

## MEMORANDUM

Date: June 28, 2017  
To: Board of Trustees  
From: Kent Torrence  
Subject: **Budget for Year Ending June 30, 2018**

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Included with this memo are the following for the year ending June 30, 2018:

- Comparison of Budget to Actual
- Budget for Payroll and Benefits
- Capital Budget
- Profit and Loss Projections
- Cash Projections

Following is background information on the assumptions and estimates used in the budget and cash projections, as well as a discussion of how budgeted revenues and expenses for 2018 compare to estimated actual expenses for the year ended June 30, 2017.

### *Allocation of Costs*

Costs of the ambulance contract and expenses relating to joint efforts are allocated on a pro-rata basis based upon the relative unit hours expended by the contractor in each division.

For the year 2018 budget and forecasts for years 2019-2022, we assumed allocation percentages of 47% for the Eastern Division and 53% for the Western Division which are reflective of the projected unit hours required to accommodate the requirements of each division.

*Transport Estimates*

The 2017 transports are an approximation of the annualized YTD 3/17 transport volumes. Transport numbers are summarized as follows:

	2018 Budget Eastern	2017 Budget Eastern	2017 Actual* Eastern	2018 Budget Western	2017 Budget Western	2017 Actual* Western
Emergency	63,800	61,700	63,800	70,500	73,000	70,500
Non-emergency	10,200	8,800	10,200	11,000	6,800	11,000
Total	74,000	70,500	74,000	81,500	79,800	81,500

\* Projected

We anticipate no significant change in our overall payer and service mix.

*Ambulance Revenue*

Ambulance revenue (or “gross charges”) is simply transports times rates. The emergency transport rate for the East is increased \$400 from \$1300 to \$1700 per transport effective 7/1/17. All other transport and mileage rates remain the same.

*Utility Bill Revenue (East)*

Utility bill revenue reflects 103,000 water taps at \$5.45 per month. The amount received is reflective of the limitation on total cash the East can maintain as per ordinance.

*Subscription Revenue*

Subscription revenue is expected to remain consistent with the previous year.

*Deductions from Revenue/Collection Rate*

Deductions from revenue generally represent the difference between gross billings and the associated receipts. Receipts have been adjusted for changes in volume and changes in rates and are reflective of current collection experience.

*Ambulance Contract Service*

Increases are reflective of increases in the contractor’s contractual rate.

*Employee Compensation and Benefits*

Employee compensation and benefits reflect no increase in wage rates for senior management and a 3% increase for all other employees. The budget also reflects the addition of one position.

*Medical Supplies*

Costs increase due to inflation. The budget does not include any anticipated effects of any new protocols or protocol changes.

*Building Rent, Utilities and Maintenance*

Building rent for 2018 reflects expenses per contractual obligations.

*EMSAcare Campaign Expenses*

The costs are expected to approximate the prior year's costs.

*Equipment Maintenance Expense*

The majority of the increase in radio equipment is due to equipment coming off of original warranty and going on extended service contracts. The majority of the increase in "other" is due to costs associated with a new project that will improve data integration with hospitals positively affecting both reimbursement and quality.

*Quality Assurance Fees*

Costs increase slightly as wage rates for employees other than the Director and Assistant Director are increased 3%.

*Telephone*

Telephone expenses are per contractual obligations. Cellular rates decrease as certain devices that are no longer needed are removed from the account.

*Professional Services*

Legal costs increase due to having a full year of costs associated with ongoing litigation. Pension plan related costs increase due to adding formalized fiduciary services to the services already performed by the plan trustee and recordkeeper.

*Community Relations*

Costs are increased to reflect additional patient surveying effort and services related to litigation related communications.

*Postage and Courier Services*

Postage expenses are expected to remain relatively the same giving effect to a small increase in rate and volumes.



*Equipment Lease Expense*

Tower lease expense declines as towers are no longer needed in the East as the Authority transitions to 800mhz and away from UHF.

*Office Supplies*

Office supplies reflect an increase in volume and price for recurring items.

*Miscellaneous Supplies*

These costs are reflective of 2017 experience adjusted for changes in volume and prices. The increase in software costs includes additional vendor and contract compliance software.

*Insurance Expense*

Insurance expense is increased to reflect an increase in rates and increase in property values.

*Business Travel and Training Expense*

Business travel approximates prior year.

