

MEMORANDUM

Date: March 22, 2019
To: Board of Trustees
From: Lora Conger
Subject: **CFO Report**

Financial Review- February 2019

Attached you will find financial statements for February 2019. The financial statements are presented on a combined basis and for each division. Also included are the *Cash Rollforward* and *Capital Expenditures Variance statements*. Please note that the financial statements are unaudited.

Overview

Overall, operations are positive for both divisions. Combined net income is \$387K YTD compared to a budgeted loss of \$2M. Combined operating expenses are \$352K under budget YTD. This consists of a \$548K positive variance in the East, offset by a negative variance of \$196K in the West. If the budget overage in contractor expense in the West is removed (see further analysis below), the West's operating expenses would have a positive variance to budget that's consistent with the East. This indicates both divisions continue to do a good job of cost control. Transports for both divisions continue to exceed budget, which results in higher-than-budget gross patient service revenue (GPSR), further analysis below.

Combined Income Statement

Below is an analysis of operating revenues and expenses that vary significantly from budget.

Patient Service Revenue for the East exceeds budget by \$2.1m (3.2%) YTD and the West exceeds budget by \$4.9m (7.6%). Gross patient service revenue (GPSR) variances are attributable to higher than budgeted transports for fiscal 2019. The large variance in the West is primarily due the transport number used for budget assumed a decline in volume from the loss of two non-beneficiary cities in 2018. The projected decline for the West has not materialized in 2019, but it is skewing the budget variance when compared to the East.

The positive variance in GPSR is partially offset with a higher than budgeted contractual allowances in the West. Contractual allowances and write-offs (DFR) as a % of GPSR is 2% higher than budget YTD. Part of this is attributable to higher bad debt write-offs due to the change in collection agencies in FY19. The old agency ceased working accounts

already turned to them when EMSA switched to the new company, which resulted in the accounts being written-off. This was not anticipated.

Other Revenue exceeds budget \$229K YTD. This is due to a \$245K positive variance with special events, offset by a \$20K negative variance in subscription revenue (EmsaCare).

Ambulance Contractor is over budget approximately \$600K, predominately in the West. This is due to volume and is consistent with the West's GPSR budget variance.

Employee Compensation & Benefits is over budget YTD \$169K. The negative budget variance declined \$20K from January due to the payroll cycle timing. However, health insurance had a higher than budgeted rate-increase effective January 1, which will continue to drive the negative variance through the end of the fiscal year.

Equipment Maintenance is under budget \$180K YTD. In January, a \$55K settlement from Ford was received and recorded as a reduction in ambulance maintenance expense. The remaining variance is due to \$100K YTD variance in software licenses and maintenance. This variance is the result of a one license being invoiced at a significantly lower amount than what was budgeted (\$50K); and a few items that were duplicated in the budget, but the actual expense is recorded only once, in a different account (\$50K).

Professional Services is under budget YTD \$645K. This is primarily due to the \$500K settlement received from RSUI in September. The settlement was recorded as a reduction in legal fees.

Combined Balance Sheet

Cash is \$6.9M in February 19 compared to \$6.2 in February 18. Cash averaged approximately \$8M the last 6 months of FY18 and has averaged \$9M in the first 6 months of FY19. Current cash balance is under the average due to timing. The current ratio for February is 2.16 compared to 2.01 in the prior year. This indicates an improved liquidity position over the prior year.

Patient Accounts Receivable is up compared to prior year approximately \$1.6M. This is due to the change in the self-pay process. Overall, A/R not in collections remains relatively consistent at 25% of total A/R compared to 27% in the prior year. The allowance for contractals and bad debt as a % of A/R has increased slightly to 85% compared to 83%. This is consistent with higher write-offs in the West driving the reserve % up.

Due to Contractor balance represents our liability to AMR for December and January services. This balance usually includes two months of contractor billings.

