

Town of Crystal Bay

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

Minutes

July 21st, 2026

- I. **Attendance:** Stacy Breden, Douglas Perfetto, Terri Perfetto, Amy Nikula, Mike Nikula, Randy Josephson, Arlene Conzelman, David Geist, Paul Hartshorn, Roger Peterson, Colby Abazs, Lise Abazs, Sugar, Spa, Steve & Yvonne Stallard, Katee Ristuccia, Bea, Vaughn Hoff
- A. Supervisor Hartshorn called the Regular Meeting of the Crystal Bay Town Board to order at 6:00pm with the Pledge of allegiance.
 - B. In Pursuant with Open Meeting Recording Policy Number 5-2025-04 the Town Clerk will be recording this town meeting including any attendee participation. Once the Agenda is approved the Town Board cannot jump around.
 - C. No Agenda Changes
 - i. MOTION: To approve the July Regular Meeting Agenda Motioned by Supervisor Peterson, Seconded by Supervisor Nikula, Passed by unanimous consent.
 - D. MOTION: To approve June Regular Meeting Minutes. Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent.
 - E. MONTHLY TREASURER'S REPORT:
 - i. Income
 - a. RV Dump donation (\$141.00)
 - b. Interest from bank account and CD (\$91.00)
 - ii. Expense
 - a. General Government :- Payroll for Supervisors (\$329), Treasurer (\$621), and Clerk (\$6824), Other government expenses: legal fees (\$307) monthly payroll fee fee (\$48), annual website fee (\$67).
 - b. Public Safety: Fire Dept workers quarterly contract (\$6000).
 - c. Public Works: Road & Bridge - Payroll included 31 hours for Road Supervisor (\$1172), garage electricity (\$83), annual inspection (\$343), bottled water (\$6), 2 yds gravel (\$33), wipers (\$35), and fuel (\$270). Grader loan interest (\$872).
 - d. Culture & Recreation: Culture & Recreation - Community Center payroll: 30 hours grounds worker (\$648), water heater labor (\$1194), weed whip (\$250), fuel (\$47), supplies (\$94), RV dump pumping (\$144). Utilities costs for town hall electricity (\$505), septic pumping (\$336), & triangle electricity (\$67).
 - e. Housing : grant expenses for Payroll (\$405)

- f. Cemetery - Payroll for 19.5 hours (\$368), equipment rental (\$213) - some of this includes equipment use at the Community Center, so there will be an adjustment made next month to reallocate it to a Town Hall expense.
 - g. Included in the above expenses are EFT payments for Coop Light & Power (\$655) (Visa (\$150), Grader Loan (\$1952) and Payroll Liabilities (\$3368).
 - iii. Balance Sheet:
 - a. The checking account is at \$94,134, similar to the balance at this time last year. Note that the Community Projects Fund contains \$12,170 restricted grant funds for the housing project, approximately \$4000 that will be transferred to the General Fund to cover the Clerk's time on this project.
 - b. Savings accounts total \$38,316, including Rotating Loan Funds available for use but currently in a CD (\$28,711).
 - c. Quarterly payroll liabilities due are \$240.
 - d. The Township's Grader Loan outstanding balance due is \$127,471.00 Last month there was a typo in the amount notes. This month is correct.
 - iv. Summary:
 - a. Over the past 12 months (July 2025-June 2026) we spent over \$300,000, not including almost \$35,000 of capital costs related to the septic repair. Our spending exceeded our budget by almost \$56,000, and expenses exceeded that period's Levy of \$219,500 by \$82,000, the impact of which was buffered by Intergovernmental and Service Income.
 - b. The draft budget for July'26 - June'27 is based on the new Levy of \$319,500.
 - c. MOTION: To approve the Monthly Treasurer's Report.
 Motioned by Supervisor Nikula , Seconded by Supervisor Peterson ,
 Passed by unanimous consent.