*Other Fees and Expenses*

These services are affected by changes in volume and increases in the cost of these services. The increase in outside mailing services is due to a change in the lockbox service provider to improve efficiency in patient receipt posting and denial management. The increase is partially offset by a decrease in "bank charges" within this category.

*Depreciation*

The fixed asset system projects depreciation on current balances and 2017–2021 additions are depreciated over an average 3-6 years depending on the type of asset. The Lansing building addition is depreciated over 20 years.

*Interest Expense*

Interest expense in the East is associated with the financing of the Lansing building addition. The addition is financed at 2.25% over ten years with interest only the first two years and principal and interest over the remaining eight years. Also, interest expense for the East and West reflects the interest associated with an installment purchase of radios paid for over a five year period starting 7/1/16.

*Gain (Loss) on Disposal of Assets*

No significant disposals of assets with book value are anticipated for fiscal 2018.

*Cash Projections for 2018 through 2022*

The cash, division capital and net income (loss) projections for fiscal 2018 through 2022 are based on the following assumptions:

1. Transport volumes are held constant throughout the period.
2. The emergency ambulance rate in the East is increased \$400 to \$1700 effective 7/1/17. All other ambulance rates are held constant throughout the period.
3. There will be no anticipated change in payer mix or service type mix.
4. Collection rates are assumed to be the same throughout the period.
5. Joint costs are split between the East and West 47/53 through 2022.
6. Other operating expenses, except legal fees, are increased 3% per year for inflation.
7. The East utility fee remains at \$5.45 throughout the period.
8. The budget and cash projections do not reflect a reduction in Medicaid funding. The Oklahoma legislature is considering a reduction in Medicaid funding to partially address the shortfall in the State budget. The amount of reduction, if any, is unknown at this time.

*Additional Budget Notes*

1. In 2012, the emergency ambulance rate for the East and West was increased from \$1100 to \$1300.
2. In 2015, the Tulsa utility fee was increased from \$3.64 to \$5.45.
3. Prior to 2015, Tulsa received \$6,660,000 from the utility fund for first responder needs. To date, Oklahoma City has not utilized their utility fund for first responder needs.
4. East debt service exceeds West debt service for the 5-year period by \$3,621,000. This is the debt service related to the Lansing location addition.



**EMSA**  
**Comparison of Budget to Actual**  
**6/30/18**

	June 30, 2018		Actual for June 30, 2017				
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Net patient service revenue:							
Ambulance revenue	\$ 117,307,000	102,600,000	219,907,000	13.0%	92,040,984	102,500,000	194,540,984
Utility bill revenue	7,125,000		7,125,000	42.5%	5,000,000		5,000,000
Subscription revenue	100,000	100,000	200,000	-5.5%	100,721	110,826	211,547
Special Events	168,000	188,000	356,000	0.3%	167,958	187,040	354,998
Total patient service revenue	124,700,000	102,888,000	227,588,000	13.7%	97,309,663	102,797,866	200,107,529
Deductions from revenue	89,000,000	72,800,000	161,800,000	15.8%	66,202,112	73,521,615	139,723,727
Net patient service revenue	35,700,000	30,088,000	65,788,000	8.9%	31,107,551	29,276,251	60,383,802
Operating expenses other than depreciation and amortization:							
Ambulance service contract	24,900,000	28,100,000	53,000,000	3.0%	24,200,000	27,250,519	51,450,519
Employee compensation and benefits*	2,005,000	2,261,000	4,266,000	3.9%	1,941,800	2,163,910	4,105,710
Medical supplies							
Nondisposable equipment and supplies	134,999	171,000	305,999	6.5%	125,371	162,050	287,421
Medical waste disposal	19,700	22,300	42,000	-5.4%	17,359	27,022	44,381
Building rent, utilities and maintenance expense							
Rent	6,600	405,000	411,600	4.2%	6,584	388,560	395,143
Utilities	134,000	122,000	256,000	19.2%	101,206	113,627	214,834
Repairs and maintenance	190,000	195,000	385,000	4.5%	181,368	187,175	368,543
Janitorial	28,500	50,300	78,800	-1.9%	32,380	47,954	80,335
Total Care campaign expenses	30,000	15,000	45,000	-5.0%	31,500	15,850	47,350
Equipment maintenance expense							
Radio and communication equipment	113,000	120,000	233,000	64.7%	66,580	74,918	141,497
CAD equipment	235,000	264,000	499,000	0.9%	227,172	267,233	494,405
Computer equipment	1,000	1,000	2,000	-15.1%	1,355	1,000	2,355
Office equipment	11,000	13,000	24,000	15.5%	9,601	11,185	20,787
Medical equipment	140,000	158,000	298,000	-6.0%	142,400	174,570	316,971
Ambulances	15,000	15,000	30,000	3.0%	14,563	14,563	29,126
Other	418,000	471,000	889,000	41.6%	287,788	339,983	627,771

