

MEMORANDUM

Date: May 23, 2012
To: Board of Trustees
From: Kent Torrence
Subject: **Budget for Year Ending June 30, 2013**

Included with this memo are the following for the year ending June 30, 2013:

- 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 2013 compare to estimated actual expenses for the year ended June 30, 2012.

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 2013 budget and forecasts for years 2014-2017, we assumed allocation percentages of 46% for the Eastern Division and 54% for the Western Division which are reflective of the projected unit hours required to accommodate the requirements of each division.

Transport Estimates

Emergency and non-emergency transports for both jurisdictions are increased 2% over the estimated 2012 transports. The 2013 transports are an approximation of the annualized YTD 3/11 transport volumes. Transport numbers are summarized as follows:

	2013 Budget Eastern	2012 Budget Eastern	2012 Actual* Eastern	2013 Budget Western	2012 Budget Western	2012 Actual* Western
Emergency	58,000	56,000	56,900	70,100	66,300	68,700
Non-emergency	9,300	11,300	10,100	1,700	3,400	2,600
Total	67,300	67,300	66,000	71,800	69,700	71,300

* 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 rate is increased from \$1,100 to \$1,300 effective July 1, 2012 for both divisions.

Utility Bill Revenue (East)

Utility bill revenue reflects 110,000 water taps at \$3.64 per month per tap.

Subscription Revenue

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

Deductions from Revenue/Collection Rate

Deductions from revenue generally represent the difference between gross billings and the associated receipts. Receipts have been adjusted for budgeted volume increases and the rate increase per above.

Ambulance Contract Service

The increase is due to the impact of the volume increase and an increase in the contractual rate.

First Responder Fee

The First Responder fee is the same as the previous year with \$600,000 to the City of Tulsa and \$87,000 to the Eastern non-beneficiaries.

Employee Compensation and Benefits

Employee compensation and benefits reflect an approximate 3.6% increase in wage rates, an increase of 1.5 FTE (.5 in billing and one in patient financial services) to respond to increased demand, an increase in healthcare costs (10%), all offset by a decrease in overtime.

Medical Supplies

The increase in nondisposable medical equipment reflects increased volume and prices associated with these supplies. The budget does not include any anticipated effects of any new protocols or protocol changes.

Building Rent, Utilities and Maintenance

Building rent for 2013 reflects expenses per contractual obligations. Overall rent declines as the Oklahoma City apartment lease is terminated effective 11/30/11.

TotalCare Campaign Expenses

Expenses are expected to approximate the prior year.

Equipment Maintenance Expense

Radio maintenance declines due to the implementation of a new paging system which reduces maintenance on the UHF system and pagers. Office equipment declines as a new contract is entered into for leasing of office equipment. Medical equipment declines as the previous year (2012) had five quarters of support on the LP 15's.

Quality Assurance Fees

The increase includes a 4% increase in wages for OMD support staff and the addition of one FTE.

Telephone

Telephone expenses are per contractual obligations. The base costs are reflective of what is currently being experienced. The cellular costs increase due to costs associated with a new paging system. This increase is more than offset by decreases in radio maintenance (see above) and the costs associated with tower leases.

Professional Services

Legal expenses increase due to several pending lawsuits and consultation regarding media related issues. Medicare consulting expenses are higher due to an ongoing Medicare compliance audit.

Community Relations

Professional services decline as services associated with media related activity decline. Other services increase in the East due to costs associated with improving communication with utility bill members and increasing the understanding of members with the specifics of the program.

Postage and Courier Services

Postage expenses are increased for volume.

Equipment Lease Expense

The need for tower leases is eliminated with the new paging system. The budget reflects the new paging system being put in service 1/1/13.

Office Supplies

Office supplies reflect an increase in volume and price.

Miscellaneous Supplies

These costs are reflective of 2012 experience adjusted for changes in volume and prices.

Insurance Expense

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

Business Travel and Training Expense

Business travel decreases as Amex points are used to offset airline costs.

Other Fees and Expenses

Outside mailing services decline as there are fewer mailings.

Depreciation

The fixed asset system projects depreciation on current balances and 2013–2017 additions are depreciated over an average life of four years.

Interest Expense

Interest expense in the East is associated with the financing of the Lansing building addition (see capital budget). The addition is financed at 6% over ten years.

