

Town of Crystal Bay

Regular Board Meeting
Clair Nelson Community Center
6866 Cramer Road Finland, MN 55603

Minutes

February 17th, 2026

- I. **Attendance:** Lise Abazs, Terri Perfetto, Douglas Perfetto, Vaughn Hoff, Amy Nikula, Michael Nikula, Roger Peterson, Randy Josephson, Yvonne Stallard, Steve Stallard, Paul Hartshorn, David Geist, Jon Goette, Wendy Goette, Honor Schauland
- A. Supervisor Hartshorn called the Regular Meeting of the Crystal Bay Town Board to order at 6:00 pm with the Pledge of allegiance.
 - B. In Pursuant with Open Meeting Recording Policy Number 5-2025-04 the Town Treasurer will be recording this town meeting including any attendee participation. Once the Agenda is approved the Town Board cannot jump around.
 - C. MOTION: To approve the February Regular Meeting Agenda Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
 - D. MOTION: To approve January Regular Meeting Minutes. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
 - E. MONTHLY TREASURER'S REPORT:
 - i. Income
 - a. Received final apportionment of the 2025 General Property Tax levy (\$16,240).
 - b. Savings interest (\$232.57) was higher than normal due to the year-end patronage dividends.
 - c. Miscellaneous Revenue included IRRRB repayment of septic costs (\$30,000).
 - ii. Expense
 - a. General Government - Payroll for Supervisors (\$347), Treasurer (\$621), and Clerk (\$6,152) plus clerk travel (\$62). Other government expenses: monthly payroll fees (\$90), printer expenses (\$209), and clerk office supplies (\$181).
 - b. Public Works: Road & Bridge - Payroll included 97 hours for Road Supervisor and 11 hours for Road Assistant (\$3,362), garage propane (\$370) and two months of electricity (\$191), equipment maintenance (\$55), fuel (\$283) and the loader repair job (\$13,998). Grader loan interest (\$909).
 - c. Culture & Recreation - Town Hall costs included payroll for 16.5 hours (\$356), supplies (\$218), and outdoor lighting work (\$1,784). Utilities costs included two months of town hall electricity (\$1,973) and two months electricity at the triangle

(\$137). Septic costs included pumping (\$480) and electrical work (\$1,186).

- d. No Public Safety, Housing, or Cemetery costs this month
- e. Included in the above expenses are EFT payments for Visa (\$1,460), Grader Loan (\$1952) and Payroll Liabilities (\$2,492).

iii. Balance Sheet:

- a. The checking account is at \$195,499 with all funds still showing a positive balance. The Capital Buildings fund has rebounded with the \$30,000 septic cost reimbursement with up to \$7,766 additional still possibly eligible for reimbursement. Note that the Community Projects Fund contains \$7,347 restricted grant funds.
- b. Savings accounts total \$37,887. The Rotating Loan funds were deposited in a 5-month CD for better interest return, with \$26,355 currently available.
- c. Payroll Liabilities show a balance because new PFML funds are deposited quarterly.
- d. The Township's Grader Loan outstanding balance is \$132,911.

iv. Summary:

- a. January expenses totalled \$32,966, which is \$17,495 over budget primarily due to the decision to repair the Loader.
- b. Total budget from July 2025-February 2026 is \$22,000 over budget.
- c. Cash flow projection at current rate of spending shows July 2026 beginning balance of \$97,000.

MOTION: To approve the Monthly Treasurer's Report . Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.

- F. MOTION to approve February bills for a total of \$15,722.61 Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.
- G. MOTION to approve February regular monthly pay claims for a gross total pay of \$6,858.00 Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent
- H. Board reviews correspondence from Town

II. Guests:

- A. Urho Committee present to request Township pay for Biffies for Urho.
MOTION: To Authorize Honor Schauland with Urho Committee to set up biffies for Urho's event with Matt Lundgren Septic Services not to exceed \$1500
Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent
- B. Finland Snowmobile and ATV Club: Requesting letter of Support for a new trail groomer.
MOTION: To authorize presented letter of support with Board Chair Signature.
Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent

III. Reports (5 minutes each)

- A. Clerk's Report :
 - i. Office Housekeeping
 - a. W2-1099 have all been completed

