

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Coldagelli, Clerk/Treasurer

Anthony Tamaro, Chairman

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

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REGULAR MEETING OF THE FAYAL TOWN BOARD

MARCH 7, 2023

The Regular Meeting of the Fayal Town Board of Supervisors was called to order at 7:00 PM by Chairman Tamaro. Present were: Chairman Tamaro, Supervisor Branville, Supervisor Chad, Supervisor Sather and Clerk/Treasurer Coldagelli. Supervisor Ziegler was absent. Chairman Tamaro led with the Pledge of Allegiance.

Audience members in attendance were Matt Hoffmann and Steve Shykes.

Motion to approve the minutes of the Regular Town Board Meeting of February 21st, 2023, made by Supervisor Sather, support from Supervisor Branville. Motion carried unanimously.

SCHEDULED GUESTS- No scheduled guests at this time.

AUDIENCE CONCERNS- Fire Chief Steve Shykes brought forward the Fire Department budget and will commit to reduce the 2022 deficit and cut spending. Chief Shykes will attend training in Duluth on March 17th at no expense to the Town. A relief association class is also available in Moorhead the weekend of the 25th with lodging expenses to incur. Those items will move to New Business. The Fire Department will need to move to PERA with the retirement of Chris Sailstad who handled the Relief Association affairs. Discussion regarding increasing benefit levels. The Fire Department would also like to hold a mock airplane training in April. The cost of \$5,500.00 will be shared between six departments and the cost is reimbursable through Minnesota Board of Firefighter Training and Education (MBFTE). Moved to New Business. There will not be a Fire Department spaghetti feed this year.

REPORTS-

Clerk/Treasurer's Report- For the period of January 1, 2022 through December 31, 2022:

General Fund- Beginning balance was \$379,382.85. There were \$203,984.36 in revenues and \$209,688.29 in expenditures. Revenues included \$48,928.72 levy funds, \$15,304.20 fiscal disparities, \$818.08 market value, \$1,549.38 Lodging Tax, \$670.00 assessment certifications, \$67.00 in dog licenses, \$1,022.00 in Local Government Aid, \$3,756.00 Taconite Production Tax, \$50,000.00 Township Fund, \$1,646.83 unmined taconite, \$24,709.00 for Taconite Municipal Aid, \$36,489.66 taconite credit, \$2,505.00 fiscal reductions, penalties and interest of \$2,387.16, miscellaneous revenues of \$5,000.85, \$2,273.60 refunds and reimbursements, Miners interest of \$2,172.65, 4M interest of \$890.55, CD interest of \$250.20, tax forfeit monies received for \$541.36 and \$3,002.12 for employee benefits reimbursement. Expenditures included the transfer of \$5,000.00 to the Employee Benefit CD, a transfer of \$24,311.72 to Building & Grounds from the Excess School Levy Funds received in 2020, a transfer to Public Utilities Fund of \$77.47 from the 5% administrative fee retained from Lodging Tax and a transfer of the \$890.55 4M Interest, leaving a General Fund balance of \$373,678.92.

Buildings & Grounds- Beginning balance was \$16,921.21, revenues received were \$55,000.00 in levy funds, \$2,260.00 in Town Hall rent and a transfer from General for \$24,311.72 from the Excess School Levy funds that were deposited in 2020 to make the Certificate of Indebtedness payment, for a total of \$81,571.72 in revenues. Expenditures were \$77,563.01, leaving a reserve of \$20,929.92.

Town Hall- Beginning balance was \$80,000.00. Revenues were \$10,000.00 in levy funds and 4M Fund interest of \$249.08, leaving a reserve of \$90,249.08.

Public Safety- Beginning balance was \$17,500.00. Revenues were \$7,500.00 in levy funds, leaving a reserve of \$25,000.00.

Police- Beginning balance was \$19,722.23. Levy funds received were \$50,000.00, fines and forfeits received were \$2,123.92, for total revenues of \$52,123.92. Expenditures were \$47,622.00, leaving a reserve of \$24,224.15.

Fire Department- Beginning balance was \$22,504.33. Revenues were \$102,500.00 in levy funds, Mining Effects of \$21,719.25 for turnout gear and new pagers, DNR Grant of \$5,247.00, State Fire Aid of \$15,661.87, State Fire Grant of \$3,206.00, sale of assets for \$12,000.00, refunds and reimbursements of \$5,523.00, a transfer from

the Capital Equipment Fund for the water tender payment of \$25,000.00, a transfer in for \$39,439.86 from the ARPA Funds to pay off the radios, for a total of \$230,296.98 in revenues. Expenditures were \$263,833.55, leaving a negative reserve of \$11,032.24.