**EMSA**  
**Comparison of Budget to Actual**  
**6/30/18**

	June 30, 2018		Actual for June 30, 2017				
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Quality assurance fees	414,000	436,000	850,000	2.0%	408,028	425,386	833,414
Telephone expense					-	-	
Base	275,000	433,000	708,000	-2.4%	323,808	401,326	725,135
Cellular	71,000	81,000	152,000	-12.7%	79,297	94,845	174,142
Professional services expense					-	-	
Accounting and auditing	23,000	26,000	49,000	0.9%	22,853	25,722	48,576
Legal	1,800,000	2,100,000	3,900,000	152.0%	722,378	825,351	1,547,729
Pension plans	7,000	8,000	15,000	114.3%	3,000	4,000	7,000
Government relations	26,000	29,000	55,000	1.9%	26,000	28,000	54,000
Medicare consulting	9,000	10,000	19,000	-5.0%	9,000	11,000	20,000
Other consulting	70,000	80,000	150,000	12.6%	61,695	71,497	133,192
Community relations					-	-	
Professional services	25,000	27,000	52,000	0.0%	25,000	27,000	52,000
State fair			0	-100.0%	11,000	-	11,000
Other	35,000	35,000	70,000	57.1%	24,237	20,310	44,547
Postage and courier expense					-	-	
Postage - general	28,500	32,000	60,500	6.8%	26,854	29,780	56,634
Courier service	8,000	9,000	17,000	9.6%	7,900	7,616	15,516
Equipment lease expense					-	-	
Towers	4,300	0	4,300	-78.7%	20,143	-	20,143
Other	8,000	9,000	17,000	0.2%	8,215	8,751	16,967
Office supplies expense	23,000	23,000	46,000	12.0%	21,450	19,608	41,058
Miscellaneous supplies expense					-	-	
Janitorial	8,800	12,000	20,800	5.4%	7,812	11,923	19,736
Software	78,000	90,000	168,000	35.5%	58,000	66,000	124,000
Repair supplies	52,000	65,000	117,000	-12.8%	66,436	67,694	134,130
Other	138,500	143,000	281,500	6.6%	124,810	139,357	264,167
Insurance expense	92,000	105,000	197,000	10.0%	85,981	93,100	179,081
Business travel and training expense	15,000	18,000	33,000	18.7%	12,799	15,013	27,812
Other fees and expenses					-	-	
Medicaid terminal	14,000	16,000	30,000	9.3%	12,938	14,505	27,443
Pike Pass	2,800	3,600	6,400	0.6%	2,797	3,564	6,361



**EMSA**  
**Comparison of Budget to Actual**  
**6/30/18**

	June 30, 2018			Actual for June 30, 2017			
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Outside mailing services	94,000	108,000	202,000	22.5%	77,371	87,567	164,939
Offsite storage	7,000	8,000	15,000	-3.2%	8,000	7,500	15,500
Bank charges	2,000	2,000	4,000	-87.0%	14,432	16,352	30,784
Weather paging/archiving/ACOG	109,000	164,000	273,000	-8.8%	113,440	185,738	299,178
Miscellaneous operating	108,000	240,000	348,000	-4.0%	113,297	249,350	362,647
Subscriptions	7,000	5,000	12,000	10.0%	6,102	4,812	10,914
Dues	15,000	18,000	33,000	2.6%	14,970	17,205	32,175
	31,951,699	36,719,200	68,670,899	7.1%	29,907,072	34,219,994	64,127,066
Operating income (loss) before depreciation	3,748,301	(6,631,200)	(2,882,899)	-23.0%	1,200,480	(4,943,744)	(3,743,264)
Depreciation & Amortization							
Operating income (loss)	2,500,000	1,700,000	4,200,000	10.6%	2,300,000	1,496,250	3,796,250
	1,248,301	(8,331,200)	(7,082,899)	6.1%	(1,099,520)	(6,439,994)	(7,539,514)
Nonoperating income (expense):							
Interest expense	148,000	33,000	181,000	326.5%	21,413	21,026	42,439
Interest income	(148,000)	(33,000)	(181,000)	-100.0%	2,000	3,000	5,000
Total nonoperating income (expense)				383.5%	(19,413)	(18,026)	(37,439)
Net income (loss)	1,100,301	(8,364,200)	(7,263,899)	4.1%	(1,118,933)	(6,458,020)	(7,576,953)

Note: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this budget.