EMSA
EMSA Combined
For the Eight Months Ending, February 28, 2019

	Month of February			For the 8 Months Ended February		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Patient service revenue:						
Emergency base rate	\$ 14,782,300	\$ 13,413,151	10.21%	\$ 121,975,100	\$ 116,406,987	4.78%
Non-emergency base rate	740,814	604,776	22.49%	6,277,325	5,248,589	19.60%
Mileage	1,028,140	921,398	11.58%	8,363,296	7,996,422	4.59%
	<u>16,551,254</u>	<u>14,939,325</u>	<u>10.79%</u>	<u>136,615,721</u>	<u>129,651,998</u>	<u>5.37%</u>
Deductions from revenue:						
Contractual allowances and bad debts	11,753,489	11,342,250	-3.63%	95,978,258	90,738,000	-5.78%
Collection fees and expenses	66,443	57,750	-15.05%	440,414	462,000	4.67%
	<u>11,819,931</u>	<u>11,400,000</u>	<u>-3.68%</u>	<u>96,418,672</u>	<u>91,200,000</u>	<u>-5.72%</u>
Net patient service revenue	<u>4,731,322</u>	<u>3,539,325</u>	<u>33.68%</u>	<u>40,197,048</u>	<u>38,451,998</u>	<u>4.54%</u>
Other Revenue						
Special events	48,019	29,000	65.58%	476,858	232,000	105.54%
Subscription membership	17,472	16,667	4.83%	111,612	133,333	-16.29%
Other revenue	807,825	869,167	-7.06%	6,894,398	6,888,333	0.09%
Other revenue	<u>873,315</u>	<u>914,833</u>	<u>-4.54%</u>	<u>7,482,867</u>	<u>7,253,667</u>	<u>3.16%</u>
Total Operating Revenue	<u>5,604,637</u>	<u>4,454,158</u>	<u>25.83%</u>	<u>47,679,915</u>	<u>45,705,665</u>	<u>4.32%</u>
Operating expenses other than depreciation:						
Ambulance contract expense	4,497,651	4,491,390	-0.14%	37,164,511	36,564,401	-1.64%
Employee compensation & benefits	350,783	362,653	3.27%	3,069,784	2,901,227	-5.81%
Medical supplies	15,224	22,500	32.34%	81,245	180,000	54.86%
Building rent, utilities and maintenance	81,800	105,000	22.10%	781,996	840,000	6.91%
Equipment maintenance	213,509	184,583	-15.67%	1,296,323	1,476,667	12.21%
EmsaCare campaign	5,624	3,750	-49.98%	22,006	30,000	26.65%
Quality assurance fees	75,326	75,333	0.01%	602,605	602,667	0.01%
Telephone	97,308	77,917	-24.89%	706,350	623,333	-13.32%
Professional services	44,266	67,621	34.54%	(101,413)	540,967	118.75%
Miscellaneous supplies	25,118	39,250	36.01%	227,299	314,000	27.61%
Postage and courier service	5,692	6,583	13.55%	42,574	52,667	19.16%
Equipment lease	467	1,775	73.67%	11,662	14,200	17.87%
Other fees and expenses	41,278	59,417	30.53%	378,097	475,333	20.46%
Community relations	15,685	7,833	-100.23%	45,104	62,667	28.03%
Office supplies	2,794	3,833	27.11%	18,852	30,667	38.53%
Insurance	19,130	17,833	-7.27%	139,193	142,667	2.43%
Travel, meals, and training	15,104	3,083	-389.85%	37,880	24,667	-53.57%
	<u>5,506,758</u>	<u>5,530,356</u>	<u>0.43%</u>	<u>44,524,067</u>	<u>44,876,128</u>	<u>0.78%</u>
Operating inc. (loss) before depr.	97,879	(1,076,198)	-109.09%	3,155,849	829,537	280.43%
Depreciation	333,333	333,333	0.00%	2,666,667	2,666,667	0.00%
Operating income (loss)	<u>(235,454)</u>	<u>(1,409,531)</u>	<u>-83.30%</u>	<u>489,182</u>	<u>(1,837,130)</u>	<u>-126.63%</u>
Nonoperating expense:						
Interest expense	37,717	-	0.00%	149,707	134,268	-11.50%
Nonoperating expense	<u>37,717</u>	<u>-</u>	<u>0.00%</u>	<u>149,707</u>	<u>134,268</u>	<u>-11.50%</u>
Nonoperating income - interest income	8,421	-	0.00%	47,539	-	0.00%
Net income (loss)	<u>\$ (264,750)</u>	<u>\$ (1,409,531)</u>	<u>81.22%</u>	<u>\$ 387,014</u>	<u>\$ (1,971,398)</u>	<u>119.63%</u>

