

Town of Crystal Bay

Regular Board Meeting Finland Community Center

Minutes

January 21st, 2025

- I. **Attendance:** Stacy Breden, Michael Nimula, Paul Hartshorn, Douglas Perfetto, Terri Perfetto, Roger Peterson, Rachel Peterson, Rachel Clark, Lise Abazs, Amy Nikula, Nancy Anselment Olson, Gray Olson, Honor Schauland, Kelly Ulrich, Lori Jacobs, Rachel Fleming
- A. Supervisor Hartshorn called the Regular Meeting of the Crystal Bay Town Board to order at 6 pm with the Pledge of allegiance.
 - B. MOTION: To approve January's Regular Meeting Agenda. Motioned by Supervisor Peterson, Seconded by Nikula, Passed by unanimous consent.
 - C. MOTION: To approve December's Regular Meeting Minutes. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
 - D. MOTION: To approve January's Emergency Meeting Minutes. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
 - E. MOTION: To approve the Treasurer's Monthly Report. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
 - 1. **Income:** We received the second half of our tax apportionment (\$53,624), State Aid (\$2693) and Taconite (\$10,814) revenue. FEMA reimbursement funds (\$83,295) and the final MN Age Friendly grant payment (\$9175). Bank interest was \$20.
 - 2. **Expense:**
 - a. **General Government** - Supervisors (\$336), Treasurer (\$633), Clerk (\$5094) plus tax notice fees to Lake County (\$216) and misc clerk supplies (\$434), half of which was printer ink.
 - b. **Public Safety:** Quarterly Fire Dept contract (\$5000) and insurance (\$595)
 - c. **Public Works:** Road & Bridge - Payroll (\$2607), representing ~20hrs/week, Equipment fuel expense (\$318), Garage & other maintenance expense (\$218).
 - d. **Culture & Recreation** - Quarterly Friends of Finland contract (\$5000), Community Center materials and outdoor maintenance payroll (\$354), Septic tank pumping (\$480), Triangle monthly lighting fee (\$67)
 - e. **Housing** - ongoing project costs covered by grant funds (\$250).
 - f. **Miscellaneous/Cemetery** - No expenses in December.
 - g. **EFT payments:** included Visa bill of \$488.51 and Grader Loan payment of \$1952.17 (\$966 interest, \$986 principal)
 - 3. **Summary**
 - a. December total expenses = \$22,569
 - b. Quarter 4 (Oct-Dec) total expenses = \$66,236 about \$1900 over budget
 - 4. December things to note in the Balance Sheet:
 - a. The checking account is at \$195,397, a healthy balance to end the year.
 - b. Road & Bridge Fund has bounced back into the positive side (\$68,705) due to the FEMA reimbursement payment. The General Fund is the only negative fund (-\$62,127).
 - c. Community Projects Funds contains \$9567 grant funds restricted to the housing project.
 - d. Finland Nature Childcare made an extra \$500 payment towards their loan and will restart regular monthly payments in the new year. Their current loan balance is \$6517.

- e. Our Grader Loan balance is \$146,144, with almost 9 years remaining (104 payments).
- f. **Budget Summary Revenue and Fund Balance 2024:** The tax levy is the Townships only dependable revenue source, and spending must be brought into balance with this to maintain cash flow and rebuild reserves.
 - i. Levy collection percentage was significantly lower this year than the previous few years but within the range of our budget estimates.
 - ii. Intergovernmental revenue increased this year primarily due to taconite tax credit which varies based on mining production.
 - iii. In 2025 the levy will increase for General Fund by \$25K and Town Hall by 2K and decreased for Community Projects by \$2K
 - iv. ARPA funds in 21 & 22 delayed the impact of increase in overall spending FEMA reimbursements at the end of this helped bolster the Road and Bridge fund.
 - v. For most of this year, the depleted General Funds were subsidized by strong balances in most other funds, which helped maintain cash flow.

g. Budget Summary Expense & Budget Assumptions Balance 2024:

- i. Even with the increased levy, the General Fund cannot support the current expenses, the majority of which has been the increased Clerk's Payroll.
- ii. Road & Bridge costs have decreased significantly this year, almost into alignment with the levy. Some of this may be due to timing of road material purchases.
- iii. The Septic system replacement is a known upcoming cost which we are expecting grant funds to mostly cover, but cash flow may be an issue.
- iv. Public Safety and Town Hall contract expenses are sufficiently covered by the levy. Cemetery expenses beyond basic maintenance will need to take into account the current levy and fund balance.
- v. The loan payments for the grader consume the majority of the Capital Equipment Fund, and will do so for the next 9 years, leaving no margin for other capital equipment costs.