F. July's Bills:

- i. Amazon EFT \$457.51
- ii. PERA (EFT) \$669.00
- iii. Co-op Light and Power (EFT) \$537.00
- iv. Denny's Lawn and Garden (#10420) : \$79.74
- v. Finland Cooperative (#10416) : \$505.04
- vi. Friends of Finland Community (#10418) : \$417.98
- vii. Jacqueline Gomez (#10423): \$41.60
- viii. MATIT (#10417) : \$9,100.00
- ix. Minnesota UI Fund (EFT) : \$6.02
- x. NSF Credit Union (EFT) : \$1952.17
- xi. Superior Septic Services LLC (#10421) : \$1080.00
- xii. NSF Credit Union VISA (EFT) : \$600.98
- xiii. WKLSB, INC. (#10422) : \$144.96

- xiv. MOTION to approve July's Bills for a total of \$ \$15,632.50
Motioned by Supervisor Peterson Seconded by Supervisor Nikula , Passed by unanimous consent.
 - G. MOTION to approve June's monthly pay claims for a gross total pay of \$9,754.24
Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent
 - H. June's Deposit Detail
 - i. June 17th, Town Hall Building Fund = \$141.00
 - ii. June 21st, Rotating Loan (CD) = \$50.18
 - iii. June 22nd, Rotating Loan (CD) = \$1.73
 - iv. June 30th, Savings = \$.14
 - v. June 30th, Patronage = \$14.25
 - vi. June 30th, VISA CC = \$.66
 - vii. June 30th, Rotating Loan(CD) = \$19.01
 - viii. June 30th, General Fund = \$4.83
 - ix. MOTION to approve June's Deposit Detail Report for an income total of \$ 231.80 Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent
 - I. June's Cash Flow
 - i. Operating Activities
 - a. Net Income -21,192.52
 - b. Adj to reconcile Net income to net cash provided by operations
 - i. 21700- Payroll Liabilities 61.04
 - c. Net cash provided by Operation Activities: \$-21,131.48
 - ii. Financial Activities
 - a. Grader Loan 2023: \$-1,079.82
 - b. Net cash provided by Financial Activities :\$ -1,079.82
 - iii. Net cash increase for period: \$-22,211.30
 - iv. Cash at the beginning of period :\$154,661.30
 - v. Cash at end of period :\$132,450.00
 - vi. MOTION to approve June's Statement of Cash Flow Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent
 - J. Board reviews correspondence from Town

II. Reports (5 minutes each)

- A. Clerks Report: Stacy
 - i. Clerk's Office Audit= 69hrs
 - a. Clerk's Work- 111 hrs / Total 180 hrs
 - b. Audit Breakdown: It is advised by MAT Clerk trainers that the Clerk runs an office audit during the same time yearly.
 - c. Media Audit took bulk of the time
 - d. Physical records audited from June 24 to Current.
 - e. Moved Minutes from 1990 to Current to a Fireproof Cabinet

- f. Moved Financials from 2016 to current to a Fireproof File Cabinet
 - g. All previous year's financials, minutes, historical election and various media are stored in a non- fireproof locker.
 - h. I have a note for next summer's Audit to check on ways to start to preserve old records.
 - i. 2017-2024 Correspondence and Vendors are stored in Bankers Boxes on shelves.
 - j. 2025 Correspondence, Vendors and other business are stored in the black non-fireproof cabinet.
 - k. Current Year Employee Files, Vendor Files, Clerk, Road, Cemetery & Town Hall Files are stored in Fireproof File Cabinets.
 - l. Digital and Physical Records have been documented to the best of my ability.
 - m. Noteworthy for the Town Board, we are more likely to be audited after our FEMA grant for up to 6 years. Those records are in the Fireproof Cabinet.
 - n. Looked into Blight Ordinance and notes from MAT- to be looked at later in the meeting.
 - o. Met with Lake County Public Safety- they will attend out August meeting to discuss an MOU for use of the facility should if be needed for emergency purposes.
 - p. Open enrollment reminder Supervisor B and C as well as Treasurer seats are open for enrollment until the 28th of July. Please see me for more information.
- ii. Town Hall (Clair Nelson Center)
- a. Ordered and received Lawnmower Chute from Denny's in Duluth
 - b. Thursday June 18th had 3 RV Campers removed from the Ball Field Area of the Town Hal Property.
 - c. Town Weed Whip was purchased but the battery is weak. An additional full-size battery for same brand is 289.99 at Menards.
 - d. Septic: Several calls with Holden Electric and Scott re: Installation process.
- iii. Housing: (16hrs / 8 of which were auditing)
- a. Quite a bit of back n forth for missed payroll this month.
 - b. Legal was consulted and this cost will have to come out of the Housing Fund as Admin Fees.
 - c. I will be presenting an amendment to the way the Housing Commission is paid in response to the missed payroll.