EMSA
EMSA Eastern Division
For the Eight Months Ending, February 28, 2019

	Month of February			For the 8 Months Ended February		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Patient service revenue:						
Emergency base rate	\$ 7,209,800	\$ 6,731,507	7.11%	\$ 59,926,100	\$ 58,419,865	2.58%
Non-emergency base rate	364,230	312,296	16.63%	3,140,065	2,710,282	15.86%
Mileage	490,500	448,338	9.40%	4,034,700	3,890,937	3.69%
	<u>8,064,530</u>	<u>7,492,141</u>	<u>7.64%</u>	<u>67,100,865</u>	<u>65,021,084</u>	<u>3.20%</u>
Deductions from revenue:						
Contractual allowances and bad debts	5,726,029	5,775,000	0.85%	46,825,976	46,200,000	-1.35%
Collection fees and expenses	32,682	25,000	-30.73%	209,643	200,000	-4.82%
	<u>5,758,711</u>	<u>5,800,000</u>	<u>0.71%</u>	<u>47,035,619</u>	<u>46,400,000</u>	<u>-1.37%</u>
Net patient service revenue	2,305,819	1,692,141	36.27%	20,065,246	18,621,084	7.76%
Other Revenue						
Special events	29,939	14,000	113.85%	315,685	112,000	181.86%
Subscription membership	8,476	8,333	1.71%	57,040	66,667	-14.44%
Other revenue	427,274	467,083	-8.52%	3,771,522	3,671,667	2.72%
Other revenue	<u>465,688</u>	<u>489,417</u>	<u>-4.85%</u>	<u>4,144,248</u>	<u>3,850,333</u>	<u>7.63%</u>
Total Operating Revenue	2,771,508	2,181,558	27.04%	24,209,494	22,471,417	7.73%
Operating expenses other than depreciation:						
Ambulance contract expense	2,111,054	2,165,853	2.53%	17,575,479	17,606,273	0.17%
Employee compensation & benefits	169,255	174,074	2.77%	1,460,063	1,392,589	-4.85%
Medical supplies	6,811	11,333	39.90%	46,338	90,667	48.89%
Building rent, utilities and maintenance	15,611	33,917	53.97%	224,864	271,333	17.13%
Equipment maintenance	97,484	88,750	-9.84%	610,346	710,000	14.04%
EmsaCare campaign	2,743	2,500	-9.72%	15,214	20,000	23.93%
Quality assurance fees	37,758	37,750	-0.02%	302,061	302,000	-0.02%
Telephone	40,079	31,500	-27.23%	286,956	252,000	-13.87%
Professional services	21,226	32,333	34.35%	(46,356)	258,667	117.92%
Miscellaneous supplies	12,874	20,583	37.45%	95,478	164,667	42.02%
Postage and courier service	2,464	3,167	22.18%	20,128	25,333	20.55%
Equipment lease	217	1,025	78.88%	5,931	8,200	27.67%
Other fees and expenses	19,935	28,250	29.44%	205,771	226,000	8.95%
Community relations	7,403	5,250	-41.01%	21,312	42,000	49.26%
Office supplies	1,298	1,917	32.30%	8,218	15,333	46.40%
Insurance	10,139	9,833	-3.11%	75,555	78,667	3.96%
Travel, meals, and training	7,142	1,250	-471.40%	18,104	10,000	-81.04%
	<u>2,563,493</u>	<u>2,649,285</u>	<u>3.24%</u>	<u>20,925,463</u>	<u>21,473,728</u>	<u>2.55%</u>
Operating inc. (loss) before depr.	208,015	(467,727)	-144.47%	3,284,032	997,689	229.16%
Depreciation	250,000	250,000	0.00%	2,000,000	2,000,000	0.00%
Operating income (loss)	<u>(41,985)</u>	<u>(717,727)</u>	<u>-94.15%</u>	<u>1,284,032</u>	<u>(1,002,311)</u>	<u>-228.11%</u>
Nonoperating expense:						
Interest expense	37,717	-	0.00%	124,527	109,268	-13.96%
Nonoperating expense	<u>37,717</u>	<u>-</u>	<u>0.00%</u>	<u>124,527</u>	<u>109,268</u>	<u>-13.96%</u>
Nonoperating income - interest income	2,995	-	0.00%	17,436	-	0.00%
Net income (loss)	<u>\$ (76,707)</u>	<u>\$ (717,727)</u>	<u>89.31%</u>	<u>\$ 1,176,941</u>	<u>\$ (1,111,579)</u>	<u>205.88%</u>