Gain (Loss) on Disposal of Assets

No significant disposals of assets with book value are anticipated for fiscal 2013.

Cash Projections for 2013 through 2017

The cash, division capital and net income (loss) projections for fiscal 2013 through 2017 are based on the following assumptions:

1. It is assumed that transports increase by 2% per year through 6/30/2017.
2. There will be no change in payer mix or service type mix.
3. Collection rates are assumed to be the same throughout the period.
4. Joint costs are split between the East and West 46/54 through 2016.
5. Other operating expenses are increased 3% per year for inflation.
6. TotalCare revenues are projected to steadily decline as a result of new members not replacing a declining renewal base. For each year, we predicted a 5% decline in base subscription receipts. No change in subscription rates was anticipated.
7. It is assumed that the Eastern utility bill rate remains at \$3.64 per month with the number of taps at 110,000.
8. The East forecast includes \$1,750,000 of First Responder capital/supply costs and \$3,435,000 of First Responder related personnel costs.
9. It is assumed and expected that the Western Division will subsidize the projected cash deficits.
10. The West cash projection includes a reserve that will provide a cushion against future cash flow uncertainties and potentially eliminate the need for interdivisional borrowings.

EMSA
Comparison of Budget to Actual
6/30/13

	June 30, 2013			Actual for June 30, 2012			
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Net patient service revenue:							
Ambulance revenue	\$ 82,491,000	95,908,000	178,399,000	17.8%	70,383,600	80,997,000	151,380,600
Utility bill revenue	4,800,000		4,800,000	-7.2%	5,169,710		5,169,710
Subscription revenue	80,000	185,000	265,000	-4.6%	87,780	190,000	277,780
Special Events	93,500	113,000	206,500	-9.7%	106,400	122,360	228,760
Total patient service revenue	87,464,500	96,206,000	183,670,500	16.9%	75,747,490	81,309,360	157,056,850
Deductions from revenue	59,000,000	70,000,000	129,000,000	25.8%	47,006,190	55,552,770	102,558,960
Net patient service revenue	28,464,500	26,206,000	54,670,500	0.3%	28,741,300	25,756,590	54,497,890
Operating expenses other than depreciation and amortization:							
Ambulance service contract	21,754,000	27,854,000	49,608,000	6.4%	20,516,580	26,121,200	46,637,780
First responder fee	687,000		687,000		687,000		687,000
Employee compensation and benefits*	1,500,000	1,761,000	3,261,000	3.7%	1,481,620	1,662,500	3,144,120
Medical supplies							
Nondisposable equipment and supplies	963,000	610,000	1,573,000	5.8%	913,710	573,629	1,487,339
Medical waste disposal	11,300	15,000	26,300	1.4%	7,980	17,955	25,935
Building rent, utilities and maintenance expense							
Rent	6,600	360,000	366,600	-4.8%	10,507	374,528	385,035
Utilities	97,800	119,000	216,800	3.2%	97,223	112,917	210,140
Repairs and maintenance	135,000	105,000	240,000	3.1%	134,330	98,420	232,750
Janitorial	27,000	17,500	44,500	9.7%	25,270	15,310	40,580
TotalCare campaign expenses	18,000	25,000	43,000	0.0%	18,000	25,000	43,000
Equipment maintenance expense							
Radio and communication equipment	130,000	150,000	280,000	-29.8%	190,456	208,544	399,000
CAD equipment	172,000	202,000	374,000	19.0%	147,364	167,048	314,412
Computer equipment	14,000	16,000	30,000	-8.0%	15,350	17,256	32,606
Office equipment	35,000	42,000	77,000	-19.5%	44,289	51,338	95,627
Medical equipment	86,000	87,000	173,000	-22.1%	108,927	113,050	221,977