- b. Going forward I will send out 1099 and need them back before payment is given to certain new businesses or contractors, we do business within FY26 to help streamline end-of-year taxes.
- c. This will include the spraying of fields, etc. before the Ball Tournaments
I need proper invoicing, full addresses and payment information and a 1099 received before a check will be cut for services.
- d. Our VISA was cancelled due to fraudulent charges; a new one should be issued and here within 7-10 business days. Fraud paperwork will be sent for me to fill out and Fax or mail back as well. We have 3 Charges totaling \$22.43 to onlyfans.com to dispute.
- e. PERA Exclusion Report is finished
- f. MATIT Annual Report is completed
- g. U.S. Census Bureau Report is Completed
- h. Boundary and Annexation Survey is Completed
- i. 2025 Office Turn Over is Completed
- j. Got billing set up with Summit you saw the bill come through for Services in December.
- k. I also had some COMO billing to clear up. I had Colby removed as Clerk and authorized myself as Clerk to discuss all account information. I then had to distinguish powers to: Doug to order or request Service at the Town Garage and to Friends of Finland to order or request service at the Clair Nelson Center. Hopefully this clears up any confusion that was going on with COMO's end.
- l. I asked the Board to consider a Hiring Policy last month- Even if its tabled again this month please consider adding it to the process. It is easier to keep things organized for the Town when there are proper processes in place.
- m. I ask the Town to revisit the Comprehensive Plan, specifically under B:3 Roads and Transportation number 5 where it states the Town will initiate a Cost Comparison Study of Public Roads. My Question will be: is this something the Town Board will take on or is this something the Town Board will want the Planning Commission to take on?
If the Town Board asks the Planning Commission to take that on the Clerks Office will need some forethought as to how that looks. If Supervisors need copies of the Comprehensive Plan I have left them in your packet. If you do not need it please leave it with Lise.
- n. Regarding the Planning Commission Seat A (Currently Roger will be up in May per our resolution) The Town needs to look at filling in that.
With a reminder that filling outside of the Town Board means the person will be an employee of the Town at that point.
If a Supervisor is to be appointed into this position, I recommend Rogers Seat again as he is in Office until 2028 and the seat will be for 2 years.
Paul and Mike's seats are both up this year. However, Should the board choose otherwise it just means the Seat to the Commission follows the would be newly elected Board Member in 2027.
- o. Also Tabled in January was the Housing Commission- I put it later on in the Agenda for you to talk about if you choose. I would like to remind

the board, I do not have the capacity to organize them again right now with the end of year and Annual Meeting.

I can bring something to the table for March or April's Monthly meeting.

- p. Board of Audit Reminder: Meeting is at 4pm on Feb 20th here at the Clair Nelson Center.
- q. Board of Appeal and Equalization Training reminder to either Supervisor Peterson or Nikula. Preferably Supervisor Peterson since his seat is not up for election this November. We need to have a licensed board member for our April 2027 meeting, or we lose the ability to host for a period of 4 years.
- r. Another reminder: Board seats up for election this November are Seat B. Mike Nikula and Seat C. Paul Hartshorn as well as our Treasurer Seat. Election information will come out in next few months for Crystal Bay Township.

ii. Town Hall (Clair Nelson Center)

- a. Septic Project: we have received \$30K reimbursement from IRRRB for the July 25 Payment made to Eric Warnecke.
- b. Also, I was informed by IRRRB that anyone who does any work on our system, Septic Pumping, Electrical anything- they need to fill out a prevailing wage report if we would like to be reimbursed for their work. I have called Dave with Superior Septic asking him to get ahold of me. I told him that I could not pay him for his pumping unless I had proper paperwork filled out. He told me he would contact me, I'm still waiting.

I am not hopeful that we will get reimbursement from past pump services as this would be a lot of work on Dave's part, so I am holding on to that until the very end.

- c. There was an incident on Jan 27th where Pat O'Brien was in to play pickle ball and approached me asking for the managers. They were not in the bldg. as it was Thursday and not their scheduled day in the building, so I took a message.

His message was he turned the air exchanger off in the utility room because it was leaking condensate. I messaged Arlene and Kyle. Arlene came to the center to look in the utility room. Friday the 28th, Kyle let me know he talked to Pat. I asked Finn to touch base with Kyle and Arlene on the matter. Finn later asked Roger to purchase a lock for the Utility Room, but there is some hesitation from Kyle and Arlene whether to install it or not. Hopefully all parties will be in the room tonight to discuss this further and there is an agreement documented re: the lock, the fact that the room is accessible, what to do if people are turning things off in that room and so forth.

iii. Road & Bridge:

- a. I went ahead and had Jack Nelson's Loader removed from our insurance now that we have ours back.
- b. I purchased tabs for equipment and the Pick-up and gave them to Doug.