EMSA
EMSA Western Division
For the Eight Months Ending, February 28, 2019

	Month of February			For the 8 Months Ended February		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Patient service revenue:						
Emergency base rate	7,572,500	6,681,644	13.33%	62,049,000	57,987,122	7.00%
Non-emergency base rate	376,584	292,480	28.76%	3,137,260	2,538,307	23.60%
Mileage	537,640	473,060	13.65%	4,328,596	4,105,485	5.43%
	<u>8,486,724</u>	<u>7,447,184</u>	<u>13.96%</u>	<u>69,514,856</u>	<u>64,630,914</u>	<u>7.56%</u>
Deductions from revenue:						
Contractual allowances and bad debts	6,027,460	5,567,250	-8.27%	49,152,283	44,538,000	-10.36%
Collection fees and expenses	33,760	32,750	-3.09%	230,771	262,000	11.92%
	<u>6,061,221</u>	<u>5,600,000</u>	<u>-8.24%</u>	<u>49,383,054</u>	<u>44,800,000</u>	<u>-10.23%</u>
Net patient service revenue	<u>2,425,503</u>	<u>1,847,184</u>	<u>31.31%</u>	<u>20,131,802</u>	<u>19,830,914</u>	<u>1.52%</u>
Other Revenue						
Special events	18,080	15,000	20.53%	161,173	120,000	34.31%
Subscription membership	8,996	8,333	7.95%	54,571	66,667	-18.14%
Other revenue	380,551	402,083	-5.36%	3,122,875	3,216,667	-2.92%
Other revenue	<u>407,627</u>	<u>425,417</u>	<u>-4.18%</u>	<u>3,338,619</u>	<u>3,403,333</u>	<u>-1.90%</u>
Total Operating Revenue	2,833,130	2,272,601	24.66%	23,470,421	23,234,247	1.02%
Operating expenses other than depreciation:						
Ambulance contract expense	2,386,597	2,325,537	-2.63%	19,589,032	18,958,128	-3.33%
Employee compensation & benefits	181,528	188,580	3.74%	1,609,721	1,508,638	-6.70%
Medical supplies	8,413	11,167	24.66%	34,907	89,333	60.93%
Building rent, utilities and maintenance	66,189	71,083	6.89%	557,132	568,667	2.03%
Equipment maintenance	116,025	95,833	-21.07%	685,977	766,667	10.52%
EmsaCare campaign	2,881	1,250	-130.50%	6,792	10,000	32.08%
Quality assurance fees	37,568	37,583	0.04%	300,545	300,667	0.04%
Telephone	57,229	46,417	-23.30%	419,394	371,333	-12.94%
Professional services	23,039	35,288	34.71%	(55,057)	282,300	119.50%
Miscellaneous supplies	12,244	18,667	34.41%	131,820	149,333	11.73%
Postage and courier service	3,227	3,417	5.55%	22,446	27,333	17.88%
Equipment lease	251	750	66.56%	5,731	6,000	4.48%
Other fees and expenses	21,343	31,167	31.52%	172,325	249,333	30.89%
Community relations	8,281	2,583	-220.57%	23,791	20,667	-15.12%
Office supplies	1,497	1,917	21.92%	10,634	15,333	30.65%
Insurance	8,991	8,000	-12.39%	63,638	64,000	0.57%
Travel, meals, and training	7,961	1,833	-334.26%	19,776	14,667	-34.84%
	<u>2,943,266</u>	<u>2,881,071</u>	<u>-2.16%</u>	<u>23,598,604</u>	<u>23,402,399</u>	<u>-0.84%</u>
Operating inc. (loss) before depr.	(110,136)	(608,470)	-81.90%	(128,183)	(168,152)	-23.77%
Depreciation	83,333	83,333	0.00%	666,667	666,667	0.00%
Operating income (loss)	<u>(193,469)</u>	<u>(691,804)</u>	<u>-72.03%</u>	<u>(794,850)</u>	<u>(834,819)</u>	<u>-4.79%</u>
Nonoperating expense:						
Interest expense	-	-	0.00%	25,180	25,000	-0.72%
Nonoperating expense	-	-	0.00%	25,180	25,000	-0.72%
Nonoperating income - interest income	5,426	-	0.00%	30,103	-	0.00%
Net income (loss)	<u>(188,043)</u>	<u>(691,804)</u>	<u>72.82%</u>	<u>(789,928)</u>	<u>(859,819)</u>	<u>8.13%</u>

