5,000)</u>
CHANGE IN NET POSITION	<u>(25,821)</u>	<u>(90,458)</u>	<u>(116,279)</u>
TOTAL NET POSITION- JANUARY 1	2,434,022	6,960,639	9,394,661
TOTAL NET POSITION- DECEMBER 31	<u>2,408,201</u>	<u>6,870,181</u>	<u>9,278,382</u>

Tuesday, March 14th, 2023
Annual Meeting Sign-In

<u>Name</u>	<u>Address</u>
1. Steve Shykes	7450 Ely Lake Drive
2. Heidi Coldageli	7615 Ely Lake Drive
3. Rebecca Waldorf	4174 W. Long Lk. Rd.
4. LEE BRANVILLE	4512 WOODLAWN POINT
5. Boran Noss	Evoleth PD
6. Russell Keating	8283 Beary Dr N.
7. Jim O'Keefe	3967 Long Lk Rd West
8. GREG J. CHAD	FAYAL FIRE
9. Patrick Ziegler	7924 pine DR
10. RON LAMPENEN	7965 L. Lake Rd
11. Rich Sather	4471 woodlawn Blvd E.
12. SCOTT SMITH	4014 MILLER TRUNK RD.
13. STEVE KNIEFEL	3852 PLEASANT LAKE Vn.
14. Miree Erjavec	7547 N. Airport Dr.
15. MARK Peterson	7798 Bodas Rd.
16. Jamie Lindsay	7802 Bodas Rd
17. Ed Vest	4153 St. Mary's RT.
18. Beth Nelson	7251 E. Tamarine Rd
19. Kathryn Erjavec	7544 Ely Lake Dr
20. Katherine Disterhaft	7737 Ely Lake Dr
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