

TOWN OF FAYAL

4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Latvaaho, Clerk/Treasurer

Lee Branville, Chairman

Supervisors: Mark Chad, Michael Erjavec, Richard Sather, Daniel Zbosnik

PHONE (218)744-2878

FAX (218)744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

DECEMBER 16, 2025

The Regular Meeting of the Fayal Town Board of Supervisors was called to order at 7:00 PM by Chairman Branville. Present were: Chairman Branville, Supervisor Chad, Supervisor Erjavec, Supervisor Sather, Supervisor Zbosnik and Clerk Latvaaho. Chairman Branville led with the Pledge of Allegiance.

Audience members in attendance were Jason Latvaaho and Steve Shykes.

Motion to approve the minutes of the Regular Town Board Meeting of December 2nd, 2025, made by Supervisor Sather, support from Supervisor Zbosnik. Motion carried unanimously.

SCHEDULED GUESTS- None at this time.

AUDIENCE CONCERNS- Foreman Jason Latvaaho brought forward that the water heater continues to have issues. Received two quotes in 2024 from Savers and Iron Range Plumbing. At that time, Savers bid was \$500.00 less than Iron Range Plumbing. He will reach out to them for new bids and questioned if they are close to the same price can he can go ahead and place the order so the water heater can be fixed and not wait for another Town Board meeting? The quotes were approximately \$4,000.00 and \$4,500.00.

Motion to have Foreman Latvaaho contact the prior two vendors for the hot water heater and get it on order pending its not significantly higher in price than the original quotes from 2024, made by Chairman Branville, support from Supervisor Sather. Discussion that the current heater was installed in 2009. Motion carried unanimously.

Fire Chief Steve Shykes brought forward that a resident provided a check for \$100.00 to the Fire Department as a donation. Clerk Latvaaho informed the Board that unfortunately any donations, regardless of size, need to have a resolution drafted for the Town Board to accept them. Clerk Latvaaho will draft a resolution for the next meeting.

Chief Shykes also brought forward that a Fire Department member will be resigning from the Fire Department and will need to fill that individual's position. The Board cannot take action until a resignation letter is received. The Department Officers are also due for an annual performance review. Supervisor Branville recommended a report from the Chief and Assistant Chief regarding staff performance and recommendations. Supervisor Chad suggested including call percentages and training attendance to assist in the reviews. Chief Shykes also brought forward a large fire that occurred at the old Moon Lake cabins. The house suffered significant damage and the garage was destroyed. There was mutual aid from 10 different departments.

REPORTS-

Clerk/Treasurer's Report-

For the month of December to date, revenues are \$410,572.55 and expenditures are \$114,280.40. St. Louis County apportionment was received for \$375,877.14. Current balances for December are:

Miners Checking- \$888,888.08

Assessment Savings- \$115.77

CD Savings- \$70.77

4M Fund- \$1,977,230.85

Motion to approve the Clerk/Treasurer's report, made by Supervisor Sather, support from Supervisor Zbosnik. Motion carried unanimously.

Other Reports-

Motion to accept the Road and Bridge Report for November, made by Supervisor Sather, support from Supervisor Zbosnik. Motion carried unanimously.

Motion to accept the Public Utilities Commission meeting minutes from November 12th, made by Supervisor Erjavec, support from Supervisor Sather. Motion carried unanimously.

Motion to accept the Wastewater Operator Report for November 2025, made by Supervisor Erjavec, support from Supervisor Sather. Motion carried unanimously.

CORRESPONDENCE-

December 8th- Letter from AFSCME Council 65 with changes to 2026 dues. Sent to the Union employees.

December 10th- Letter from St. Louis County Environmental Services Department with proposed 2026 municipal solid waste disposal fee changes. The proposed disposal fee decreased by \$18.93 to \$50.00 per ton. Placed on file.