- F. MOTION to approve January's monthly bills for a total of \$10,355.84 Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
- G. MOTION to approve January's regular monthly pay claims for a gross total pay of \$ 10,008.10 Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
- G. Conflict of Interest Affidavits signed for the Clerk and Officer files.
 - i. Paul Hartshorn for Clair Nelson Center grounds in the amount of \$140.00
 - ii. Paul Hartshorn for Roads Worker helper in the amount of \$60.00.
 - iii. Lise Abazs for Home Solutions Outreach Coordinator in the amount of \$262.50.

H. . Board reviews correspondence from Town

II. Reports (5 minutes each)

A. Clerks Report: Stacy

- i. MOTION to approve \$10.00 dollars for the Mediator at March's Annual Meeting on March 11th at 6pm.
Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent

- Clerks Public Office Hours are Tuesday 11am to 2pm

Anything outside of these hours please make an appointment by calling 218-353-1236 or emailing @crystalbaytownship@gmail.com

- Clerk hours for this pay period (December 16th – January 19th) are 184 hours; this averages 36 hours a week for a 5 week pay period.

- Boxed up end of 2024 paperwork, filled out end of year Unemployment Reports, a BWCA Annexation Report and destroyed non legal or record retention documents.
I have the yearly MATIT Payroll Audit left due by Feb 15th and there will be a PERA Exclusion report coming up soon too.
- Still no word on the last of the FEMA (Administration funds, around 4K)
- No Word on Septic from IRRRB
- Board of Audit Reminder: This will take place at the end of Feb's meeting
- W2's and 1099 will be mailed out or held in the clerk's office and I will let you know when to pick them up. Lise and I will be meeting next Thursday to work on end of year items.
- DNR Mapping Project with Jeff Weiss: No Update as of printing
- FY24 Yearly Clerk's Audit:
Will not be complete by Annual Meeting due to heavy workload and prioritizing
- Worked on a Town Hall Rental Policy to accompany the FOF and Township Contract, meeting with the group and gaining ground.
- The locks to the office were changed again after the Jan. 2nd meeting and our grey key box was relocated to inside the front office.
- Current Projects in the Clerk's Office include:
 - Friends of Finland Contract
 - Finland Fire Department Contract
 - Septic Project
 - DNR Project with Jeff Weiss
 - Lake County Garage Site Project with Jason DiPiazza/ Doug and Paul
 - Town Board Rules of Procedures Resolution
 - Emergency Action Plan
 - Policy for Document Retrieval

B. Supervisor Update: No update

C. Road and Bridge: Doug

1. Sand Update Supervisor Nikula

- a. Update from Joe Baltich reads: The policy right now is residents who want a bucket of county salt sand to get from the house to the shop, mailbox, etc. can just go up and shovel around the edge of the shed and through the fence to fill a bucket. Private contractors can't get it. The township, if it wants sand, needs to fill out the paper form and submit it to Jason DiPiazza in advance.
- b. Update from Jason DiPiazza Lake County Highway Engineer
While generally we have not turned residents away from acquiring a small bucket of sand for private use, this practice is not one I would like to encourage, primarily due to safety and liability issues associated with having other vehicles and people operating in our shop yards around heavy equipment.
- c. Supervisor Nikula adds: The Township can acquire sand, but we will need a space to store it. Doug adds that we don't want it at the Town garage. Maybe the Town picks a day in the fall where Doug can have a 5 gallon bucket fill or pick up at the Fire Hall. Sand would be purchased from Lake County by the Town and provided by the Town to the residents. - No decision
- d. Supervisor Peterson asks Doug how he is getting sand for the roads? Neil helped Doug load when the sand was still soft. We have used 6 yards of the 50 yards that was approved by Lake County.
- e. Intersections need to be pushed back, scraping turnarounds.

