

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

FEBRUARY 20, 2024

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 Sather, Supervisor Ziegler and Clerk/Treasurer Coldagelli. Supervisor Chad was absent. Chairman Tamaro led with the Pledge of Allegiance.

Audience members in attendance were Gina Brascugli and Matt Hoffmann.

Motion to approve the minutes of the Regular Town Board Meeting of February 6th, 2024, made by Supervisor Branville, support from Supervisor Ziegler. Motion carried unanimously.

SCHEDULED GUESTS- None at this time.

AUDIENCE CONCERNS- Assistant Fire Chief Matt Hoffmann presented to the Board the January Fire Department Report. The Department is working on some projects and Assistant Chief Hoffmann distributed information regarding current apparatus fleet specifics and SCBA apparatus storage locations.

REPORTS-

Clerk/Treasurer's Report- For the period of January 1, 2023 through December 31, 2023:

General Fund- Beginning balance was \$373,678.92. There were \$202,375.57 in revenues and \$173,638.01 in expenditures. Revenues included \$52,119.09 levy funds, \$11,393.81 fiscal disparities, \$974.12 market value, \$2,025.26 Lodging Tax, \$380.00 assessment certifications, \$60.00 in dog licenses, \$4,913.18 from Mining Effects, \$983.00 in Local Government Aid, \$3,623.00 Taconite Production Tax, \$50,000.00 Township Fund, \$1,369.80 unmined taconite, \$19,889.00 for Taconite Municipal Aid, \$34,591.78 taconite credit, \$2,505.00 fiscal reductions, penalties and interest of \$544.60, miscellaneous revenues of \$1,951.50, \$1,656.86 refunds and reimbursements, Miner's interest of \$1,636.75, 4M interest of \$10,623.59, CD savings interest of \$8.23, tax forfeit monies received for \$149.72 and \$977.28 for employee benefits reimbursement. Expenditures included the transfer of \$5,000.00 to the Employee Benefit CD and a transfer to the Public Utilities Fund of \$101.26 from the 5% administrative fee retained from Lodging Tax, leaving a General Fund cash balance of \$402,416.48. There is an obligation of \$199,141.19 for the intrafund loan used to purchase the Fire Department airpacks to leave an ending reserve balance of \$203,275.29.

Buildings & Grounds- Beginning balance was \$20,929.92. Revenues received were \$55,000.00 in levy funds, \$2,731.00 in Town Hall rent, \$20.00 for miscellaneous revenues and a transfer from Mining Effects of \$10,000.00, for a total of \$67,751.00 in revenues. Expenditures were \$69,732.24, leaving a reserve of \$18,948.68.

Town Hall- Beginning balance was \$90,249.08. Revenues were \$10,000.00 in levy funds and 4M Fund interest of \$3,195.89, leaving a reserve of \$103,444.97.

Public Safety- Beginning balance was \$25,000.00. Revenues were \$7,500.00 in levy funds, leaving a reserve of \$32,500.00.

Police- Beginning balance was \$24,224.15. Levy funds received were \$50,000.00, fines and forfeits received were \$1,873.28, for total revenues of \$51,873.28. Expenditures were \$50,988.00, leaving a reserve of \$25,109.43.

Fire Department- Beginning balance was a negative \$11,032.24. Revenues were \$112,500.00 in levy funds, Mining Effects of \$41,100.82 for airpack payment/PPE/First Responder Program, State Fire Aid of \$14,727.18, State Fire Grant of \$2,500.00, sale of assets for \$12,000.00, refunds and reimbursements of \$14,813.00, a transfer from the Capital Equipment Fund for the water tender payment of \$21,000.00, a transfer in for \$212,440.37 from the Assessment Savings to pay for the airpacks, for a total of \$431,081.37 in revenues. Expenditures were \$383,344.94, leaving a reserve of \$36,704.19.

Recreation- Beginning balance was \$36,870.38. Revenues were levy funds of \$27,000.00, an Eveleth Community

Foundation Grant for \$5,000.00, a transfer in from the ARPA Funds for the Ballfield Waterline of \$6,300.00 and a transfer in from Capital Equipment for \$5,499.00 for the purchase of a new sweeper, for total revenues of \$43,799.00. Expenditures were \$78,384.07, leaving a reserve of \$2,285.31

Capital Equipment- Beginning balance was \$122,882.45. Revenues were \$80,000.00 in levy funds and 4M interest of \$4,351.50. Expenditures were \$63,401.28, which included a \$21,000.00 transfer to the Fire Department for the water tender payment, \$29,000.00 to Road & Bridge for the dump truck payment, a transfer of \$7,902.28 for a repair to Engine 91 and \$5,499.00 to the Recreation Department for the sweeper, leaving a reserve of \$143,832.67.

