

Tofte Township Board Meeting Minutes May 14, 2026

Present: Chair Craig Horak, Supervisor Teresa Schmidt (virtually), Treasurer Gordon Engstrom (virtually), Deputy Treasurer Jennifer Yeary, Clerk Amy Brugge, Rescue Chief Kim Jahnke, Deputy Commissioner Ginny Storlie (virtually), Cook County Vacation Rental Administrator Andrew Beaver, Matthew Becker, and residents of Tofte.

Absent: Fire Chief Rich Nelson

A. Call to Order: Supervisor Horak called the board meeting to order at 7:01pm.

B. Agenda Approval:

MOTION- Chair Horak moved to approve the agenda with the additional item of Cemetery trees added to old business. Vice Chair Schmidt seconded the motion. Motion carried unanimously.

C. Minutes Approval:

MOTION – Chair Horak moved to approve the minutes from the April 9, 2026 meeting. Vice Chair Schmidt seconded the motion. Motion carried unanimously.

D. Commissioner Report & Vacation Rental – Commissioner Storlie provided an update on future Gitchi Gami trail projects. It appears the new Lutsen segment may be delayed until 2030. The EDA's Taconite Harbor Strategic Advisory Group will hold an open house on 6/15 from 4-7pm at Schroeder Town Hall. Sheriff Eliassen has retired and Ben Hallberg is now serving in the role. In May there was the Emergency Management Conference and the current Emergency Management Director has announced he will retire this fall. Lutsen came before the county board seeking funding for their fire/rescue drone. The county approved their \$9,000 request. Commissioner Storlie announced that she will be retiring at the end of her term.

Cook County Vacation Rental Administrator Andrew Beavers provided a presentation to the board on vacation activity across the county. In 2023 there were 327 units; in 2024 there were 359 (+9.8%); and in 2025 there were 372 (+3.6%). Over that time period the license revenue was as follows: 2023 = \$146,500; 2024 = \$149,000 (+2%); 2025 = \$232,800 (+56%). Licensing fees across the time period were 2020 = \$200; 2022 = \$400; 2025 = \$600 (highest in the state). During the time period enforcement cases were at 12 in 2023; 7 in 2024; and 3 in 2025. Approximately 2/3 of vacation rentals in the program are located in the West End of the county. The City of Grand Marais is not in the program and independently operated resort management properties are also outside the program. Among properties in the program 76% are single family residences. There will be a new dashboard soon available on the county website that shows all current rentals, and will include property information, including emergency contact information. There can be strikes on an account and property owners could even face license revocation or conditions on it on their permit under the existing ordinance. Chair Horak asked if there will be a cap to the number of permits. As of now, the program doesn't have a maximum for the number of permits, but there is a provision that if there are more than 399 vacation rental permits, it would trigger the re-convening of the vacation rental committee.

E. Clerk's Report:

1. Mail – Property Valuation Notice, Local Weed Inspector Training
2. Recently completed agreements: Schroeder EMS Services, HRA Billboard Lease, Sawbill Outfitters Billboard Lease, Lionheart Builders Roof Project Contract
3. MNDOT Hwy 61 Resiliency Study – Meeting Summary from 5/1
4. EMS Billing – 1 payment received; 2 become past due on 5/21
5. MN Unemployment Wage Reporting & MN Paid Family & Medical Leave Reporting – MN Unemployment – Tofte Township had not been reporting wage details to the state for MN Unemployment (MN UI) or the Paid Family & Medical Leave (MN PFML). Local and tribal governments, although exempt from Unemployment tax are required to report the details of employee wages. The MN UI portal is also the mechanism for reporting wages for MN Paid Leave. Clerk Brugge has been attempting to bring the township into compliance with these mandatory reports. The state is requiring quarterly wage reports for MN UI going back to 2022 and reporting on wages for the past 6 quarters for MN PFML. The past due reports equate to \$5,250 in assessed penalties. Clerk Brugge has been able to reduce the penalty amount as subsequent reports have been made, but the township does not have data on employee hours for members of the fire department. Clerk Brugge has requested these from the fire department so that she may proceed with bringing the township into compliance, but has not yet received the necessary data from the fire department. The non-reporting over the years, has already led the state to deem the township as a large-sized employer for the MN PFML program, which elevates the required contribution level from 0.66% to 0.88%, which will need to be addressed.