- d. Concerns I have as the Commission moves forward with a possible resolution for IRRR applications (with a possible 3rd Term in the distance)
- e. Inconsistency of the Commission Term
- f. During the gap the Clerk by default will be responsible for monitoring any project
- g. Employees or Vendors -discussion needs to happen with our legal counsel. (If this is to happen the cost should come out of the grant as Admin Fees)
- h. Number of Commissioners
- i. PERA may view them as appointed officials regardless of the duration of the committee I have an email into them. - This may also be what legal is referring to.
- j. Unemployment reality. More Employees could mean Unemployment, We are currently set as a reimbursable Account. Unless there is a loophole if they are considered officials and UI doesn't apply? (I don't know this answer currently)

iv. • **Fire Department**

- a. JULY 2025 Joe Baltich and Fire Chief Marxer attended the Town Meeting discussing the idea of transferring the Fire Department Land.
- b. JANUARY 2026 I sent an email to the Fire Dept asking them for a document by July 21st 2026 (today) to delineate the land from the buildings- or inventory of the buildings.
- c. MARCH 2026 Town received a letter from Costley's Office (early Spring) who has been retained by the Fire Department asking to speak with a Supervisor.
- d. Costly wanted to know if the Town would agree to transfer land should the County Agree. Town responded yes, the present board would be in favor.
- e. CURRENTLY :
 - i. Should the Town reach out to Costley or the Fire Department for an update, if so who wants to do that?
 - ii. Superior Point Audits the Fire Department yearly for Workers Comp. (Which the Town pays) I reached out to Chief Marxer for the information the Audit requests. He emailed back partial information. I cannot complete the Audit without the proper paperwork required. I have a phone call into him requesting the full information so I can complete this before

September, otherwise out Premium goes up 200%

B. Budget Discussion for FY26

- i. General Government \$108,000.00
- ii. Public Safety \$36,000.00
- iii. Road and Bridge \$127,000.00
- iv. Culture and recreation \$44,000.00
- v. Cemetery \$4,500.00
- vi. Total 319,500.00
- vii. Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent

C. Supervisor Report

- i. Supervisor Hartshorn and Supervisor Peterson No Updates
- ii. Supervisor Nikula asks how to get people to contact Supervisors over Clerk.

D. Cemetery Update:

- i. Not much going on this month at the Cemetery

E. Road and Bridge: Doug

- i. The exhaust pipe for the furnace is all rusty, should we have the gas company come and service the heater and fix the cap. The board agreed for Doug to look into getting it fixed.
- ii. The freightliner truck is back, but the one headlight doesn't work. Doug thinks it's a wiring harness, not a lightbulb. The harness was not installed. Supervisor Peterson says maybe it was fixed but wiggled loose on the way home, Doug will call to talk to the mechanic.
- iii. Haul dirt to Park Hill Road

F. Clair Nelson Community Center Report

- 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
 - 1. June 4- 30 kids
 - 2. June 11- 29 kids
 - 3. June 18- 37 kids
 - 4. June 25 - 40 kids
 - e. Regular Monthly Activities and Upcoming Events
 - 1. NSAP Senior Lunch is on the 2nd Wednesday every month @ 11:30am
 - 2. Farmers Market Thursday's from 5 to 6:30pm
 - f. Building:
 - 1. There was 1 paid rentals for \$150 in June of 2026
 - 2. A leak under the gym sink was repaired