EMSA
EMSA Combined
For the Eight Months Ending, February 28, 2019

Assets	2019	2018
Current assets:		
Cash and cash equivalents:		
Cash in banks	(174,323)	177,039
Petty cash	200	1,200
Invested cash	7,090,437	5,967,263
	6,916,313	6,145,502
Patient accounts receivable:		
Patient accounts receivable	29,424,463	27,814,331
Receivables in collection	89,423,165	74,795,000
	118,847,629	102,609,331
Less allowance for contractual allowances and bad debts	100,996,824	84,828,291
Net patient accounts receivable	17,850,805	17,781,040
Other receivables:		
Due from contractor	546,335	722,357
Due from collection agency	15,590	31,954
Other miscellaneous receivables	6,908,259	7,852,450
Allowance for other receivable	(6,436,464)	(6,436,464)
	1,033,720	2,170,297
Other current assets:		
Prepaid assets	1,177,443	792,367
Other, principally funds held by trustee	(69,280)	(243,310)
	1,108,163	549,057
Total current assets	26,909,000	26,645,896
Property and equipment:		
Communication equipment	9,663,822	9,489,481
Buildings and leasehold improvements	9,646,489	3,994,114
Ambulances	15,255,955	14,642,428
Data processing equipment	8,249,905	7,778,364
On-board equipment	10,124,351	8,322,964
Office furniture and equipment	1,391,368	1,391,368
Miscellaneous other equipment	1,725,394	1,681,973
Land	64,200	64,200
Transportation equipment	678,518	639,743
Prepaid assets	1,832,905	10,184,340
Capital Lease	739,910	739,910
	59,372,818	58,928,885
Less accumulated depreciation	44,746,714	42,805,509
Net property and equipment	14,626,104	16,123,376
Other assets	37,057	46,320
Total assets	\$ 41,572,161	\$ 42,815,592

EMSA
EMSA Combined
For the Eight Months Ending, February 28, 2019

	2019	2018
Liabilities and Division Capital		
Current liabilities:		
Accounts payable and accrued liabilities	1,520,632	2,304,130
Due to contractor	9,241,077	9,257,790
Due to Quality Assurance Fund	300,668	340,561
Accrued retirement	256,925	229,749
Accrued salaries and wages	351,285	386,720
Current installments of long-term debt	716,560	634,395
Accrued interest payable	162	26
Deferred revenue	69,887	74,602
Total current liabilities	12,457,196	13,227,972
Long-term debt	4,951,414	6,324,083
Total liabilities	17,408,610	19,552,055
Division capital:		
Contributed capital	92,310,353	90,232,181
Retained earnings (deficit)	(68,533,816)	(62,381,582)
Current year earnings (loss)	387,014	(4,587,062)
Total division capital	24,163,551	23,263,537
Total liabilities & division capital	\$ 41,572,161	\$ 42,815,592