December 15th- Email from the League of Minnesota Cities with notice for RSG training cost increases for 2026. There will be a 5% increase starting January 1st with each RSG meeting to cost \$1,911.00. LMCIT will continue to pay 55% of the meeting costs and the remaining 45% split among the RSG members. Placed on file.

OLD BUSINESS

Chairman Branville-

Fire Department Rechassis Project- Chief Shykes updated the Board that there was an exhaust location issue that the vendor will relocate at their cost.

Fire Department Shared Services- No updated information.

2027 Levy- Chairman Branville did some work on the levy and had some recommendations regarding the roads and shifting some of the funds to put to better use. He would like move the public safety fund balance, less the \$20,000.00 earmarked for a squad car to a road fund and replace the public safety fund with a road replacement fund. As there are no significant Town Hall remodeling projects planned in the near future, he recommended moving \$50,000.00 of the \$110,000.00 from the Town Hall fund to fund a road replacement fund. He also recommended reducing the Town Hall fund levy by \$5,000.00 and the Recreation Department levy by \$5,000.00 and moving those to the road replacement fund. Discussion regarding the Recreation Department and tennis courts and the importance that the roads affect 100% of the Township's population. Moving the fund balances will generate a starting balance of \$78,000.00 and the Road and Bridge Department can afford at this time a \$50,000.00 per year transfer. Discussion regarding current road loan balance and the 4M Fund is paying more interest than the loan interest rate. Discussion regarding Clerk Latvaaho's apprehension regarding lowering the Recreation Department levy. The funds could be adjusted if the Recreation Department balance starts to significantly decline. Discussion regarding the tennis courts.

Chief Shykes questioned if there had been more discussion regarding Clerk Latvaaho's recommendation of setting up a fund for replacement of airpaks or radios for the Fire Department. The recommendation was to set aside \$5,000.00 per year from the Fire Department budget and another \$5,000.00 from the General Fund or Mining Effects. Discussion regarding a potential fund.

Tennis Courts- Jim Prittinen will be in attendance at the January meeting to discuss any findings for grant opportunities or ideas.

Minnesota Paid Leave- Clerk Latvaaho received a letter from Minnesota Paid Leave that the Township qualifies as a small business as they are currently reporting 22 employees to unemployment and would therefore qualify for a lower premium rate of .66% of the wages. She contacted them to let them know that those figures did not include the supervisors, rink attendants and election judges, which puts them over the 30 employee mark. Minnesota Unemployment assisted her with creating a second Minnesota Paid Leave account for manually reporting supervisors and election judges that are not reportable under Minnesota Unemployment Insurance. They were unsure if Minnesota Paid Leave would combine the two accounts and at what point they would no longer qualify for the small business rate. Discussion regarding individuals that pay into paid leave that are not eligible to collect paid leave. Clerk Latvaaho reiterated that it is the Town Board's decision on how to proceed and what they would like to pay with the reduced premium. The employee can still be required to pay .44% of the premium, with the Township responsible for the remaining .22%. She would need to notify the employees of the change regardless.

Motion to leave as is, made by Chairman Branville, support from Supervisor Zbosnik. Motion carried unanimously.

NEW BUSINESS

Contented Critters 2026 Contract- Only changes to the contract was clarifying that domestic animals are referencing dogs and cats. The price remains the same at \$300.00 per month.

Motion to approve the 2026 contract, made by Chairman Branville, support from Supervisor Sather. The Eveleth Police Department handles any animal complaints in Fayal. Motion carried unanimously.

Lodging Tax- These funds are derived from taxes paid by the Veteran's Park Campground that Eveleth sends to us and the Township yearly send 95% to the Iron Range Tourism Bureau and 5% can be kept for administrative fees. In the past have transferred the 5% to the PUC, but their budget is just fine this year and Clerk Latvaaho recommended keeping those fees in the General Fund. The 5% amounted to \$75.25.

Motion to transfer the lodging tax and retention amount be transferred to the General Fund, made by Chairman Branville, support from Supervisor Sather. Motion carried unanimously.

