

Watab Township Contract with City of Rice

Emergency Services Contract for 2016-2017

History of Relationship

- Many years of discord about the Fire Contract
- City used budgeted costs rather than actual costs in the contract formula for several years resulting in overpayment
- Fire Board was dissolved, so communication & trust decreased
- Watab asked Rice to drop Medical Service in the contract two years ago. It failed on a three to two vote of Rice City Council

Contract History

	2016	2015	2014	2013	2012
Contract Payments	\$ 21,365.51	\$ 21,365.28	\$ 38,500.00	\$ 38,500.00	\$ 38,500.00
Per Call Payments	\$ 22,912.50	\$ 18,487.50			
Total	\$ 44,278.01	\$ 39,852.78	\$ 38,500.00	\$ 38,500.00	\$ 38,500.00
Fire & Rescue Calls	11	15	11		
Medical Calls	51	41	27		
Total Calls	62	56	38		
% Fire & Rescue	18%	27%	29%		
% Medical	82%	73%	71%		

First Responder Medical Service is Not Affordable

Cost in Rice Service Area

2016 Tax Statement

Home with EMV \$209,200



Paid **\$90.73** for Fire Assessment

Cost in Sauk Rapids Service Area

2016 Tax Statement

Home with EMV \$211,000



Paid **\$33.97** for Fire Assessment

Duplicative Services

Call from Attorney General's Office:

- Should not require both ambulance and First Responders
- Choice for caller to 911 of what service they desire
- Change the contract with Rice to Fire and Rescue only

Insurance Companies & Medicare/Medicaid Considers Medical Calls by First Responders Duplicative to the Ambulance & Pays Only for Ambulance Services for Medical Calls

Rice Fire District Residents' Subsidy for Non-Payment from Rental Properties

- 240+ rental properties in Watab
- In 2016, these properties received 62% of the services from Rice for **medical calls**
- In 2016, they paid \$955.51 for the Fire Levy which equals \$3.99 per rental home
- Watab pays a higher Net Tax Capacity Rate than the other townships pay (2.6% versus 2.35%) to the City
- Negative Impact to the Township because we receive less tax dollars from them and then are charged more for you to serve them
- **\$21,291 in unpaid medical calls** has been turned over to two collection agencies with virtually no results (63% was for rental property)
- Additional **\$10,830** was written off in additional **unpaid medical calls** for past year

2015 Rice Fire Department Revenues

Rice Real Estate Taxes	\$ 39,441.24	
State Grants & Aids	\$ 24,778.50	
Charges for Services	\$ 100.00	
Fire Contract Payments	\$ 88,837.54	← Watab Contribution \$40,106.00 45%
Contributions	\$ 3,976.14	
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Total Revenue	\$157,133.42	← Watab Contribution 25% of Total

Times Have Changed

- Ambulance Service has greatly expanded its service in our area
- Transportation system has made quicker response time possible

2017-18 Contract Goals

1. Fire Service. The Town agrees to purchase from City, and City agrees to provide to Town: Firefighting and Rescue
2. Payment: The basis for the annual payment is 2.35% of the Tax Capacity of Watab lying within the Service Territory. Remove or reduce billing for cancelled calls.
3. Service Call. If City retains this language, please honor the contract language and discontinue billing Town for services delivered to a City resident while they are in the Town's Service Territory.
4. Add an "Annual Meeting of Parties" with City and Town responsibilities