- iv. Cemetery:
 - a. Mailed out past Interments
 - b. Paperwork on Curry's Interments and copies given to Bob / \$500 for plots will be deposited in February.
- v. Housing:
 - a. Just a few hours this month wrapping up a report for the ESMC grant
 - b. Chatting with B.J. Kohlstedt about the project.
- vi. Fire Department:
 - a. I sent a letter requesting a movement to delineate the buildings from the land to the Fire Department in January. Since then, I looked over their contract in part because we received a billing and I needed to correct that with Jim in an email.
 - b. I reached out to our Lawyer regarding the portion in the contract that states the buildings are the Fire Departments. I wondered if this was enough of a statement and binding since the Town signed it. Would this then be the legal delineation.?

At first Peter said it very well could be (but only for the terms of the contract) There is no mention of what happens to it after that.

Then we got to chatting about our situation a bit more and through that conversation, Peter looked up on the State Auditors site to see if he could find the Finland Fire Department as an Entity. He could not. Peter and I chatted about the Land Deed the Town has with the County. It turns out the Town may have inadvertently signed a contract they shouldn't have with the Fire Department. The Town may not have any right to sign something that states the buildings are the Fire Departments since there is a right of reverter on the Land with the County. I have not shared the deed with the Lawyer because he advised me to reach out to Jim and ask him a few questions.

 1. How do they (Finland Fire Dept) exist?
 2. Who does their financials and how?

Once I have those answers Peter then said we could look at the deed. Peter suggested: It could be that the Fire Department is set up as a General Partnership (Split Ownership) but with Who?

Or they could be an agency of the Township- and if this is the case the Town had better get control over what is going on.

I emailed Jim asking the 2 Questions and again I have heard nothing back. I am hitting a communication block.

I need help from the board to get some communication moving.

Do we need to request a Special Meeting with the Fire Department to get some real answers and communication moving? This has so many layers and is beyond frustrating for me as well as a liability for the Town that continues to hang over us.
 - c. One additional layer is that while the Township pays for the Fire Departments Insurance, Liability, Vehicle and Building and is a rider on their insurance as additional insured.

This covers Fire Events on property (Think Urho BBQ, Or Fire Days in

the Fall, etc)

Or a fire call where firefighters are on property. The Town is covered in those instances. But the Town has Zero Insurance coverage for any other general issues on the property.

IF the Township owns these fire halls we can have MATIT up to evaluate the buildings and property and get insurance. MATIT won't insure just the land. I asked Superior Point, who carries insurance for the Dept. what an additional policy quote would be on just the property, and they haven't gotten back to me. I Understand you cant insure, insure, insure... But this maze is also impacting the insurance nightmare.

And an additional layer being, The Rescue Hall. The County pays the Fire Department yearly for use. Is this the Towns building? Should the payment go to the Fire Department or in fact the Town? Should the Town have an MOU agreement with Lake County- Then what does that mean liability wise? I'm not saying any of this to imply the Town Board wants control, there are a lot of things to consider and we are getting nowhere with the Fire Department currently.

d. Where does the Town want to go from here re: the Fire Department?

B. Supervisor Updates:

- i. East Lake Clinic Meeting - Supervisor Hartshorn attended the regular organizational meeting. See copy of meeting minutes. Current levy is \$50,000.

C. Road and Bridge: Doug

- a. Doug needs help with plowing. Paul will be gone, Jon Goette applied for the Road Worker position and Doug would like him to be available for this storm.
- b. MOTION: to hire Jon Goette as Road Worker at a wage of \$30/hour. Motion made by Supervisor Peterson, Second by Supervisor Hartshorn, Passed by unanimous consent.
 - i. Hiring paperwork will need to be filled out before he starts working.
 - ii. Road Supervisor wage will be discussed in New Business.
- c. Doug says it will probably be a week before this upcoming storm is completely cleaned up. He can only work 8 hours per day.
- d. Andy Morris helped with repairs this month. Doug plans to use him for more repairs. Treasurer requests confirmation that this is as a contractor, not employee.
- e. Doug researched prices for tandem county Dump Truck repairs so it can pass the DOT inspection. Estimate from Midwest Trucks is \$9000-\$12,800.