3. The annual health inspection of the kitchen was performed. Once again, no write-ups. Everything met or exceeded health code.

g. Other:

1. Ball field fence complete
2. Will be starting other outdoor improvements with remaining Blandin Foundation funds such as the playground area and tennis court cleanup and getting more info as to what it will take to repair the court. Also working with Dick Krech Jr. to possibly receive more funding for projects and equipment.

ii. Kitchen Exhaust System Quote

- a. The following is a quote for fire protection services:
 - i. Kitchen Exhaust System Cleaning
 - ii. Annual cleaning of accessible areas of the hood, duct, fan and filters per NFPA 96 standards will be \$180.00 per hour plus half travel.
 - iii. NO additional environmental/truck fee
 - iv. Should take about 4 hours.
- b. In order for your exhaust system to be cleaned to appropriate fire standards and fire codes, Northland Fire Safety need to recommend the following adjustments. Following these recommendations will address barriers to a thorough cleaning, and issues of safety and liability. Failure to accommodate these recommendations will not prevent routine cleaning of your exhaust system.

i. **ADD ACCESS TO YOUR DUCTWORK**

We use heavy duty cleaning agents and sprayers to ensure your system is cleaned top-to-bottom each time we come out. Access panels are required every 12 feet, and at every change of direction in your ductwork, so cleaning equipment can reach areas that aren't accessible from either end of the exhaust system. NFPA 96 – 7.4.1.2 Where an opening the size specified in 7.4.1.1 is not possible, openings large enough to permit the cleaning shall be provided at 12' intervals. Without access, grease will build to a critical depth in these areas—effectively making your fire prevention system into a fire hazard. The installation of these UL listed access panels (grease-proof, airtight, and fire-tight) will make the ductwork accessible for proper cleaning and maintenance. (1) UL listed access panels installed in ductwork at \$395.00/panel Total: \$395.00

- c. MOTION to approve Friends of Finland to schedule this maintenance of the system and bill the Town. **TABLED**

G. Housing Commission Report :

Expanding Housing Capacity: Regarding the cluster housing development project:

Commission members are meeting with personnel from Minnesota Housing Partnership(MHP) and Greater Minnesota Housing Fund(GMHF) to bring support to all stages of the project. Most immediately, in the predevelopment stage, we are looking for technical assistance in completing a comprehensive Housing Survey that will set the stage for funding requests. Commission members are also gathering estimates for driveway, well, and septic system installation, along with design and construction of single family units. Our goal is to have a budget estimate for the IRRR Housing Grant Preapplication. Preapplication approval will allow us to submit a full application for the 2026/27 grant cycle.

ESMC(Empowering Small Minnesota Communities) published the final comprehensive report on the project research provided to Finland Home Solutions/CBT Housing Commission during 2024/25. There will soon be a hard copy available in the community center in addition to a PDF on the Housing website. The report highlights community engagement processes, strategies in building and maintaining community partnerships to maintain project progress, community assets and housing needs, and housing design concepts for CBT.

Maintaining Housing Capacity:

The Lake County Board has conveyed the former Childcare House to the Lake County HRA. HRA's current focus is to sell the property/3 bedroom home as workforce housing.

The Lake County Home Rehab grant application for 2026 is open. Current guidelines are on the updated application which can be found in the community center. Commission members are dedicated to supporting folks going through the application process. Commission members can be reached via the CBT Housing email address.

Funding Opportunities: We are asking the township for a motion to submit a preapplication to the IRRR Housing Grant Program.

After a pre-approval application process with IRRR, the Commission will be requesting the Crystal Bay Township Board of Supervisors to consider a motion to allow the Crystal Bay Housing Commission to apply for funds to support site clearing, driveway installation, well and septic installation, and foundation prep and installation. The first round of selected projects will go to the IRRRB starting September 1.