F. Treasurer's Report:

1. Treasurer Engstrom, presented the Treasurer's Report that showed ending balances as follows:
 - a. Grand Marais State Bank Checking Account: **\$88,043.53**
 - b. North Shore Federal Credit Union Combines Accounts: **\$61,623.90**
 - c. Charles Schwab Investment Account: **\$968,234.02**
 - d. Total Cash & Investments: **\$1,117,901.45**

MOTION- Chair Horak motioned to accept the Treasurer's report as presented. Vice Chair Schmidt seconded. Motion carried unanimously.

2. Receipts registered for the past month totaled **\$19,485.81**

G. Claims, Payroll, and Transfers of Funds/ Transaction Report:

1. Review and approval of Unpaid Bills. Presented claims totaling **\$11,374.77**

MOTION- Supervisor Horak moved to approve the claims lists. Vice Chair Schmidt seconded the motion. Motion carried unanimously.

2. Approval of payroll register – Gross regular monthly pay of **\$11,106.86**

MOTION- Supervisor Horak moved to approve the payroll register. Chair Schmidt seconded the motion. Motion carried unanimously.

- H. Fire Department Report** – There was one wildland fire in Schroeder that the department responded to in May via a joint page with the forest service and MN DNR. Due to the burning restrictions that were in place at the time, it is anticipated that the MN DNR will be charging the property owner. The township fire department will obtain the necessary paperwork from MN DNR staffer Aaron Mielke to submit for \$500.

- I. Rescue Squad Report – The department’s new jackets have arrived. There were 3 medical calls in April – 2 were life flights; used Tac Harbor for one and second one landed in Silver Bay; long report from med admin. Rescue Chief Kim Jahnke was nominated for a Thrivent Generosity Hero award at the end of April.
- J. Birch Grove Community Center
 - 1. Exterior Doors Exterior Doors & Bathroom Addition – Chair Horak reports being unable to elicit a response from the entity that was supposed to do a design drawing for the addition; Chair Horak will call again tomorrow and if there still is no response there will be a need to hire a new draftsman.
 - 2. Bathroom Update – The contractor checked out the bathrooms and is now going back and forth with Ferguson about materials. Anticipate the contractor will follow-up soon.
- K. Old Business
 - 1. Limited Use Permit for Trail at Surfside – The board opted to table this item as there have been no updates from any of the involved parties.
 - 2. Cemetery Trees – 2 trees at the Tofte cemetery had fallen in the spring and were crossing onto private property. The township hired MacMillan for removal and clean-up of these trees on behalf of the property owner, as they originated on the township property. Also took down to additional trees that were compromised.
- L. New Business
 - 1. Supervisor Position – Matthew Becker has expressed interest in serving in the vacant role on the town board.

MOTION – Chair Horak appointed Matthew Becker to finish the remainder of the vacant supervisor term until the March 2027 election. Vice Chair Teresa seconded the motion. Motion carried unanimously.

- 2. Facilities/Maintenance Position – Peter Knudsen departed from the township’s facilities/maintenance position as of April 30, 2026.

MOTION - Horak motioned to hire Tom Scheiblaue as the township’s new facilities/maintenance staff. Vice Chair Schmidt seconded the motion. Motion carried unanimously.

- 3. Acceptance of Park Bench Donation - \$1249.33 from Robert G. Thacker of Northfield, MN

MOTION – Chair Horak motioned to formally accept \$1249.33 from Robert G. Thacker of Northfield, MN and for the funds to be used for the purchase of a new park bench. Vice Chair Schmidt seconded the motion. Motion carried unanimously.

- 4. Review of Sawtooth Mountain Lease Price – The board discussed the evergreen leasing agreement with Sawtooth Mountain Clinic for space at the Birch Grove Community Center. It was determine that there would be no change in leasing price at this time.
- 5. West End Emergency Group August event at Birch Grove – Cathy Johnson wants to plan an Emergency Preparedness Fair for the west end of the county on either 8/15 or 8/22. Activities may include a drone demo from Lutsen, representation from the American Red Cross, and fun giveaways. The Town Board expressed support for the event to occur on

August 15, 2026. Clerk Brugge will confirm the reservation for the event at Birch Grove Community Center.

6. Treasurer Position Update – Treasurer Engstrom will be moving out of the community mid-June. The board will need to appoint Deputy Treasurer Yeary to the Treasurer role in their next meeting.

M. Citizen Comments – N/A

N. Next Meetings: Thursday, June 11, 2026 at 7pm

O. Chair Horak motioned to adjourn the meeting. Vice Chair Schmidt seconded the motion. Meeting adjourned at 9:01pm.

Respectfully submitted,

Clerk Amy Brugge

Craig Horak, Chair

Teresa Schmidt, Vice Chair

Matt Becker, Supervisor

Amy Brugge, Clerk

Jennifer Yeary, Treasurer