Recreation- Beginning balance was \$28,048.97. Revenues were levy funds of \$27,000.00, Mining Effects of \$31,116.75 for the picnic shelter/skate shack, an IRRRB Grant for \$24,000.00 and a transfer in from the ARPA Funds for the picnic shelter/skate shack of \$25,000.00, for total revenues of \$107,116.75. Expenditures were \$98,295.34, leaving a reserve of \$36,870.38.

Capital Equipment- Beginning balance was \$92,594.15. Revenues were \$75,000.00 in levy funds and interest of \$288.30. Expenditures were \$45,000.00, which included a \$25,000.00 transfer to the Fire Department for the water tender payment and \$20,000.00 to Road & Bridge for the dump truck payment, leaving a reserve of \$122,882.45.

Mining Effects- Beginning balance was \$0. Revenues received were Mining Effects 2022 of \$57,836.00. Expenditures were a transfer to the Fire Department for purchasing turn out gear of \$10,000.00, transfer to the Fire Department for the pagers for \$11,719.25, transfer to the Recreation Department for the picnic shelter/skate shack for \$31,116.75 and a transfer to Road & Bridge Department for road patching for \$5,000.00, leaving a reserve in this fund of \$0.

Road & Bridge- Beginning balance was \$351,854.63 including the escrow balance allocated for the purchase of a dump truck. Revenues were \$298,362.15 in levy funds, fiscal disparities of \$12,339.23, unmined taconite of \$1,326.78, taconite credit of \$29,398.31, town road aid of \$27,823.21, refunds/reimbursement of \$386.00, sealed bid sales of \$14,031.18, interest accrued on the escrow of \$9.21, transfer in for retiree benefits of \$11,959.20, a transfer in from Capital Equipment for the dump truck payment of \$20,000.00 and a transfer in from Mining Effects for road patching for \$5,000.00, for total revenues of \$420,635.27. Expenditures were \$411,346.95, leaving a reserve in this fund of \$361,142.95. To note, \$184,150.33 is allocated for the purchase of the dump truck that has been delayed, leaving a balance of \$176,992.62.

Road & Bridge Truck Reserve- Beginning balance was \$27,138.90. There was \$9,000.00 designated for the year and Miner's/4M interest of \$84.50, leaving a reserve of \$36,223.40.

Public Utilities- Beginning balance was \$873.78, Revenues received were franchise fees of \$11,489.77 and a transfer in from Lodging Tax of \$77.47, for total revenues of \$11,567.24. Expenditures were \$10,255.07, leaving a reserve of \$2,185.95.

Employee Benefits- Beginning balance was \$113,431.03. Revenues were a transfer in from General of \$5,000.00, Road & Bridge for \$5,000.00, Water for \$1,000.00, Sewer for \$4,000.00 and Miner's/4M interest paid of \$353.17, for total revenues of \$15,353.17. Expenditures were retiree benefits paid for 2022 for \$38,193.21, leaving a reserve of \$90,590.99.

American Rescue Plan Funds- Beginning balance was \$72,721.30. Revenues received were the second half of the ARPA funds of \$99,610.76. Expenditures included replacement of lift station pump repairs for \$14,311.11, Fire Department computer replacement/repair of \$3,189.70, payoff of the Fire Department radios for \$39,439.86, \$25,000.00 towards the picnic shelter/skate shack project, \$675.67 for the folding machine for the Fayal Sewer and Water Company and a payment to Great Lakes Pipes Service for line cleaning the final section of sewer lines for \$34,877.52, leaving an ending balance of \$54,838.20.

Fayal Water Company Contingency- Beginning balance was \$71,317.08, designated for the year was \$4,000.08 and interest accrued was \$231.39, leaving a reserve of \$75,548.55.

Fayal Sewer Company Contingency- Beginning balance was \$14,923.78, designated for the year was \$9,000.00, leaving a reserve of \$23,923.78.

Fayal Water Company Depreciation- Beginning balance was \$105,650.69. Designated for the year was \$4,330.80 and interest received was \$328.95, leaving total funded depreciation of \$110,310.44.

Fayal Sewer Company Depreciation- Beginning balance was \$192,497.42. Interest received was \$599.35, leaving total funded depreciation of \$193,096.77.

PUC Truck Depreciation- Beginning balance was \$35,696.62. Interest received was \$111.14 for an ending balance of \$35,807.76.

Fayal Water Company- For the year January 1, 2022-December 31, 2022, the Fayal Water Company had revenues of \$91,489.17 and expenditures of \$76,631.73. Reserves within the checking account are: Water Test Fees- \$406.07, Maintenance Contingency- \$1,000.02, Depreciation not in CD Savings- \$4,330.80, Standby Water Fees- \$37,795.93 and Water Availability Fees- \$3,500.00, leaving a cash balance of \$19,980.49. This compares with a cash balance for the year ending 2021 of \$12,926.40.