- f. Calling DNR about Salveson Road Washout. The River is really doing a number to the bank, and they are getting dangerous.
- g. Keith Anderson will attend the next meeting , he has applied for the culvert permit on the Mattson Road.
- h. Chloride Inquiry from Lake County:
Update from Jason DiPiazza Lake County Highway Engineer
Lake County is working on their Chloride Contract, now would be the time for Crystal Bay to be included if the Town chooses to do so.
 - i. If Crystal Bay treated all 11 miles of road at 15 feet wide and the standard rate of 0.25 GAL/SY, you would need 24,280 gallons for a cost estimate of \$35,210.
 - ii. If Crystal Bay treated only 75% of your road miles at 12 feet wide, you would need 14,570 gallons for a cost estimate of \$21,130.
 - iii. Doug suggests we do not use chloride, Supervisor Peterson adds we don't have the funds to do so. Clerk Breden to let Jason know.
 - iv. Doug would like to only work as much as needed, he would like to know the hours in his budget to stay within. Lise answered about 100 to 110 hrs per month. Which is about 27 hrs a week. More accurate numbers will come when we update the budget.

D. Cemetery : Stacy

- 1. Issue Interment to Susan Anderson in the amount of \$150.00.
- 2. 3 trees cut and tops mulched at the cemetery cost \$2,000.00. Look at all options for tree removal, anyone volunteering at the Cemetery will have to fill out a Volunteer Form and have our Insurance notified.

E. Finland Home Solutions

- 1. Outreach Coordinator: Lise
 - a. There will be an all community gathering on Feb 22nd, in the afternoon to summarize the learning that has taken place. The gathering is open to the community, and hopefully inspires teams to come together to move the project forward. Baptism River BBQ will cater, those who attend can stay for dinner afterwards. This event will be advertised and paid through grant funding.
 - b. Budget wise we have 10K to spend by June and then after that 5k will come after Stacy invoices for it.
 - c. Lise resigns from Outreach Coordinators Position
- 2. Grants and Partnerships Coordinator: Rachel Fleming
 - a. Most of my time was spent working on the big community meeting and finishing up narratives for grants and training though ESMC. Lise adds: There are no active grants but possible funding collaborations available if and when we are ready to pursue them.
- 3. MOTION to approve RESOLUTION 1-2025-01 Authorizing Contract with Interested Officer Lise Abazs for Home Solutions Secretary.
Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.
- 4. MOTION to approve Rachel Clark as Community Outreach Coordinator for Finland Home Solutions Project Motioned by Supervisor Nikula , Seconded Peterson by Supervisor , Passed by unanimous consent.
- 5. MOTION to approve Rachel Fleming's contract hour increase from 60 to 150 hrs from 1/21/2025 to 6/30/2025 due to the ESMC grant the Town received for the Home Solutions Project. Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.

6. MOTION to approve the Steering Committee hours to 80 to accommodate the workload given to the project with the ESMC grant.

Motioned by Supervisor Peterson , Seconded by Supervisor Nikula ,

Passed by unanimous consent.

F. Friends of Finland Update: Kelly Ulrigh Friends of Finland Board Secretary

1. Friends of Finland Financials: Crystal Bay Township paid FY24 /5K in December and those funds were allocated to expenses incurred previously in 2024.
2. Youth Report :
3. Youth Nights in December were focused on crafts the kids could make to give to family or friends for Christmas Presents. Each Thursday kids were reminded that it was the season for giving. Pinecone trees and DIY snow globes were a hit and fun to make. The tree that was in the lobby through Dec was also decorated by the youth program kids. Attendance #s are normal for the quieter winter months. Did not hold YN on Dec. 26 due to the holiday season. Kaare has been receiving fresh local food shares from the Food Project to keep the kids eating healthy and local.
Annual intergenerational trip to the Laskiainen sliding festival will be on Sunday Feb. 2 this year. Partnering with Age to age we will be taking a coach bus to Palo for the festivities of the day. (See flyer in lobby to sign up- All ages welcome)