EMSA
Comparison of Budget to Actual
6/30/13

	June 30, 2013			Actual for June 30, 2012			
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Ambulances	25,000	30,000	55,000	-20.2%	30,058	38,836	68,894
Other	160,000	188,000	348,000	-6.3%	174,363	197,048	371,411
Quality assurance fees	364,200	395,000	759,200	2.6%	355,775	383,838	739,613
Telephone expense							
Base	252,000	350,000	602,000	-1.5%	279,965	331,170	611,135
Cellular	90,000	88,000	178,000	10.2%	78,337	83,125	161,462
Professional services expense							
Accounting and auditing	18,000	21,000	39,000	3.2%	17,400	20,400	37,800
Legal	136,000	99,000	235,000	83.1%	59,850	68,495	128,345
Pension plans	2,000	2,300	4,300	61.7%	1,197	1,463	2,660
Government relations	32,000	38,000	70,000	7.7%	29,462	35,516	64,978
Medicare consulting	16,000	18,000	34,000	141.2%	6,516	7,581	14,097
Other consulting	35,000	40,000	75,000	2.0%	28,462	45,087	73,549
Community relations							
Professional services	25,000	30,000	55,000	-11.6%	28,861	33,383	62,244
State fair	13,000		13,000	0.0%	13,000	-	13,000
Other	330,000	40,000	370,000	609.7%	23,674	28,462	52,136
Postage and courier expense							
Postage - general	22,000	25,000	47,000	4.4%	21,000	24,000	45,000
Courier service	12,400	14,800	27,200	19.2%	10,241	12,571	22,812
Equipment lease expense							
Towers	10,000	42,000	52,000	-42.3%	20,881	69,293	90,174
Other	7,000	8,000	15,000	-3.6%	7,448	8,113	15,561
Office supplies expense	23,500	28,500	52,000	3.4%	22,800	27,500	50,300
Miscellaneous supplies expense							
Janitorial	3,800	3,600	7,400	23.6%	3,059	2,926	5,985
Software	25,000	27,000	52,000	3.4%	23,807	26,467	50,274
Repair supplies	32,000	37,000	69,000	4.4%	33,915	32,186	66,101
Outside copying/printing	20,000	24,000	44,000	-4.7%	21,413	24,738	46,151
Other	80,000	95,000	175,000	12.9%	75,411	79,534	154,945
Insurance expense	76,100	66,400	142,500	6.5%	71,554	62,244	133,798

EMSA
Comparison of Budget to Actual
6/30/13

	June 30, 2013			Actual for June 30, 2012			
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Business travel and training expense	40,000	46,000	86,000	-18.4%	48,458	56,885	105,343
Other fees and expenses							
Medicaid terminal							
Pike Pass							
Outside mailing services	13,000	14,500	27,500	36.0%	9,310	10,906	20,216
Offsite storage	700	800	1,500	0.0%	700	800	1,500
Bank charges	40,000	50,000	90,000	-39.0%	67,963	79,534	147,497
Weather paging/archiving/ACOG	19,000	7,000	26,000	15.7%	17,157	5,320	22,477
Miscellaneous other fees	20,000	24,000	44,000	12.9%	19,152	19,817	38,969
Utility bill processing fees	80,000	100,000	180,000	7.8%	77,406	89,642	167,048
Subscriptions	(120,000)	120,000	0	#DIV/0!	(111,188)	111,188	0
Dues	105,000		105,000	3.2%	101,745	-	101,745
Operating income (loss) before depreciation	2,500	3,000	5,500	11.8%	2,261	2,660	4,921
Depreciation & Amortization	14,000	18,000	32,000	5.0%	13,333	17,143	30,476
Operating income (loss)	27,660,900	33,457,400	61,118,300	6.0%	26,083,352	31,596,566	57,679,918
	803,600	(7,251,400)	(6,447,800)	102.6%	2,657,948	(5,839,976)	(3,182,028)
	2,154,000	1,883,000	4,037,000	-8.3%	2,388,680	2,013,620	4,402,300
	(1,350,400)	(9,134,400)	(10,484,800)	38.2%	269,268	(7,853,596)	(7,584,328)
Nonoperating income (expense):							
Interest expense	74,000	26,000	100,000	156.6%	-	38,969	38,969
Interest income	14,000		14,000	-11.5%	15,162	665	15,827
Total nonoperating income (expense)	(60,000)	(26,000)	(86,000)	271.6%	15,162	(38,304)	(23,142)
Net income (loss)	(1,410,400)	(9,160,400)	(10,570,800)	39.0%	284,430	(7,891,900)	(7,607,470)

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

Note: 6/30/12 figures are annualized nine months ended 3/31/12 * Additional information included in schedules that follow

