

## MEMORANDUM

Date: May 22, 2013

To: Board of Trustees

From: Kent Torrence

Subject: **Budget for Year Ending June 30, 2014**

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Included with this memo are the following for the year ending June 30, 2014:

- 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 2014 compare to estimated actual expenses for the year ended June 30, 2013.

### *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 2014 budget and forecasts for years 2015-2018, 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*

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

	2014 Budget Eastern	2013 Budget Eastern	2013 Actual* Eastern	2014 Budget Western	2013 Budget Western	2013 Actual* Western
Emergency	62,000	58,000	60,800	74,200	70,100	72,800
Non-emergency	9,000	9,300	9,200	3,500	1,700	3,400
Total	71,000	67,300	70,000	77,750	71,800	76,200

\* 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 \$1,300 to \$1,500 and the mileage rate is increased from \$9 to \$12 per mile effective July 1, 2013 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 rate increase consistent with prior years.

*First Responder Fee*

The First Responder fee paid to the City of Tulsa and to the Eastern non-beneficiaries in the prior year is eliminated due to budget limitations.

*Employee Compensation and Benefits*

Employee compensation and benefits reflect a 3% increase in wage rates, an increase of 3 FTEs (1 in billing, 1 in patient financial services and 1 in communications ) to respond to increased demand, an increase in healthcare costs (10%), all offset by a decrease in certain salaries to reflect decreased responsibility and decreased overtime brought about by both organizational changes and process changes in the billing process.

*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 2014 reflects expenses per contractual obligations.

*TotalCare Campaign Expenses*

The costs of printing and mailing applications decreases as subscription membership decreases.

*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 leased equipment is replaced by purchased equipment. Replacement of leased machines with purchased machines is projected to have a 3-year payback and save approximately \$150,000 over the next five years.

*Quality Assurance Fees*

The increase includes a 3% increase in wages for OMD support staff, an increase in health insurance costs and the costs to upgrade the cardiac arrest data base.

*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 decline due to less services associated with media related events. It is estimated that thru the end of fiscal year 2013 media event related legal costs will have

totaled \$200,000. Accounting and auditing decreases as the costs associated with the state audit are not repeated.

*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 TotalCare 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 in the West is eliminated with the new paging system.

*Office Supplies*

Office supplies reflect an increase in volume and price for recurring items and an increase in the purchase of toner for company owned machines that were previously leased. See previous explanation of "equipment maintenance expense".

*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, an increase in property values and the addition of cyber coverage.

*Business Travel and Training Expense*

Business travel approximates prior year.

*Other Fees and Expenses*

These services are effected by increases in volume and increases in the cost of these services.

*Depreciation*

The fixed asset system projects depreciation on current balances and 2014–2018 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 2014.

*Cash Projections for 2014 through 2018*

The cash, division capital and net income (loss) projections for fiscal 2014 through 2018 are based on the following assumptions:

1. It is assumed that transports increase by 2% per year through 6/30/2018.
2. The emergency rate is increased from \$1300 to \$1500 effective July 1, 2013. It is increased from \$1500 to \$1800 effective July 1, 2014 and held at that rate through 2018. The mileage rate is increased from \$9 to \$12 per mile effective July 1, 2013.
3. There will be no 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 2018.
6. Other operating expenses are increased 3% per year for inflation.
7. TotalCare subscription 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. Subscription rates increase consistent with the increase noted in #8 below.
8. It is assumed that the Eastern utility bill rate is increased from \$3.64 to \$5.64 beginning July 1, 2015 or the fiscal year ended June 30, 2016. It would take a \$500 increase in the emergency rate to have the same effect as the above.
9. The East forecast includes \$1,750,000 of First Responder capital/supply costs.
10. It is assumed and expected that the Western Division will subsidize the projected cash deficits.