Youth Night Attendance

Dec. 5- 24 kids
Dec. 12- 23 kids
Dec. 19- 17 kids
Dec. 26- No YN due to holidays

4. Building report: 2 Rentals
 - a. Clerk Notes: Windows in meeting rooms need attention
5. F.O.F Board Letter Submitted to Clerk prior to the meeting and Kalle Ulrigh Read:
The Friends of Finland (FoF) board of directors would like to update our community on the most recent changes within the organization. Most of the community is aware that a new Executive Director was hired for a short period of time. A situation like this is usually handled as an Interim (probational) position to make sure that the new hire is a good fit for the organization. After 2 months, a progress review, and feedback from the new hire and employees, it was decided that the arrangement was not upholding the mission of the Friends of Finland Organization, and the board of directors unanimously voted to terminate employment for that position.
Since last summer, there has been a turnover of all FoF board members. As of January 20th, the Friends of Finland board of directors (most of us one to three weeks seated) are all fresh and plan to shepherd the organization forward with a new start. We realize that there have been delayed community communications, confusion, and uncertainty in the direction the organization

has been headed in the past 7 months. We apologize to the community members, employees (current & past), contractors, Crystal Bay Township Board, grantors and stakeholders, and others that may have been affected by the turmoil. We recognize that the previous board navigated through an unprecedented and difficult situation that any volunteer board would find challenging. Moving forward, as a new board of directors' team, our plan is to focus on the mission of FoF while responsibly and prudently gaining an understanding of where the organization is and to cooperatively build a good working relationship between employees, Crystal Bay Township, and the FoF board members. Our aspirations are to keep in mind the desires of the community and the ways in which the Clair Nelson Community Center building provides value to all of us. This process of rebuilding organizational finances, trust, and goodwill, as well as providing a place for healing and renewal, will take time. With gratitude and hope, Friends of Finland Board (Carrie Walters, David Abazs, Kelly Ulrich, Kurt Mead, Lucy Carlson, Joe Walewski)

i. Unofficial Updates as of 1/20/2024

Arlene is interim Managing Executive Director for Grant Writing Purposes. (State Positions) Lucy is stepping down and David is the Vice Chair.

III. Old Business

A. Friends of Finland Contract Update Clerk Breden, Treasurer Abazs

1. Crystal Bay intends on paying for utilities of the building and ground maintenance. While Friends of Finland will be in charge of building programming. Crystal Bay has 27K levied for FY25 and we figure about 10K of that will be towards utilities and that leaves 17K. The Contract Committee felt it was fair to split the \$17K and pay \$8,500 to the Friends of Finland for a contract cost and the Town keep the other \$8,500 in our Town Hall Budget for bigger expenses that may come up. There will be a third contract committee meeting to discuss the contract further, the group hopes to have something to present to the Town Board in February.
2. MOTION to approve Resolution 2-2025-01 Town Hall Rental Policy
Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.
3. The Contract Committee will meet one more time to discuss the contract before following up with the Township Lawyer.
4. Supervisor Hartshorn and Clerk Breden sign a letter to Friends of Finland requesting Inventory be completed by February 3, 2025 to move forward with the contract process. Clerk to deliver that.

B. Finland Fire Department

1. Supervisor Hartshorn and Clerk Breden sign a letter requesting a contract for

Fire protection with the Finland Fire Department before paying out funds allocated in FY25. Levy Total allocated in FY25 is \$24K. Crystal Bay Township will pay \$6K Quarterly in FY25 but needs an operating contract before making payments.