2025 Audit- Walker, Giroux & Hahne provided an engagement letter and cost for performing the 2025 audit. The cost is \$26,350.00. For 2024's audit the cost was \$21,550.00 and necessitated such a large increase due to the time put into our audit. There are several things that Clerk Latvaaho and Utility Billing Clerk Hiti do in between the audit to make less work for the auditor's on the audit.

Motion that the Town Board understands the letter and what the audit will entail at \$26,350.00, made by Chairman Branville, support from Supervisor Sather. Motion carried unanimously.

Nonattest/Nonaudit Services- This form from Walker, Giroux & Hahne is approved yearly and has the Board designate Clerk Latvaaho to be responsible and accountable for overseeing the nonattest/nonaudit services perform by Walker, Giroux & Hahne.

Motion to designate Heidi M. Latvaaho in charge of the nonattest/nonaudit services for Walker, Giroux & Hahne, made by Chairman Branville, support from Supervisor Chad. Supervisor Erjavec abstained as Clerk Latvaaho is his daughter. Motion carried.

Public Utilities Commission Appointment-

Motion to appoint Becky Squibbs to the Public Utilities Commission, made by Supervisor Erjavec, support from Supervisor Sather. There is another individual that submitted a letter of interest for the other vacant position that the PUC can address at their next meeting. ***Motion carried unanimously.***

TruGreen Estimates- Received a quote for the Town Hall for \$2,499.40 and the Ballfield for \$1,208.40. Discussion regarding cost and to have the Casual Labor employee responsible for maintenance in 2026 and see how it goes.

Motion to suspend services from TruGreen, made by Chairman Branville, support from Supervisor Zbosnik. Motion carried unanimously.

Year End Fund Transfers- Clerk Latvaaho reviewed the following transfers:

To transfer from Miners Checking to the 4M Assessment Savings \$1,583.55 received from St. Louis County apportionment funds.

Motion to transfer the St. Louis County Apportionment in the amount of \$1,583.55, made by Chairman Branville, support from Supervisor Sather. Motion carried unanimously.

Clerk Latvaaho brought forward transfers from Miners Checking to the 4M Fund for the levy transfers. Transfers included \$2,600.00 to the Town Hall fund, \$7,500.00 to the public safety fund, \$30,000.00 to the capital equipment fund, \$9,000.00 to the Road and Bridge truck fund and \$6,988.80 to the employee benefit CD for a total of \$56,088.80.

Motion to transfer \$56,088.80, made by Supervisor Sather, support from Supervisor Chad. Motion carried unanimously.

Clerk Latvaaho presented the normal year end transfers from Miners Checking to the 4M Fund of \$4,000.08 to the water maintenance contingency, \$4,330.80 to the water depreciation fund, \$1,329.61 to the sewer maintenance contingency and \$1,800.00 for the PUC truck fund, for a total of \$11,460.49.

Motion to transfer \$11,460.49, made by Chairman Branville, support from Supervisor Erjavec. Motion carried unanimously.

For Board consideration, Clerk Latvaaho brought forward transfers from Miners Checking to the 4M Fund of \$3,500.00 for water availability charges, \$6,625.00 for sewer availability charges and the \$44,408.72 received from FEMA for the lift station panel replacement until the project is completed next year in order to earn more interest, for a total of \$54,533.72.

Motion to approve the transfer of \$54,533.72, made by Supervisor Chad, support from Supervisor Zbosnik. Motion carried unanimously.

Motion to pay the claims in the amount of \$44,486.47 plus a Fire Department bill for \$521.95, made by Supervisor Chad, support from Supervisor Zbosnik. Motion carried unanimously.

Chairman Branville wished everyone a merry Christmas and a happy New Year.

Motion to adjourn made by Chairman Branville.

Chairman Branville adjourned the Regular Meeting at 7:49 PM.

Respectfully submitted,




Heidi M. Latvaaho

Clerk/Treasurer Town of Fayat

Approved:  _____
Chair

Date:  _____

Attest:  _____
Clerk