**EMSA**  
**Comparison of Budget to Actual**  
**6/30/14**

	June 30, 2014			%	Actual for June 30, 2013		
	Eastern Division	Western Division	EMSA Total		Eastern Division	Western Division	EMSA Total
Net patient service revenue:							
Ambulance revenue	\$ 101,200.000	118,800.000	220,000.000	20.0%	83,926.990	99,361.640	183,288.630
Utility bill revenue	6,200.000		6,200.000	40.1%	4,424.910		4,424.910
Subscription revenue	80.000	160.000	240.000	-13.6%	87.780	190.000	277.780
Special Events	115.000	126.000	241.000	0.1%	114.380	126.350	240.730
Total patient service revenue	107,595.000	119,086.000	226,681.000	20.4%	88,554.060	99,677.990	188,232.050
Deductions from revenue	76,200.000	90,100.000	166,300.000	25.1%	60,626.720	72,352.000	132,978.720
Net patient service revenue	31,395.000	28,986.000	60,381.000	9.3%	27,927.340	27,325.990	55,253.330
Operating expenses other than depreciation and amortization:							
Ambulance service contract	24,300.000	31,000.000	55,300.000	6.7%	23,869,138	27,970,618	51,839,756
First responder fee			0	-100.0%	687.000		687.000
Employee compensation and benefits*	1,626.000	1,834.000	3,460.000	2.1%	1,634,570	1,755.600	3,390,170
Medical supplies							
Nondisposable equipment and supplies	1,069.000	675.000	1,744.000	3.4%	1,033,410	653,030	1,686,440
Medical waste disposal	11,300	20.000	31,300	10.0%	6,650	21,812	28,462
Building rent, utilities and maintenance expense							
Rent	6.600	366,000	372,600	1.9%	6,650	359,100	365,750
Utilities	99.000	122,000	221,000	7.9%	90.440	114,380	204,820
Repairs and maintenance	130.000	117,000	247,000	11.9%	121,030	99,750	220,780
Janitorial	27,000	17,500	44,500	7.9%	22,610	18,620	41,230
TotalCare campaign expenses	20,000	15,000	35,000	-8.1%	18,000	20,083	38,083
Equipment maintenance expense							
Radio and communication equipment	116,000	130,000	246,000	-24.5%	160,930	164,920	325,850
CAD equipment	184,000	207,000	391,000	2.4%	187,530	194,180	381,710
Computer equipment	14,000	16,000	30,000	0.0%	14,000	16,000	30,000
Office equipment	6,000	6,500	12,500	-76.1%	25,802	26,600	52,402
Medical equipment	76,000	85,000	161,000	3.5%	75,810	79,800	155,610
Ambulances	25,000	30,000	55,000	14.2%	30,058	18,088	48,146

**EMSA**  
**Comparison of Budget to Actual**  
**6/30/14**

	June 30, 2014				Actual for June 30, 2013		
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Other	168,000	187,000	355,000	1.5%	174,363	175,560	349,923
Quality assurance fees	393,000	413,000	806,000	6.5%	363,090	393,680	756,770
Telephonic expense							
Base	283,000	400,000	683,000	1.9%	333,830	336,490	670,320
Cellular	133,000	135,000	268,000	107.7%	61,180	67,830	129,010
Professional services expense							
Accounting and auditing	20,000	23,000	43,000	-61.9%	52,600	60,150	112,750
Legal	40,000	45,000	85,000	-42.0%	70,490	75,943	146,433
Pension plans	3,000	2,800	5,800	50.4%	1,862	1,995	3,857
Government relations	28,000	32,000	60,000	3.3%	29,462	28,595	58,057
Medicare consulting	19,000	18,000	37,000	9.1%	16,625	17,290	33,915
Other consulting	45,000	45,000	90,000	2.5%	43,890	43,890	87,780
Community relations							
Professional services	25,000	30,000	55,000	-26.4%	37,506	37,240	74,746
State fair	11,000		11,000	0.0%	11,000	-	11,000
Other	290,000	40,000	330,000	21.6%	236,740	34,580	271,320
Postage and courier expense							
Postage - general	35,000	36,000	71,000	3.9%	33,782	34,580	68,362
Courier service	9,000	10,000	19,000	13.4%	7,980	8,778	16,758
Equipment lease expense							
Towers	21,000	0	21,000	-78.5%	21,413	76,474	97,887
Other	7,000	8,000	15,000	-1.9%	7,980	7,315	15,295
Office supplies expense	41,000	41,000	82,000	69.2%	22,800	25,669	48,469
Miscellaneous supplies expense							
Janitorial	3,800	3,600	7,400	5.7%	3,300	3,700	7,000
Software	25,000	25,000	50,000	41.9%	17,290	17,955	35,245
Repair supplies	40,000	40,000	80,000	9.4%	42,560	30,590	73,150
Outside copying/printing	20,000	20,000	40,000	-20.0%	25,270	24,738	50,008
Other	96,000	101,000	197,000	2.8%	105,070	86,583	191,653
Insurance expense	99,000	81,000	180,000	19.6%	86,257	64,222	150,479
Business travel and training expense	25,000	28,000	53,000	3.9%	24,000	27,000	51,000
Other fees and expenses							