Mining Effects- Beginning balance was \$0. Revenues received were Mining Effects 2023 of \$56,014.00. Expenditures were: transfer to the Fire Department for purchasing turn out gear of \$10,000.00, transfer to the Fire Department for the airpack payment for \$17,547.99, transfer to Building and Grounds for \$10,000.00, a transfer to the Fire Department for the EMS program for \$13,552.83 and a transfer to General for electronic poll pads for \$4,913.18, leaving a reserve in this fund of \$0.

Road & Bridge- Beginning balance was \$361,142.95 including the escrow balance allocated for the purchase of a dump truck. Revenues were \$325,620.15 in levy funds, fiscal disparities of \$9,642.23, unmined taconite of \$1,159.69, taconite credit of \$29,285.72, town road aid of \$20,288.43, a FEMA and State grant of \$10,459.80, interest accrued on the escrow account of \$2.27, a transfer in for retiree benefits of \$11,770.20 and a transfer in from Capital Equipment for the dump truck payment of \$29,000.00, for total revenues of \$437,228.49. Expenditures were \$621,105.55, leaving a reserve in this fund of \$177,265.89.

Road & Bridge Truck Reserve- Beginning balance was \$36,223.40. There was \$9,000.00 designated for the year and 4M interest of \$1,282.74, leaving a reserve of \$46,506.14.

Public Utilities- Beginning balance was \$2,185.95, Revenues received were franchise fees of \$11,328.05 and a transfer in from Lodging Tax of \$101.26, for total revenues of \$11,429.31. Expenditures were \$11,353.09, leaving a reserve of \$2,262.17.

Employee Benefits- Beginning balance was \$90,590.99. 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 4M interest paid of \$3,208.00, for total revenues of \$18,208.00. Expenditures were retiree benefits paid for 2023 for \$23,415.32, leaving a reserve of \$85,383.67.

American Rescue Plan Funds- Beginning balance was \$54,838.20. There were no revenues. Expenditures included replacement of the impellers for one of the lift stations for \$1,721.72, \$6,300.00 to the Recreation Department for installation of the Ballfield waterline, \$1,450.68 for the folding machine for the Fayal Sewer and Water Company and \$17,000.00 for a sewer line repair, leaving an ending balance of \$28,365.80.

Fayal Water Company Contingency- Beginning balance was \$75,548.55, designated for the year was \$4,000.08 and interest accrued was \$2,675.32, leaving a reserve of \$82,223.95.

Fayal Sewer Company Contingency- Beginning balance was \$23,923.78, designated for the year was \$9,000.00, leaving a reserve of \$32,923.78.

Fayal Water Company Depreciation- Beginning balance was \$110,310.44. Designated for the year was \$4,330.80 and interest received was \$3,906.31, leaving total funded depreciation of \$118,547.55.

Fayal Sewer Company Depreciation- Beginning balance was \$193,096.76. Interest received was \$6,837.93, leaving total funded depreciation of \$199,934.69.

PUC Truck Depreciation- Beginning balance was \$35,807.76. Interest received was \$1,268.02 for an ending balance of \$37,075.78.

Fayal Sewer Availability Charges- Beginning balance was \$72,778.65. Interest received was \$2,577.23 for an ending balance of \$75,355.88.

Fayal Water Company- For the year January 1, 2023-December 31, 2023, the Fayal Water Company had revenues of \$91,271.21 and expenditures of \$72,607.56. Reserves within the checking account are: Water Test Fees- \$424.92 and Water Availability Fees- \$7,000.00, leaving a cash balance of \$32,516.67. This compares with a cash balance for the year ending 2022 of \$19,980.49.

Fayal Sewer Company- For the year January 1, 2023-December 31, 2023, the Fayal Sewer Company had revenues of \$723,569.53 and expenditures of \$678,838.38. Reserves within the checking account are Petty Cash of \$65.00, leaving a cash balance of \$171,308.17. This compares with a cash balance for the year ending 2022 of \$124,020.52.

Reconciled Balances as of 12-31-2023 for all accounts: **As of 12-31-2022**

Miners National Bank-	\$642,208.87	\$954,034.23
Assessment Savings-	\$0	\$437,464.98
CD Savings-	\$6,024.29	\$16,543.56
4M Fund-	\$1,540,049.16	\$796,350.47
<u>Total, All Accounts</u>	<u>\$2,188,282.32</u>	<u>\$2,204,393.24</u>

Chairman Tammaro commented that the total balances in 2023 was less than 2022 and Clerk Coldagelli reminded the Board that a dump truck was purchased as well as airpicks.

For the month of February to date, revenues are \$68,034.81 and expenditures are \$144,176.77. Current balances for the month of February are:

Miners Checking- \$508,724.73
 Assessment Savings-\$176.75
 CD Savings- \$6,024.29
 4M Fund- \$1,544,196.20

Chairman Tammaro questioned the police balance and the amount of fines and forfeits received compared to attorney costs. The Town received \$1,873.28 in fines and forfeits and spent \$8,988.00 in legal costs. Discussion regarding the prosecution costs and ordinance enforcement.

