

From: James Monge <JMonge@ck-law.com>
Sent: Wednesday, December 9, 2020 3:34 PM
To: 'cityclerk@stacymn.org'
Subject: Fire Department Funds

Sharon,

I have reviewed the Joint Powers Agreement. The JPA says the following about the "Joint Operating Fund":

ARTICLE V
Joint Operating Fire and Rescue Fund

- A. The City and the Town agree that on the first Monday of August they shall consider preliminary budget recommendations of the Stacy-Lent Area Fire Department and the Stacy-Lent Firemen's Relief Association. The City and Town further agree that on the first Monday in December they shall mutually approve a budget of the Fire and Rescue Department and the Relief Association for the following calendar year. The Joint Powers Board along with the Fire Department Chief shall appoint or hire a qualified individual to manage the Joint Operating Fire and Rescue Fund, as set forth below, for the new calendar year.
- B. The City and the Town shall deposit in advance quarterly contributions with the City and/or the Town Clerk, who shall maintain a special fund to be known as the "Joint Operating Fire and Rescue Fund." The amount of the quarterly contributions to the Joint Operating Fire and Rescue Fund shall be according to the proportions established in Article II, Paragraph B.
- C. Funds shall be disbursed by the City and/or Town Clerk and countersigned by the City and/or Town Clerk and Fire Department Bookkeeper for the purpose as defined in Article IV. **The excess in the fund at the end of each year shall reduce the amount of required contributions for the next year.**
- D. The Joint Operating Board shall require a quarterly accounting of this fund from the City and/or Town Clerk. Such accounting, in report form showing a record of receipts and disbursements, shall be forwarded to the City Council and the Town Board within thirty (30) days following the close of each quarter.
- E. Funds received from any contracts jointly operated and services rendered by the Fire and Rescue shall go into the Joint Operating Fire and Rescue Fund before the percentage of costs to the City and the Town are prepared.

The highlighted language is the only language in the JPA that deals with excess funds at the end of the year. There is nothing in the JPA that prevents the Joint Powers Board from deciding to place any excess funds in a fund reserved to pay for radios.

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