**EMSA**  
**Comparison of Budget to Actual**  
**6/30/14**

	June 30, 2014				Actual for June 30, 2013		
	Eastern Division	Western Division	EMSA Total	% Change	Eastern Division	Western Division	EMSA Total
Medicaid terminal	14,000	14,500	28,500	7.5%	13,000	13,500	26,500
Pike Pass	1,900	2,100	4,000	11.4%	1,729	1,862	3,591
Outside mailing services	72,000	75,000	147,000	11.9%	63,840	67,564	131,404
Offsite storage	19,000	7,000	26,000	10.4%	18,221	5,320	23,541
Bank charges	23,000	25,000	48,000	7.4%	21,147	23,541	44,688
Weather paging/archiving/ACOG	76,000	102,000	178,000	18.9%	65,170	84,588	149,758
Miscellaneous other fees	(140,000)	140,000	0	#DIV/0!	(119,700)	119,700	0
Subscriptions	4,200	4,200	8,400	0.3%	4,123	4,256	8,379
Dues	14,000	18,000	32,000	14.3%	12,000	16,000	28,000
	29,673,800	36,793,200	66,467,000	4.8%	29,893,498	33,529,759	63,423,257
Operating income (loss) before depreciation	1,721,200	(7,807,200)	(6,086,000)	-25.5%	(1,966,158)	(6,203,769)	(8,169,927)
Depreciation & Amortization	2,221,000	1,874,000	4,095,000	1.7%	2,149,280	1,877,960	4,027,240
Operating income (loss)	(499,800)	(9,681,200)	(10,181,000)	-16.5%	(4,115,438)	(8,081,729)	(12,197,167)
Nonoperating income (expense):							
Interest expense	74,000	12,000	86,000	155.6%	-	33,649	33,649
Interest income	5,000		5,000	-37.3%	5,320	2,660	7,980
Total nonoperating income (expense)	(69,000)	(12,000)	(81,000)	215.6%	5,320	(30,989)	(25,669)
Net income (loss)	(568,800)	(9,693,200)	(10,262,000)	-16.0%	(4,110,118)	(8,112,718)	(12,222,836)

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

Note: 6/30/13 figures are annualized nine months ended 3/31/13

\* Additional information included in schedules that follow



**EMSA**

**Budget for Payroll and Benefits**

Year Ending June 30, 2014

# of Employees	Department	Hourly or Bi-mo.	Job Title	Annual Comp.	Car Allow.	Total Comp.	FICA	Medical	Dental	Life	AD&D	LTD	Retirement	Total
4	OFFICERS			\$ 656,674	\$ 14,400	\$ 671,074	\$ 37,928	\$ 34,450	\$ 1,600	\$ 2,206	\$ 201	\$ 1,335	\$ 71,183	\$ 819,977
8	MANAGEMENT AND SUPPORT			391,516		391,516	29,951	32,796	2,800	1,246	111	1,050	34,116	493,586
4	CODERS			136,469		136,469	10,440	14,528	1,600	459	41	479	12,555	176,570
11	PRE-INVOICE			338,668		338,668	25,908	66,419	4,400	1,138	102	1,259	31,157	469,051
2	ACCOUNTING/FINANCE			110,038		110,038	8,418	9,961	800	370	33	306	10,123	140,049
5	INFORMATION SERVICES			274,410		274,410	20,992	33,623	2,000	895	79	747	25,246	357,992
18	PATIENT ACCOUNTING			643,159		643,159	49,202	121,618	7,200	2,161	193	2,203	59,139	884,875
1	CITIZENS CPR - TULSA			32,258		32,258	2,468	9,674	400	108	10	117	2,968	48,002
<u>53</u>	<u>GRAND TOTAL</u>			<u>\$2,583,190</u>	<u>\$ 14,400</u>	<u>\$ 2,597,590</u>	<u>\$ 185,307</u>	<u>\$ 323,069</u>	<u>\$ 20,800</u>	<u>\$ 8,583</u>	<u>\$ 769</u>	<u>\$ 7,496</u>	<u>\$ 246,488</u>	<u>3,390,102</u>