EMSA

**Budget for Payroll and Benefits
Year Ending June 30, 2013**

# of Employees	Department	Annual Comp.	Car Allow.	Total Comp.	FICA	Medical	Dental	Life	AD&D	LTD	Retirement	Total
4	OFFICERS	\$ 643,239	\$ 7,200	\$ 650,439	\$ 35,620	\$ 38,696	\$ 1,600	\$ 2,161	\$ 195	\$ 1,302	\$ 69,143	\$ 799,155
5	MANAGEMENT AND SUPPORT	279,620		279,620	21,391	22,047	1,600	905	81	692	24,768	351,104
4	CODERS	133,390		133,390	10,204	18,364	1,600	448	40	474	12,272	176,793
11	PRE-INVOICE	341,496		341,496	26,124	74,440	4,400	1,147	102	1,264	31,418	480,391
2	ACCOUNTING/FINANCE	106,430		106,430	8,142	19,348	800	358	32	301	9,792	145,201
5	INFORMATION SERVICES	254,584		254,584	19,476	37,712	2,000	855	75	728	23,422	338,852
17	PATIENT ACCOUNTING	606,923		606,923	46,430	100,510	6,800	2,039	182	2,079	55,807	820,770
1	CITIZENS CPR - TULSA	32,258		32,258	2,468	9,674	400	108	10	117	2,968	48,002
49	GRAND TOTAL	\$2,397,940	\$ 7,200	\$ 2,405,140	\$ 169,855	\$ 320,791	\$ 19,200	\$ 8,021	\$ 717	\$ 6,956	\$ 229,588	3,160,269

OT & Other 100,000

3,260,269

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

EMSA Eastern Division

Capital Budget

Years Ending June 30, 2013 through 2017

Description	2013	2014	2015	2016	2017
New units (increase in fleet size - 1)	148,000				
Repairs	100,000				
<i>2014 ambulance replacement - (eight)</i>					
New units		1,224,000			
Miscellaneous (logos, sirens, power supply)		20,000			
<i>2015 ambulance replacement - (eight)</i>					
New units			1,256,000		
Miscellaneous (logos, sirens, power supply)			20,000		
<i>2016 ambulance replacement - (ten)</i>					
New units				1,650,000	
Miscellaneous (logos, sirens, power supply)				20,000	
<i>2017 ambulance replacement - (nine)</i>					
New units					1,557,000
Miscellaneous (logos, sirens, power supply)					20,000
On-board equipment:					
Power cots		100,000			
Lifepack 15's	35,000		35,000		
Stair chairs				60,000	
First responder equipment	100,000	100,000	100,000	60,000	100,000
Equipment for new units(1)	64,000	64,000	64,000	64,000	64,000
Ventilators	110,000				
Miscellaneous	29,000	30,000	31,000	32,000	33,000
CAD and radio equipment:					
Saber III portables	20,000	21,000	22,000	23,000	24,000
Mobile data terminals		110,000			
Base station upgrade	50,000	50,000	50,000	50,000	50,000
Equipment for new units	19,000	19,000	19,000	19,000	19,000
Building expenses:					
Office furniture	10,000		10,000		10,000
Garage		15,000			
Security equipment	15,000		15,000		15,000
Common use vehicle	35,000				
Building expansion					
	2,500,000				

EMSA Eastern Division

Capital Budget

Years Ending June 30, 2013 through 2017

Description	2013	2014	2015	2016	2017
Miscellaneous	39,000	40,000	41,000	42,000	43,000
Computer equipment:					
Server upgrade (network)	35,000		10,000		
Server upgrade (accounting)	8,000				
UPS batteries				5,000	
Billing/CAD system hardware		10,000		10,000	
Web site development	15,000	15,000	15,000	15,000	15,000
Miscellaneous	50,000	50,000	50,000	50,000	50,000
TOTAL	3,382,000	1,868,000	1,738,000	2,200,000	2,500,000