2. Finland Fire Department member Travis Ahlbeck asked Clerk Breden who is to be called with a fire emergency re: Clair Nelson Center Clerk Breden to give Finland Fire Department the Supervisors contact information.
3. The Alarm System at the Clair Nelson Center is currently not set up to automatically call 9-1-1 when the alarm goes off. Building Manager Friends of Finland said there is a fee for that, and you will pay for false alarms. Going forward is this a service the Town would like to look into paying for? -
Supervisors Tabled discussion

C. Building Security

1. Finland Fire, Lake County Rescue and Sheriff's Office have been issued new codes.
2. MOTION to issue a second key to Finland Fire Department for their 2nd pumper truck in the event of a Fire Emergency at the Clair Nelson Center. Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent. Supervisor Hartshorn noted he is working on new gates for the ball field.
3. MOTION to issue Finland Fire Department a ballfield Key in Spring of 2025 Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.
4. MOTION to issue Lake County Rescue with a new Ball Field Key in Spring Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.
5. Supervisor Hartshorn will be issued a front door Key to the Clair Nelson Center.
6. Friends of Finland has the authority to give building access codes at their discretion.
7. Who for the Town is in charge of making sure Cameras are in working order and charged and replaced timely when the building manager is not on site.
The Supervisors will have to coordinate with the building manager.
8. Who for the Town is to be notified of emergencies re: Septic or Building when the building manager is not on site. Notify Supervisor Hartshorn, Nikula and Peterson.

IV. New Business

- A. The Lake County Committee of the Whole Meeting will be Tuesday, April 15th at 5pm at the Clair Nelson Community Center. MOTION to allow Clerk Breden to arrange a light supper for the Commissioners. Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.

V. Public Concerns.

The board chair reads the rules for public concerns: everyone will have 2 minutes maximum to speak. Please use your time to address the Town Board on your concerns pertaining to the Township. The Board of Supervisors will not tolerate this time to be used to defame anyone's character and reserves the right to ask you to pass on your time if you choose to do so.

- A. Gary Olson had a question for Treasurer Abazs:
" When you said a lot of times we don't get all of our levy, what did you mean by that?" Treasurer Abazs states " Tax Forfeit is what can cause the levy to change. Sometimes, less comes in and other times 101% can come in. It's just never a guarantee.
- B. Honor Schauand spoke to the Town Board:
" I feel like I have been smeared, scapegoated, and slandered during various town meetings over this past summer. The Town Board allowed residents to defame me and Andrew Deyette publicly and this behavior is illegal. I feel I was unfairly terminated from Friends of Finland. I've put 20yrs into this community, and am a huge part of the reason this building is standing. I am glad to see

Youth Night happening and don't want to see the hard work put in by myself and the community go down the tubes. Now Friends of Finland is coming to me for help and I don't feel like it's my mess to clean up but, I cannot in good conscience help in any way until there are apologies issued. Now your lawyer will probably advise against it but, I would like an apology publicly from the Township as well as Friends of Finland".

C. Supervisor Hartshorn had the floor:

"I issued an apology in October to the residents and I want to personally apologize to you for letting things get out of hand. As board chair, I can tell you that this will not happen again as long as I am on the board, but I can't speak for the other Supervisors."

B. Supervisor Nikula had the floor:

I feel like my hands were tied, I as a human have talked to you many times over the summer. But as a Supervisor I can't apologize because I don't feel like we did anything wrong. Friends of Finland were the ones terminating you, not the Township. So I'm sorry but I won't be issuing an apology to you.

C. Supervisor Peterson states: "We all feel bad for the way the meetings went this past summer. . We were very unprepared for the situation. If our lawyer is to tell us not to issue an apology. I will listen to our lawyer. I agree with Mike and miss seeing you around and hope with new leadership in the Friends of Finland things will move forward positively."

D. Gary Olson stated: "I hope to never see a meeting like that again."

E. Supervisor Hartshorn stated: As long as I'm on the board it won't happen again.

F. Honor states : " If I was going to sue you, I would have already and I'm pretty sure I would have won, but I am not interested in doing so because that's not who I am. Symbolically it would matter to me to have an apology and I hope you all listen to your hearts and not your lawyer. I guess, I wish you woulda tried harder."

VI. MOTION: to adjourn the meeting at 7:43 pm until February 18th , 2025 at 6:00 p.m. at the Finland Community Center.
Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.