- i. MOTION to allow BJ Kohlstedt Vice Chair of the Housing Commission to apply to the MN Housing Partnership (for technical assistance) Motioned by Supervisor Peterson Seconded by Supervisor Hartshorn , Passed by unanimous consent
- ii. MOTION to approve Clerk to make pre application to IRRR via the Town Fluxx Acct. Motioned by Supervisor Hartshorn , Seconded by Supervisor Peterson , Passed by unanimous consent
- iii. MOTION to amend Resolution 3.2026.07 Section 9 Housing Commission Stipend. Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent

III. Old Business:

- A. MOTION to enter into a 3 year contract with COMO from 8.1.2026 to 7.31.2029 1600 gallons per year for a total of 4800gallons at a rate of \$1.399 per gallon. Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent
- B. Septic Update:
 - 1. Electrical: Holden had the power shut off to the Building July 9th for a period of time while they tied the system into the main. Scott mentioned to me (Clerk) they still trying to locate a transducer that was left on site here last year? We (at the building) have not seen it. Scott mentioned to me (Clerk) on July 9th that water was in one of the nibblers so that needs to be dried out, involving some digging. Scott had Holden wire everything to separate breakers. After expressing water concerns from this Spring to Scott I emailed the Google link to Scott of the Spring photos and videos I took. When asked on July 20th, Scott said he would try to get Eric up to the System to look at it, no update from Scott on what he thought of the water after viewing the Drive. We are continuing to pump the System.
 - 2. Drainage Ditch: Supervisor Peterson expressed waiting until next year.
- C. Abandonment of Silver Hill (Portion)- **TABLED INDEFINATELY**

IV. New Business

- A. Blight Concerns Discussion :Supervisor Nikula asked Clerk Breden to look into avenues to take re: Blight in the Township.
 - 1. Clerk provided the Board with Lake County's Junk Yard Ordinance as well as some notes from MAT Township Tuesday re: Abandoned or Derelict Properties.
- B. MOTION to Approve Amended Road Superintendent Job Description Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent
- C. MOTION to approve current Cemetery Job Description Motioned by Supervisor Nikula , Seconded by Supervisor Peterson , Passed by unanimous consent
- D. MOTION to approve Amended Town Clerk Job Description Motioned by Supervisor Peterson , Seconded by Supervisor Nikula, Passed by unanimous consent
- E. MOTION to approve Amended Treasurer Job Description Motioned by Supervisor Nikula , Seconded by Supervisor Peterson, Passed by unanimous consent
- F. Clerk Presented the Board with DRAFT Credit Card Resolution 7.2026.09 for discussion asking for a decision at August's Monthly Meeting. - **TABLED**

V. Public Concerns

- A. Dave Geist addressed the Town Board suggesting gathering donations to help pay for the Triangle Lighting.
- B. Randy Josephson addressed the Town Board with concerns about the contract with the Fire Department, asking how long it is good for and if the Town decided to not pay the Departments Workers Comt Insurance what would happen? Supervisor Peterson stated the contract is good for 5 years, Clerk Breded added that if the Town decides in that period to not pay the Comp Insurance for the Dept. The cost will then be reflected in an increase to the Fire Contract essentially not saving the Town any money. Randy then asked if the cost of Comp Insurance would be reflected over the coverage area of the Finland Fire services, and Clerk Breden did not have that info as she had not seen other contracts with the Dept. but that she agrees with Randy that an even distribution of that cost should be applied to all Township Fire Contracts in the event Crystal Bay is to decide to not pay the Comp Ins. in full.

VI. CLOSE MEETING: MOTION: to adjourn the meeting at 7:48 pm until August 18 , 2026 at 6:00pm. at the Clair Nelson Community Center. Motioned by Supervisor Peterson , Seconded by Supervisor Nikula , Passed by unanimous consent.