EMSA
EMSA Eastern Division
For the Eight Months Ending, February 28, 2019

Assets	2019	2018
Current assets:		
Cash and cash equivalents:		
Cash in banks	(560,830)	(60,938)
Petty cash	100	600
Invested cash	2,112,365	1,410,125
	1,551,635	1,349,787
Patient accounts receivable:		
Patient accounts receivable	13,392,190	12,934,930
Receivables in collection	45,802,609	36,983,000
	59,194,799	49,917,930
Less allowance for contractual allowances and bad debts	50,591,238	42,000,710
Net patient accounts receivable	8,603,561	7,917,220
Other receivables:		
Due from contractor	546,335	722,357
Due from collection agency	9,201	14,188
Other miscellaneous receivables	3,447,155	3,111,678
Allowance for other receivable	(3,005,285)	(3,005,285)
	997,406	842,939
Other current assets:		
Prepaid assets	543,123	367,030
Other, principally funds held by trustee	(94,716)	(237,737)
	448,407	129,294
Total current assets	11,601,009	10,239,239
Property and equipment:		
Communication equipment	4,785,265	4,758,552
Buildings and leasehold improvements	8,983,849	3,331,474
Ambulances	10,243,720	8,847,059
Data processing equipment	4,132,331	3,913,090
On-board equipment	5,435,534	4,571,178
Office furniture and equipment	620,544	620,544
Miscellaneous other equipment	981,728	961,664
Land	64,200	64,200
Transportation equipment	444,551	405,776
Prepaid assets	1,019,136	8,589,428
Capital Lease	338,088	338,088
	37,048,946	36,401,051
Less accumulated depreciation	25,949,421	23,999,521
Net property and equipment	11,099,525	12,401,530
Other assets	29,596	44,859
Total assets	\$ 22,730,130	\$ 22,685,627

EMSA
EMSA Eastern Division
For the Eight Months Ending, February 28, 2019

	2019	2018
Liabilities and Division Capital		
Current liabilities:		
Accounts payable and accrued liabilities	1,217,079	1,956,653
Due to contractor	4,339,985	4,472,276
Due to Quality Assurance Fund	300,668	340,561
Accrued retirement	134,290	121,846
Accrued salaries and wages	170,943	183,560
Current installments of long-term debt	528,572	454,436
Accrued interest payable	162	26
Deferred revenue	33,903	36,239
Total current liabilities	6,725,601	7,565,597
Long-term debt	4,755,042	5,939,723
Total liabilities	11,480,644	13,505,320
Division capital:		
Contributed capital	9,339,370	8,946,836
Retained earnings (deficit)	733,175	1,101,802
Current year earnings (loss)	1,176,941	(868,331)
Total division capital	11,249,486	9,180,307
Total liabilities & division capital	\$ 22,730,130	\$ 22,685,627

EMSA
EMSA Western Division
For the Eight Months Ending, February 28, 2019

Assets	2019	2018
Current assets:		
Cash and cash equivalents:		
Cash in banks	386,506	237,977
Petty cash	100	600
Invested cash	4,978,072	4,557,138
	5,364,678	4,795,715
Patient accounts receivable:		
Patient accounts receivable	16,032,273	14,879,401
Receivables in collection	43,620,556	37,812,000
	59,652,830	52,691,401
Less allowance for contractual allowances and bad debts	50,405,586	42,827,581
Net patient accounts receivable	9,247,244	9,863,820
Other receivables:		
Due from collection agency	6,389	17,766
Other miscellaneous receivables	3,461,104	4,740,772
Allowance for other receivable	(3,431,179)	(3,431,179)
	36,314	1,327,358
Other current assets:		
Prepaid assets	634,320	425,337
Other, principally funds held by trustee	25,436	(5,573)
	659,756	419,764
Total current assets	15,307,991	16,406,657
Property and equipment:		
Communication equipment	4,878,557	4,730,929
Buildings and leasehold improvements	662,639	662,639
Ambulances	5,012,235	5,795,370
Data processing equipment	4,117,574	3,865,274
On-board equipment	4,688,817	3,751,786
Office furniture and equipment	770,825	770,825
Miscellaneous other equipment	743,666	720,309
Transportation equipment	233,967	233,967
Prepaid assets	813,769	1,594,912
Capital Lease	401,823	401,823
	22,323,872	22,527,834
Less accumulated depreciation	18,797,293	18,805,988
Net property and equipment	3,526,579	3,721,846
Other assets	7,461	1,461
Total assets	\$ 18,842,031	\$ 20,129,965