D. Cemetery

- a. Nothing to report

E. Friends of Finland

- i. Regular Activities include:
 - a. Monday's 9:15am Bone Builders & 7:30pm AA
 - b. Tuesday's 8:30am to 4pm Tuesday Talents Craft Group
 - c. Wednesday's 9:15am Bone Builders
 - d. Thursday's 6pm to 9pm Youth Night

- i. Jan 1 Canceled
 - ii. Jan 8th -30 kids
 - iii. Jan 15th - 21 kids
 - iv. Jan 22nd - Canceled Extreme Cold
 - v. Jan 29th - 35 kids
 - e. Friday's 11am to 1pm Toddler Time & 7pm- Friday Night Gaming
 - f. Saturday's Conscious Movement 6:30pm
- ii. Regular Monthly Activities and Upcoming Events
 - a. NSAP Senior Lunch is on the 2nd Wednesday every month @ 11:30am
 - b. February Potluck is on 22nd / Need a Host
 - c. Monthly Winters Farmers Markets Dates are: ,2/15,3/22
- iii. Building:
 - a. There were 4 paid rentals in January totalling \$950.00
 - b. The filters and cored to the air exchange system were cleaned out.
 - c. Also it's been brought up locking the utility room.
 Discussion to be had about this because legally this room might not be able to be locked due to fire code and every emergency shut off for the building being located in the room including the fire alarm system as well as the geothermal, water, electric etc shut offs. Locking that room would pose more of a safety concern if there was an emergency. The door may be able to be closed and I put up a sign stating authorized personnel only.
 Supervisors Peterson & Nikula will look for a way to install a locker to hold all potentially dangerous items and materials so the door can remain unlocked.
 A community member recommended putting a simple hook higher up on the door to discourage youth from entering the room.

IV. Old Business:

- A. Reorganization Continued
 - 1. MOTION approving Resolution 1.2026.03 Appointing Chair FY26 - Paul Hartshorn
 Motioned by Supervisor Peterson , Seconded by Supervisor Nikula, Supervisor Hartshorn Abstains Passed by unanimous consent.
 - 2. MOTION approving RESOLUTION 2.2026.04 Authorizing Contracts with Interested Officer Paul Hartshorn for Roads Worker and Town Hall (Clair Nelson Center).
 Motioned by Supervisor Nikula , Seconded by Supervisor Peterson, Supervisor Hartshorn Abstains Passed by unanimous consent.
 - 3. MOTION approving RESOLUTION 2.2026.05 Authorizing Contracts with Interested Officer Michael Nikula for Town Hall (Triangle).
 Motioned by Supervisor Peterson, Seconded by Supervisor Hartshorn, Supervisor Nikula Abstains Passed by unanimous consent.
 - 4. MOTION approving Resolution 2.2026.03 Appointing Vice Chair FY26 - Mike Nikula
 Motioned by Supervisor Peterson, Seconded by Supervisor Hartshorn, Supervisor Nikula Abstains Passed by unanimous consent.
 - 5. Board of Audit rescheduled for this Friday 2/20/26 @ 4p.m.
 - 6. Set compensation amount for Annual Meeting Moderator: keep the same as 2025 (\$10)
- B. Tabled Items from January Meeting

1. MOTION approving Hiring Policy Resolution 1.2026.01 as presented TABLED
2. Roads Worker - see above under Road & Bridge
3. Housing Commission TABLED

V. New Business

- A. Gravel Crushing Contract Summer FY26
 1. Email communication from Jason DiPiazza: Lake County is planning a gravel crushing contract for 2026; is Crystal Bay Township interested in participating in this contract to produce some township owned gravel? Silver Bay is tentatively planning to join and would be crushing in the Lax Lake pit on Birdshot Road. Lake County is planning to crush in the Cramer pit north of Hwy 8. If the town would like to participate, Lake County would set this up as a Bid Alternate which will give the Town flexibility in getting out of the agreement if bids come in too high. TABLED
- B. MOTION Authorizing Payment to be billed to our MAT account for Officers who attend 4/3/26 Training at Black Bear, \$75.00 per Officer and \$25.00 for Clerk Yearly Manual. Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
- C. MOTION: to raise Road Supervisor pay to \$35/hour. Motion made by Supervisor Peterson, Second by Supervisor Hartshorn. Passed 2:1 (Yes: Peterson, Hartshorn No: Nikula) - Motion Passed

VI. Public Concerns:

- A. none

VI. CLOSE MEETING: MOTION: to adjourn the meeting at 6:55 . until March 17th , 2026 at 6:00 p.m. at the Clair Nelson Community Center. Motioned by Supervisor Nikula, Seconded by Supervisor Peterson, Passed by unanimous consent.