



CITY COUNCIL AGENDA ITEM

Subject: St. Bonifacius Fire Department Budget Reconciliation Request

Prepared By: Jasper Kruggel, City Administrator

Meeting Date: February 18, 2025

Issue: Per the agreement with the City of St. Bonifacius for fire protection services, whenever there is an operating budget surplus of >10% of the operating costs, the entities participating in the contract have the option to allocate that surplus to the contract reserve fund or to reduce their operating payment.

Overview: The 2025 fire budget reconciliation reflects excess receipts in the amount of \$44,367. This amount has been transferred into the Fire Contract Reserve Fund. The current balance in the Fire Contract Reserve Fund is \$102,725, which is over the 10% threshold indicated in the fire protection contract.

Attached you will find a memo from the City of St. Bonifacius related to this request.

Recommended City Council Action: Staff is recommending directing the City of St. Bonifacius to keep the excess amount in the contract reserve fund.

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

City of St. Bonifacius

8535 Kennedy Memorial Drive
St. Bonifacius, MN 55375
(952) 446-1061

2025 YEAR END FIRE DEPARTMENT CONTRACT RECONCILIATION

BUDGET: \$501,171
EXPENSES: \$473,648
RECEIPTS: \$518,015

St. Bonifacius	24.0% of contract	120,281
Minnetrista	69.2% of contract	346,810
Watertown Township	4.5% of contract	22,553
Laketown Township	2.3% of contract	11,527
Expense Reimbursements from Grants		<u>16,844</u>
TOTAL RECEIPTS		\$518,015

2025 Reconciliation reflects excess receipts in the amount of \$44,367. \$44,367 has been transferred into the Fire Contract Reserve Fund. The new balance is \$102,725. The amount over 10% of the 2025 operating budget of \$284,229 is \$74,302.

At this time, the contracting public bodies will decide whether to reduce their annual operating payment to offset the contract reserve fund balance in excess of 10% or contribute to keep it over the 10% contract reserve fund level.

Your portion of the excess funds is:

St. Bonifacius	17,832
Minnetrista	51,417
Watertown Township	3,344
Laketown Township	<u>1,709</u>
TOTAL	\$74,302

Please respond with your Boards/Council action by 3/12/2026.

Supporting financial documents can be requested at assistantclerk@st-bonifacius.mn.us.

Brenda Fisk
Adm/Clk/Trs
1/30/2026

cc. Fire Chief