Note: 6/30/17 figures are annualized nine months ended 3/31/17

\* Additional information included in schedules that follow



**EMSA**

**Budget for Payroll and Benefits**

Year Ending June 30, 2018

# of Employees	Department	Annual Comp.	Car Allow.	Total Comp.	FICA	Company Paid	Life	Retirement	Total
5	OFFICERS	\$ 967,823	\$ 14,400	\$ 982,223	\$ 53,674	\$ 47,410	\$ 2,787	\$ 113,725	\$ 1,199,819
4	MANAGEMENT AND SUPPORT	258,144		258,144	19,748	35,340	743	23,749	337,725
6	CODERS	184,696		217,903	16,670	35,340	628	20,047	290,587
12	PRE-INVOICE	419,010		419,010	32,054	94,420	1,207	38,549	585,240
	ACCOUNTING/FINANCE								
	Albright, Mike	77,812		77,812	5,953	12,070	224	7,159	103,217
	Hurry, Adam	48,854		48,854	3,737	12,070	141	4,495	69,297
2	ACCOUNTING/FINANCE	126,666		126,666	9,690	24,140	365	11,653	172,514
5	INFORMATION SERVICES	311,913		311,913	23,861	35,810	898	28,696	401,179
22	PATIENT ACCOUNTING	883,613		883,613	67,596	117,830	2,545	81,292	1,152,877
1	CITIZENS CPR - TULSA	37,749		37,749	2,888	12,070	109	3,473	56,288
57	GRAND TOTAL	\$ 3,189,614	\$ 14,400	\$ 3,237,221	\$ 226,182	\$ 402,360	\$ 13,000	\$ 321,184	\$ 4,196,229

70,000

Other

Note: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this budget.

4,266,229

# EMSA Eastern Division

## Capital Budget

Years Ending June 30, 2018 through 2022

Description	2018	2019	2020	2021	2022
<i>2018 ambulance replacement - (eleven)</i>					
New units	1,338,000				
Miscellaneous (logos, sirens, power supply)	20,000				
<i>2019 ambulance replacement - (eleven)</i>					
New units		1,378,000			
Miscellaneous (logos, sirens, power supply)		20,000			
<i>2020 ambulance replacement - (ten)</i>					
New units			1,290,000		
Miscellaneous (logos, sirens, power supply)			20,000		
<i>2021 ambulance replacement - (ten)</i>					
New units				1,329,000	
Miscellaneous (logos, sirens, power supply)				20,000	
<i>2022 ambulance replacement - (ten)</i>					
New units					1,369,000
Miscellaneous (logos, sirens, power supply)					20,000
New units					25,000
Miscellaneous (logos, sirens, power supply)					
Repairs	25,000	125,000	25,000	133,000	
		25,000	25,000	25,000	
<b>On-board equipment:</b>					
Lifepack 15's		1,500,000			
Equipment for new units		90,000		90,000	
Ventilators		253,000			
Computer tablets					
Cots	852,000				
Stair chairs	5,000		90,000		
Miscellaneous	32,000	33,000	34,000	35,000	36,000
<b>CAD and radio equipment:</b>					
Mobile data terminals	105,000				
Equipment for new units		14,000		14,000	
Mobile gateways in units	119,000				
Recording system	92,000				



# EMSA Eastern Division

## Capital Budget

Years Ending June 30, 2018 through 2022

Description	2018	2019	2020	2021	2022
<b>Building expenses:</b>					
Office furniture		10,000		10,000	
Garage - general		15,000		15,000	
Common use vehicle				35,000	
Miscellaneous	43,000	44,000	45,000	46,000	47,000
<b>Computer equipment:</b>					
Firewall and network security		47,000			
UPS batteries	5,000		5,000		5,000
Miscellaneous IT needs	100,000	100,000	100,000	100,000	100,000
<b>TOTAL</b>	<b>2,736,000</b>	<b>3,654,000</b>	<b>1,609,000</b>	<b>1,852,000</b>	<b>1,602,000</b>

NOTE: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this budget.