Fayal Sewer Company- For the year January 1, 2022-December 31, 2022, the Fayal Sewer Company had revenues of \$710,075.94 and expenditures of \$664,612.38. Reserves within the checking account are: Maintenance Contingency- \$23,923.78, Petty Cash- \$65.00, leaving a cash balance of \$124,020.52. This compares with a cash balance for the year ending 2021 of \$120,161.05.

<u>Reconciled Balances of 12-31-2022 for all accounts:</u>		<u>As of 12-31-2021</u>
Miners National Bank-	\$954,034.23	\$1,198,425.27
Assessment Savings-	\$437,464.98	\$430,450.75
CD Savings-	\$16,543.56	\$524,001.35
4M Fund-	\$796,350.47	\$0
Total, All Accounts	<u>\$2,204,393.24</u>	<u>\$2,152,877.37</u>

Bank statements for the month of February arrived yesterday and this report is tentative. A bank error in a transfer was noted and working to rectify. Revenues were \$136,617.15 and expenditures were \$115,520.33. Tentative ending balances for the month of February are:

Miners Checking- \$862,430.67
 Assessment Savings- \$437,239.98
 CD Savings- \$16,543.56
 4M Fund- \$1,023,889.86

For the month of March to date, revenues are \$5,072.07 and expenditures are \$72,210.99.

Motion to approve the Clerk/Treasurer's Report, made by Supervisor Branville, support from Supervisor Chad. Discussion that the airpacks should be received in the next ten days and what will happen with the old ones. May receive \$60/pack. Could donate to the Kelsey Fire Department who is looking to restart. **Motion carried unanimously.**

Other Reports-

Motion to accept the February Road & Bridge Report, made by Supervisor Chad, support from Supervisor Sather. Motion carried unanimously.

CORRESPONDENCE-

February 22nd- Flyer from League of Minnesota Cities with information regarding the 2023 City of Excellence Award. Entries must be received by April 17th and your city could win \$1,000. Placed on file.

February 23rd- Email from Cathy Rouleau with St. Louis County Association of Townships with minutes from January 25th. Placed on file.

February 27th- Email from Range Association of Municipalities & Schools with board meeting minutes from January 26th. Placed on file.

March 1st- Letter from Lake Country Power with notice of district meeting on March 28th at 5:00 PM at Minnesota Discovery Center in Chisholm. Placed on file.

OLD BUSINESS

2024 Levy- Levy was approved to present at the Annual Meeting.

Annual Meeting- Meeting next week.

Sewer Rate Increase- Chairman Tamaro met with the Gilbert City Administrator. There will be a sewer increase and the City Council will be meeting soon. Once determined, they will notify Fayal.

Rink Lights Quote- Supervisor Branville is working with Hometown for a quote.

Sewer Connection- The contractor's check has been cashed and will be removed from the amount of the repair.

NEW BUSINESS

Impellers for Lift Station S- A quote was provided by Minnesota Pump Works.

Motion to approve the impellers for Lift Station S in the amount of \$1,627.38, plus any applicable tax and freight, made by Supervisor Sather, support from Chairman Tamaro. Will use the ARPA Funds for payment. **Motion carried unanimously.**

Yard Waste Dates- Spring dates are April 22nd, 23rd, 29th, 30th and May 6th and 7th. Fall dates are October 7th, 8th, 14th, 15th, 21st and 22nd.

Motion to approve the Yard Waste dates as written for 2022, made by Supervisor Branville, support from Supervisor Chad. Can add additional dates as needed. **Motion carried unanimously.**

Linde Gas Cylinder Rental- Foreman Jason Latvaaho discovered that the Town has been paying a monthly rental fee for three cylinders. It is more cost effective to purchase the cylinders. The cost will exceed \$750.00.

Motion to purchase our gas cylinders versus renting, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Eveleth Golf Course Liquor License-

Motion to approve the Eveleth Golf Course liquor license for 2023, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

2022 Audit- There were no significant audit findings.

Motion to accept the audit, made by Supervisor Sather, support from Supervisor Branville. Motion carried unanimously.

Motion to approve the expenses for Steve Shykes and Steve Bottila to attend the relief association training, made by Supervisor Sather, support from Supervisor Chad. MBFTE will reimburse for the cost of the course. **Motion carried unanimously.**

Motion to approve the airplane prop class in April, made by Supervisor Sather, support from Supervisor Branville. Six fire departments will be participating. **Motion carried unanimously.**

Clerk Coldagelli will attend fire warden training on March 21st.

Motion to pay the claims in the amount of \$72,721.40, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Chairman Tammaro adjourned the Regular Meeting at 7:44 PM.

Respectfully submitted,

Heidi M. Coldagelli

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Clerk/Treasurer Town of Fayal

Approved:

[Signature]

Chair

Date:

4-4-23

Attest:

Heidi Coldagelli

Clerk