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

Other Reports-

Motion to accept the Fire Department Report from January, made by Supervisor Sather, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the Public Access Television meeting minutes from February, made by Supervisor Branville, support from Supervisor Ziegler. Motion carried unanimously.

Motion to accept the Public Utilities Commission meeting minutes from January 9th, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Motion to accept the Delinquency Report for the Public Utilities, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Motion to accept the PUC Report for January, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

CORRESPONDENCE-

February 13th- Postcard from UtiliTree, Inc. with notice that their company has been hired by Minnesota Power to prune and clear tree and brush growth within its utility rights-of-way beginning this week. Placed on file.

February 20th- Letter from St. Louis County with clarification that per State statutes, liquor license renewals are approved by St. Louis County and only new licenses need Township approval. Placed on file.

OLD BUSINESS

Chairman Tammaro-

St. Mary's Lake Development Grant- Brad Scott has contacted Clerk Coldagelli and would like to meet with her this week.

Local Road Improvement Grant- Clerk Coldagelli has not received any notifications regarding approval or denial status.

Camera and Locator Grant- Clerk Coldagelli submitted the grant application last week.

Eveleth Bulk Water Purchase Agreement- The City of Eveleth provided a new agreement.

Motion to approve the agreement, made by Supervisor Sather, support from Supervisor Ziegler. Motion carried unanimously.

Chairman Tammaro brought forward that a representative from the City of Gilbert's Water and Light Board has contacted Fayal regarding Fayal's Differding Point water customers. The City of Gilbert would like to increase each of those 31 resident's bills by approximately \$30.00 to pay for debt service and a service charge. Supervisor Ziegler brought forward that Fayal is a bulk water customer and should not be assessed individually. There is not

another waterline option for Fayal. Supervisor Ziegler suggested installing a meter vault and will look into the cost. Fayal does service at least one Gilbert sewer customer and three Gilbert water customers.

NEW BUSINESS

Deputy Clerk/Treasurer- Clerk Coldagelli would like to appoint Terry Hiti as Deputy Clerk/Treasurer. Her ninety-day probationary period is nearly complete and elections are next month.

Motion to appoint Terry Hiti as Deputy Clerk/Treasurer, made by Supervisor Ziegler, support from Supervisor Sather. Pay is \$150.00 per month and signers will need to change on the accounts at Miner’s National Bank. ***Motion carried unanimously.***

Ballfield Scoreboard/Power- A quote from Hometown was received for \$11,235.00 to run power to the scoreboard and the shed. Clerk Coldagelli is applying for a grant.

Off-Take Ditch River Drive- The County Recorder informed the Town that a flowage easement exists on the property for United Taconite. Supervisor Ziegler will inform Keith Nelson that he will need to work with United Taconite as they own the easement.

Supervisor Branville brought forward that St. Louis County has boarded up the old Bullfrogs building. Discussion regarding the Supreme Court ruling regarding tax forfeit properties.

Assistant Fire Chief Matt Hoffmann brought forward for discussion mutual aid and box alarms with St. Louis County. Changes need to be made due to the dissolving of McDavitt and McKinley fire departments. Assistant Chief Hoffmann requested Board approval to make adjustments to mutual aid and add a third alarm. There are no real changes to who reports to a fire, just what order and what apparatus they bring.

Motion to approve the changes, made by Supervisor Sather, support from Supervisor Ziegler. Chairman Tammaro requested from Assistant Chief Hoffmann the number of structure fires in Fayal in the last year. Discussion that changes are a being made within the Fire Department and there are very few working structure fires in the Township. These changes can still make the Fire Department beneficial. In 2023, over 50% of calls were medical. Discussion regarding the EMS program. Possibly a mutual aid EMS program could work. The Fire Department has been focusing on efficiency and storage this year. Assistant Chief Hoffmann would like to look at the ISO rating and determine what is necessary to maintain that rating and look at adjusting engines. ***Motion carried unanimously.***

Assistant Chief Hoffmann also brought forward that the Fire Department is working with the Red Cross again for installation of smoke detectors in residents’ homes. The Red Cross holds the liability waiver, but would need Board approval to offer the program again.

Motion to offer the smoke alarm program, made by Supervisor Sather, support from Supervisor Branville. ***Motion carried unanimously.***

Discussion regarding the rink and the temperatures. It could be a liability and someone could get injured.

Motion to close the rink as of tonight as the last night it is open, made by Supervisor Ziegler, support from Supervisor Branville. ***Motion carried unanimously.***

Motion to approve the draft audit report for the Town of Fayal end of year December 31, 2023, made by Supervisor Branville, support from Supervisor Sather. ***Motion carried unanimously.***

Motion to pay the claims in the amount of \$80,671.12, made by Supervisor Branville, support from Supervisor Ziegler. ***Motion carried unanimously.***

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

Respectfully submitted,

Heidi M. Coldagelli

Heidi M. Coldagelli
Clerk/Treasurer Town of Fayal

Approved: *Anthony J. Tammaro*
Chair

Date: 3-18-24

Attest: *Heidi M. Coldagelli*
Clerk