# EMSA Western Division

## Capital Budget

Years Ending June 30, 2018 through 2022

Description	2018	2019	2020	2021	2022
<b>Building expenses:</b>					
Bldg improvements		10,000	10,000		
Office furniture	10,000	10,000			
Parking lot and grounds	10,000		10,000		
Miscellaneous	48,000	49,000	50,000	51,000	52,000
<b>Computer equipment:</b>					
Server upgrade (accounting)		10,000			
UPS batteries		5,000			
Server upgrade (network)			50,000		
Billing/CAD system hardware			10,000		
Firewall and network security					
Miscellaneous IT needs					
	100,000	100,000	100,000	100,000	100,000
	<u>2,936,500</u>	<u>4,077,500</u>	<u>1,823,500</u>	<u>1,917,500</u>	<u>1,861,500</u>

NOTE: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this budget.

## EMSA Eastern Division

### P&L Forecast

Years Ending June 30, 2018 - 2022

	2018	2019	2020	2021	2022
Ambulance revenue	117,475,000	117,475,000	117,475,000	117,475,000	117,475,000
Utility bill revenue	7,125,000	5,623,000	5,420,000	5,420,000	5,420,000
Subscription revenue	100,000	100,000	100,000	100,000	100,000
	<u>124,700,000</u>	<u>123,198,000</u>	<u>122,995,000</u>	<u>122,995,000</u>	<u>122,995,000</u>
Deductions:					
Allowance and collection fees	89,000,000	89,000,000	89,000,000	89,000,000	89,000,000
	<u>35,700,000</u>	<u>34,198,000</u>	<u>33,995,000</u>	<u>33,995,000</u>	<u>33,995,000</u>
Net Revenue					
Operating expense:					
Contractor	24,900,000	25,500,000	26,200,000	26,800,000	27,500,000
Other	7,052,000	5,500,000	5,700,000	5,900,000	6,100,000
	<u>31,952,000</u>	<u>31,000,000</u>	<u>31,900,000</u>	<u>32,700,000</u>	<u>33,600,000</u>
Depreciation & Amor	2,500,000	3,500,000	3,900,000	4,400,000	2,900,000
Operating income	<u>1,248,000</u>	<u>(302,000)</u>	<u>(1,805,000)</u>	<u>(3,105,000)</u>	<u>(2,505,000)</u>
Nonoperating income (expense):					
Interest expense	148,000	135,000	112,000	88,000	64,000
Net income (loss)	<u>1,100,000</u>	<u>(437,000)</u>	<u>(1,917,000)</u>	<u>(3,193,000)</u>	<u>(2,569,000)</u>

Note: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this forecast.



## EMSA Western Division

### P&L Forecast

Years Ending June 30, 2018 - 2022

	2018	2019	2020	2021	2022
Ambulance revenue	102,788,000	102,800,000	102,800,000	102,800,000	102,800,000
Subscription revenue	100,000	100,000	100,000	100,000	100,000
	<u>102,888,000</u>	<u>102,900,000</u>	<u>102,900,000</u>	<u>102,900,000</u>	<u>102,900,000</u>
Deductions:					
Allowance & collection fees	72,800,000	72,800,000	72,800,000	72,800,000	72,800,000
	<u>30,088,000</u>	<u>30,100,000</u>	<u>30,100,000</u>	<u>30,100,000</u>	<u>30,100,000</u>
Net Revenue					
	28,100,000	28,700,000	29,400,000	30,200,000	30,900,000
Operating expense:	8,619,000	6,700,000	6,900,000	7,100,000	7,300,000
Contractor	36,719,000	35,400,000	36,300,000	37,300,000	38,200,000
Other					
	<u>1,700,000</u>	<u>2,400,000</u>	<u>2,500,000</u>	<u>2,600,000</u>	<u>1,400,000</u>
Depreciation & Amor					
	<u>(8,331,000)</u>	<u>(7,700,000)</u>	<u>(8,700,000)</u>	<u>(9,800,000)</u>	<u>(9,500,000)</u>
Operating income (loss)					
	33,000	25,000	17,000	9,000	-
Nonoperating income (expense):					
Interest expense					
	<u>(8,364,000)</u>	<u>(7,725,000)</u>	<u>(8,717,000)</u>	<u>(9,809,000)</u>	<u>(9,500,000)</u>
Net income (loss)					

Note: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this forecast.