EMSA
EMSA Western Division
For the Eight Months Ending, February 28, 2019

	2019	2018
Liabilities and Division Capital		
Current liabilities:		
Accounts payable and accrued liabilities	303,553	347,476
Due to contractor	4,901,092	4,785,514
Accrued retirement	122,636	107,903
Accrued salaries and wages	180,342	203,160
Current installments of long-term debt	187,988	179,959
Deferred revenue	35,984	38,363
Total current liabilities	5,731,595	5,662,375
Long-term debt	196,372	384,360
Total liabilities	5,927,967	6,046,735
Division capital:		
Contributed capital	82,970,983	81,285,345
Retained earnings (deficit)	(69,266,990)	(63,483,384)
Current year earnings (loss)	(789,928)	(3,718,731)
Total division capital	12,914,065	14,083,229
Total liabilities & division capital	\$ 18,842,031	\$ 20,129,965

EMSA Eastern Division
Statement of Cash Flows
Eight Months Ended February 28, 2019

Net Income (loss)		1,176,941
Add: Depreciation	2,000,000	
Increase in allowance for doubtful accounts	6,364,528	
Increase in deferred revenue	33,903	8,398,431
Changes in working capital:		
Increase in patient receivables	(8,678,968)	
Increase in other receivables	(221,596)	
Increase in other assets	(153,268)	
Decrease in accounts payable	(1,455,127)	
Increase in accrued liabilities	274,338	(10,234,621)
Net Property Additions:		(1,019,136)
Debt Service/ Loan Proceeds		(995,322)
Net Contributed Capital		-
Change in cash and cash equivalents:		(2,673,707)
Cash balance @6/30/18		4,225,342
Cash balance @2/28/19		1,551,635
Change in cash		(2,673,707)

**EMSA Western Division
Statement of Cash Flows
Eight Months Ended February 28, 2019**

Net income (loss)		(789,928)
Add: Depreciation	666,667	
Increase in allowance for doubtful accounts	5,845,005	
Increase in deferred revenue	35,984	6,547,656
Changes in working capital:		
Increase in patient receivables	(6,784,564)	
Decrease in other receivables	400,347	
Increase in other assets	(358,598)	
Increase in accounts payable	634,846	
Decrease in accrued liabilities	(18,290)	(6,126,259)
Net Property (Additions)/Dispositions		(583,945)
Debt Service/Loan proceeds		(179,959)
Contributed Capital		-
Change in cash and cash equivalents:		(1,132,435)
Cash balance @6/30/18		6,497,113
Cash balance @2/28/19		5,364,678
Change in cash		(1,132,435)

**EMSA Eastern Division
Capital Expenditures Variance
Year Ending June 30, 2019**

Through February

Description	Budget	Actual EMSA	Under (Over) Budget
Ambulances			
<i>2019 Ambulances (eleven)</i>			
Replacement units	1,392,000		1,392,000
<i>2018 Ambulances</i>			
Replacement units	332,000	760,735	(428,735)
Miscellaneous	20,000		20,000
Repairs	25,000	15,452	9,548
On board equipment:			
Cots	522,000		522,000
Clinical pads	243,000	123,073	119,927
Miscellaneous	33,000		33,000
Building expenses:			
Office furniture	10,000		10,000
Garage general	15,000		15,000
Miscellaneous	44,000	13,855	30,145
Computer equipment:			
Firewall and network security	47,000		47,000
Miscellaneous	100,000	106,020	(6,020)
TOTAL	2,783,000	1,019,136	1,763,864