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, 2013 through 2017

Description	2013	2014	2015	2016	2017
Ambulances					
<i>2013 ambulance replacement - (0)</i>					
New units (increase in fleet size - 1)	148,000				
Repairs	100,000				
Miscellaneous (springs, logos, sirens, power supply)					
<i>2014 ambulance replacement - (ten)</i>					
New units		1,530,000			
Miscellaneous (springs, logos, sirens, power supply)		20,000			
<i>2015 ambulance replacement - (ten)</i>					
New units			1,570,000		
Miscellaneous (springs, logos, sirens, power supply)			20,000		
<i>2016 ambulance replacement - (ten)</i>					
New units				1,650,000	
Miscellaneous (springs, logos, sirens, power supply)				20,000	
<i>2017 ambulance replacement - (ten)</i>					
New units					1,730,000
Miscellaneous (springs, logos, sirens, power supply)					20,000
					500,000
On-board equipment:					
LP 15's			140,000		
Power cots				80,000	
Stair chairs				70,000	
Training manikin			8,000		
Equipment for new units(1)	64,000	64,000	64,000	64,000	64,000
Ventilators	275,000	90,000			
Miscellaneous	36,000	37,000	38,000	39,000	40,000
CAD and radio equipment:					
Mobile data terminals	300,000	150,000			
Clinical computer pads	40,000	40,000	40,000	40,000	40,000
Base station upgrade	15,000	15,000	15,000	15,000	15,000
Equipment for new units	163,000	163,000	82,000		
Radio infrastructure (NG911 system)					

EMSA Western Division

Capital Budget

Years Ending June 30, 2013 through 2017

Description	2013	2014	2015	2016	2017
Building expenses:					
Bldg improvements	30,000			20,000	
Office furniture			10,000		
Parking lot and grounds			10,000		
Common use vehicle		35,000			
Miscellaneous	43,000	44,000	45,000	46,000	47,000
Computer equipment:					
Server upgrade (accounting)		10,000			
UPS batteries				9,000	
Server upgrade (network)	30,000	20,000			40,000
Billing/CAD system hardware		20,000			
Web site development	15,000	15,000	15,000	15,000	
Miscellaneous	50,000	50,000	50,000	50,000	
	<u>1,309,000</u>	<u>2,303,000</u>	<u>2,107,000</u>	<u>2,118,000</u>	<u>2,496,000</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, 2013 - 2017

	2013	2014	2015	2016	2017
Ambulance revenue	82,585,000	84,237,000	85,921,000	87,600,000	89,400,000
Utility bill revenue	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000
Subscription revenue	80,000	76,000	72,000	69,000	65,000
	<u>87,465,000</u>	<u>89,113,000</u>	<u>90,793,000</u>	<u>92,469,000</u>	<u>94,265,000</u>
Deductions:					
Allowance and collection fees	59,000,000	60,200,000	61,400,000	62,600,000	63,800,000
	<u>28,465,000</u>	<u>28,913,000</u>	<u>29,393,000</u>	<u>29,869,000</u>	<u>30,465,000</u>
Net Revenue					
Operating expense:					
Contractor	21,754,000	23,374,000	24,235,000	25,346,000	25,848,000
Other	5,907,000	5,751,000	5,899,000	6,052,000	6,210,000
	<u>27,661,000</u>	<u>29,125,000</u>	<u>30,134,000</u>	<u>31,398,000</u>	<u>32,058,000</u>
Depreciation & Amor	2,154,000	2,621,000	3,180,000	3,690,000	2,590,000
Operating income	<u>(1,350,000)</u>	<u>(2,833,000)</u>	<u>(3,921,000)</u>	<u>(5,219,000)</u>	<u>(4,183,000)</u>
Nonoperating income (expense):					
Interest expense	74,000	139,000	127,000	115,000	103,000
Interest income	14,000	15,000	15,000	12,000	2,000
Net income (loss)	<u>(1,410,000)</u>	<u>(2,957,000)</u>	<u>(4,033,000)</u>	<u>(5,322,000)</u>	<u>(4,284,000)</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, 2013 - 2017

	2013	2014	2015	2016	2017
Ambulance revenue	96,021,000	97,900,000	99,900,000	102,000,000	104,000,000
Subscription revenue	185,000	176,000	167,000	159,000	151,000
	<u>96,206,000</u>	<u>98,076,000</u>	<u>100,067,000</u>	<u>102,159,000</u>	<u>104,151,000</u>
Deductions:					
Allowance & collection fees	70,000,000	72,200,000	73,600,000	75,100,000	76,600,000
	<u>26,206,000</u>	<u>25,876,000</u>	<u>26,467,000</u>	<u>27,059,000</u>	<u>27,551,000</u>
Net Revenue					
Operating expense:					
Contractor	27,854,000	29,100,000	30,200,000	31,700,000	33,100,000
Other	5,603,000	5,729,999	5,900,000	6,076,000	6,258,000
	<u>33,457,000</u>	<u>34,829,999</u>	<u>36,100,000</u>	<u>37,776,000</u>	<u>39,358,000</u>
Depreciation & Amor	1,883,000	2,494,000	2,986,000	3,515,000	2,583,000
	<u>(9,134,000)</u>	<u>(11,447,999)</u>	<u>(12,619,000)</u>	<u>(14,232,000)</u>	<u>(14,390,000)</u>
Operating income (loss)					
Nonoperating income (expense):					
Interest expense	26,000	11,000	2,000	-	-
	<u>(9,160,000)</u>	<u>(11,458,999)</u>	<u>(12,621,000)</u>	<u>(14,232,000)</u>	<u>(14,390,000)</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, 2013 through 2017