# EMSA Eastern Division

## Cash Projection

Years Ending June 30, 2018 through 2022

	2018	2019	2020	2021	2022	5-year
<b>Receipts:</b>						
Patient accounts	27,700,000	28,700,000	28,700,000	28,700,000	28,700,000	142,500,000
Utility bill receipts	7,125,000	5,623,000	5,420,000	5,420,000	5,420,000	29,008,000
Non-beneficiary subsidy	782,000	782,000	782,000	782,000	782,000	3,910,000
Total Care receipts	100,000	100,000	100,000	100,000	100,000	500,000
<b>Total receipts</b>	<b>35,707,000</b>	<b>35,205,000</b>	<b>35,002,000</b>	<b>35,002,000</b>	<b>35,002,000</b>	<b>175,918,000</b>
<b>Disbursements:</b>						
Ambulance contract	24,900,000	25,500,000	26,200,000	26,800,000	27,500,000	130,900,000
Operating expenses	7,100,000	5,500,000	5,700,000	5,900,000	6,100,000	30,300,000
Debt reduction and interest	798,000	963,000	963,000	963,000	754,000	4,441,000
Capital expenditures	2,736,000	3,654,000	1,609,000	1,852,000	1,602,000	11,453,000
<b>Total disbursements</b>	<b>35,534,000</b>	<b>35,617,000</b>	<b>34,472,000</b>	<b>35,515,000</b>	<b>35,956,000</b>	<b>177,094,000</b>
<b>Current year change in cash</b>	<b>\$ 173,000</b>	<b>\$ (412,000)</b>	<b>\$ 530,000</b>	<b>\$ (513,000)</b>	<b>\$ (954,000)</b>	<b>\$ (1,176,000)</b>
Cash balance at beginning of year	3,300,000	3,473,000	3,061,000	3,591,000	3,078,000	3,300,000
Increase (decrease) in cash balance for year	173,000	(412,000)	530,000	(513,000)	(954,000)	(1,176,000)
<b>Cash balance at end of year</b>	<b>3,473,000</b>	<b>3,061,000</b>	<b>3,591,000</b>	<b>3,078,000</b>	<b>2,124,000</b>	<b>2,124,000</b>
<b>Beginning Balance Utility Fund</b>						<b>1,900,000</b>
<b>Addition to Utility Fund</b>						
<b>Reduction of Utility Fund</b>	1,700,000	200,000				
<b>Utility Fund Balance</b>	200,000					

## EMSA Western Division

### Cash Projection

Years Ending June 30, 2018 through 2022

	2018	2019	2020	2021	2022	5-year
<b>Receipts:</b>						
Patient accounts	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	150,000,000
TotalCare proceeds	100,000	100,000	100,000	100,000	100,000	500,000
Total receipts	<u>30,100,000</u>	<u>30,100,000</u>	<u>30,100,000</u>	<u>30,100,000</u>	<u>30,100,000</u>	<u>150,500,000</u>
<b>Disbursements:</b>						
Ambulance contract	28,100,000	28,700,000	29,400,000	30,200,000	30,900,000	147,300,000
Operating expenses	8,600,000	6,700,000	6,900,000	7,100,000	7,300,000	36,600,000
Capital expenditures	2,937,000	4,078,000	1,824,000	1,918,000	1,862,000	12,619,000
Installment purchase	205,000	205,000	205,000	205,000	205,000	820,000
Total disbursements	<u>39,842,000</u>	<u>39,683,000</u>	<u>38,329,000</u>	<u>39,423,000</u>	<u>40,062,000</u>	<u>197,339,000</u>
Reduction in cash:	1,500,000					
Ending cash balance	<u>\$ (8,242,000)</u>	<u>\$ (9,583,000)</u>	<u>\$ (8,229,000)</u>	<u>\$ (9,323,000)</u>	<u>\$ (9,962,000)</u>	<u>\$ (46,839,000)</u>

Note: Please refer to the accompanying narrative for a discussion of the assumptions utilized in the preparation of this forecast.