**EMSA Western Division
Capital Expenditures Variance
Year Ending June 30, 2019**

Through February

Description	Budget	Actual OKC	Actual EMSA	Under (Over) Budget
Ambulances				
<i>2019 ambulance replacement-(eleven)</i>				
Replacement units	1,392,000	126,538		1,265,462
Miscellaneous	25,000			25,000
Repairs	20,000		78,807	(58,807)
Administrative vehicle	40,000		27,212	12,788
On board equipment:				
Stair chairs	5,000			5,000
Clinical pads	268,000		139,956	128,044
Miscellaneous	39,000			39,000
CAD and radio equipment:				
Radio infrastructure (NG911)	117,500		88,128	29,372
Building expenses:				
Bldg Improvements	10,000			10,000
Miscellaneous	49,000		10,500	38,500
Computer equipment:				
Server upgrade (accounting)	10,000			10,000
UPS batteries	5,000			5,000
Miscellaneous	100,000		112,804	(12,804)
TOTAL	2,080,500	126,538	457,407	1,496,555

EMSA
Cash Rollforward
Year Ending June 30, 2019

	Eastern Division Actual	Eastern Division Budget	Eastern Division Variance	Western Division Actual	Western Division Budget	Western Division Variance	Combined Actual	Combined Budget	Combined Variance
Balance at June 30, 2018	\$ 3,767,531	\$ 3,767,531	-	6,954,925	6,954,925	-	10,722,456	10,722,456	-
Net revenue collected	21,403,375	17,974,233	3,429,142	18,158,345	19,173,315	(1,014,970)	39,561,720	37,147,548	2,414,172
Utility bill receipts	3,361,000	3,216,498	144,502	-	-	-	3,361,000	3,216,498	144,502
EMSACare proceeds	89,838	100,000	(10,162)	59,998	100,000	(40,002)	149,836	200,000	(50,164)
Payment to contractor	(17,678,192)	(17,395,997)	(282,195)	(19,621,436)	(14,152,634)	(5,468,802)	(37,299,628)	(31,548,631)	(5,750,997)
Change in Working Capital	(7,982,156)	(3,381,000)	(4,601,156)	(2,627,694)	(3,349,000)	721,306	(10,609,850)	(6,730,000)	(3,879,850)
Capital expenditures	(934,392)	(1,624,000)	689,608	(499,213)	(867,000)	367,787	(1,433,605)	(2,491,000)	1,057,395
Net debt proceeds/(reduction)&int	(894,466)	(775,000)	(119,466)	(205,138)	(205,000)	(138)	(1,099,604)	(980,000)	(119,604)
Interest/other income	26,563	-	26,563	24,442	24,442	24,442	51,005	-	51,005
Subsidies	392,534	390,168	2,366	3,120,449	3,193,463	(73,014)	3,512,983	3,583,631	(70,648)
Balance at February 28, 2019	1,551,635	2,272,433	(720,798)	5,364,678	10,848,069	(5,483,391)	6,916,313	13,120,502	(6,204,189)
(1) FY18 Other Western Subsidy	8,904	-	(2)	392,534	FY19 Other Eastern Subsidy	-	-	-	-
FY19 Edmond Subsidy	313,958	-	-	-	-	-	-	-	-
FY19 Other Western Subsidy	146,885	-	-	392,534	-	-	-	-	-
FY18 Oklahoma City Subsidy	168,188	-	-	-	-	-	-	-	-
FY19 Oklahoma City Subsidy	2,482,514	-	-	-	-	-	-	-	-
	3,120,449	-	-	-	-	-	-	-	-
					West - Cash	5,364,678			
					Λ/R	(472,720)			
					Net	4,891,958			

NOTE: The cash balance is net of the intercompany receivable/payable which results from consolidating the accounts payable function.