	2013	2014	2015	2016	2017	5-year
Receipts:						
Patient accounts	24,300,000	25,100,000	25,700,000	26,200,000	26,700,000	128,000,000
Utility bill receipts	3,800,000	4,800,000	4,800,000	4,800,000	4,800,000	23,000,000
Rate stabilization fund		1,000,000	1,000,000	500,000		2,500,000
Non-beneficiary subsidy	694,000	694,000	694,000	694,000	694,000	3,470,000
TotalCare receipts	80,000	76,000	72,000	70,000	68,000	366,000
Interest income	14,000	15,000	15,000	12,000	2,000	58,000
Total receipts	28,888,000	31,685,000	32,281,000	32,276,000	32,264,000	157,394,000
Disbursements:						
Ambulance contract	21,754,000	23,374,000	24,235,000	25,346,000	25,848,000	120,557,000
Operating expenses	5,907,000	5,751,000	5,899,000	6,052,000	6,210,000	29,819,000
Debt reduction	333,100	333,100	333,100	333,100	333,100	1,665,500
Capital expenditures	882,000	1,868,000	1,738,000	2,200,000	2,500,000	9,188,000
Total disbursements	28,876,100	31,326,100	32,205,100	33,931,100	34,891,100	161,229,500
Current year change in cash	\$ 11,900	\$ 358,900	\$ 75,900	\$ (1,655,100)	\$ (2,627,100)	\$ (3,835,500)
Cash balance at beginning of year	2,800,000	2,811,900	3,170,800	3,246,700	1,591,600	2,800,000
Increase (decrease) in cash balance for year	11,900	358,900	75,900	(1,655,100)	(2,627,100)	(3,835,500)
Cash balance at end of year	2,811,900	3,170,800	3,246,700	1,591,600	(1,035,500)	(1,035,500)
Rate Stabilization Fund Balance						
Beginning balance	1,500,000	2,500,000	1,500,000	500,000		
Current year addition	1,000,000					
Current year usage		1,000,000	1,000,000	500,000		
Ending balance	2,500,000	1,500,000	500,000	-	-	-

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

EMSA Western Division

Cash Projection

Years Ending June 30, 2013 through 2017

	2013	2014	2015	2016	2017	5-year
Receipts:						
Patient accounts	26,300,000	27,400,000	27,900,000	28,500,000	29,100,000	139,200,000
Total Care proceeds	185,000	176,000	167,000	159,000	150,000	837,000
Total receipts	<u>26,485,000</u>	<u>27,576,000</u>	<u>28,067,000</u>	<u>28,659,000</u>	<u>29,250,000</u>	<u>140,037,000</u>
Disbursements:						
Ambulance contract	27,854,000	29,100,000	30,200,000	31,700,000	33,100,000	151,954,000
Operating expenses	5,603,000	5,729,000	5,900,000	6,076,000	6,258,000	29,566,000
Capital expenditures	1,309,000	2,303,000	2,107,000	2,118,000	2,436,000	10,273,000
Debt reduction	279,000	279,000	62,000	-	-	620,000
Total disbursements	<u>35,045,000</u>	<u>37,411,000</u>	<u>38,269,000</u>	<u>39,894,000</u>	<u>41,794,000</u>	<u>192,413,000</u>
Reserve:	750,000	750,000				
Ending cash balance	<u>\$ (9,310,000)</u>	<u>\$ (10,585,000)</u>	<u>\$ (10,202,000)</u>	<u>\$ (11,235,000)</u>	<u>\$ (12,544,000)</u>	<u>\$ (52,376,000)</u>

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