OT & Other 70,000

3,460,102

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, 2014 through 2018**

Description	2014	2015	2016	2017	2018
<i>2014 ambulance replacement - (eight)</i>					
New units	1,290,000				
Miscellaneous ( logos, sirens, power supply)	20,000				
<i>2015 ambulance replacement - (eight)</i>					
New units		1,329,000			
Miscellaneous ( logos, sirens, power supply)		20,000			
<i>2016 ambulance replacement - (ten)</i>					
New units			1,711,000		
Miscellaneous ( logos, sirens, power supply)			20,000		
<i>2017 ambulance replacement - (nine)</i>					
New units				1,586,000	
Miscellaneous ( logos, sirens, power supply)				20,000	
<i>2018 ambulance replacement - (nine)</i>					
New units					1,629,000
Miscellaneous ( logos, sirens, power supply)					20,000
New units (increase in fleet size - 1)	161,000	166,000	171,000	176,000	181,000
Repairs	25,000	25,000	25,000	25,000	25,000
<b>On-board equipment:</b>					
Power cot enhancement	644,000		60,000		
Lifepack 15's		35,000		500,000	1,200,000
Stair chairs			60,000		
First responder equipment	25,000	25,000	25,000	25,000	25,000
Equipment for new units	128,000	64,000	64,000	64,000	64,000
Ventilators					
Miscellaneous	30,000	31,000	32,000	33,000	34,000
<b>CAD and radio equipment:</b>					
Dispatch console replacement			848,000		
Mobile data terminals	110,000				
Base station upgrade	75,000	50,000	50,000	50,000	50,000
Equipment for new units	19,000	19,000	19,000	19,000	19,000

**EMSA Eastern Division**  
**Capital Budget**  
**Years Ending June 30, 2014 through 2018**

Description	2014	2015	2016	2017	2018
<b>Building expenses:</b>					
Office furniture		10,000		10,000	
Garage	15,000				15,000
Security equipment		15,000		15,000	
Common use vehicle					30,000
Building expansion	2,500,000				
Miscellaneous	40,000	41,000	42,000	43,000	44,000
<b>Computer equipment:</b>					
Server upgrade (network)		10,000			
Server upgrade (accounting)		10,000			
UPS batteries			5,000		
Billing/CAD system hardware	10,000		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
<b>TOTAL</b>	<b>5,157,000</b>	<b>1,915,000</b>	<b>3,207,000</b>	<b>2,631,000</b>	<b>3,411,000</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 30,2014 through 2018**

Description	2014	2015	2016	2017	2018
<b>Ambulances</b>					
<i>2014 ambulance replacement - (ten)</i>					
New units	1,613,000				
Miscellaneous (springs, logos, sirens, power supply)	20,000				
<i>2015 ambulance replacement - (ten)</i>					
New units		1,661,000			
Miscellaneous (springs, logos, sirens, power supply)		20,000			
<i>2016 ambulance replacement - (ten)</i>					
New units			1,711,000		
Miscellaneous (springs, logos, sirens, power supply)			20,000		
<i>2017 ambulance replacement - (ten)</i>					
New units				1,762,000	
Miscellaneous (springs, logos, sirens, power supply)				20,000	
<i>2018 ambulance replacement - (ten)</i>					
New units					1,815,000
Miscellaneous (springs, logos, sirens, power supply)					20,000
New units	161,000	166,000	171,000	176,000	181,000
Repairs	25,000	25,000	25,000	25,000	25,000
<b>On-board equipment:</b>					
LP 15's				1,000,000	1,200,000
Power cots		140,000	80,000		
Stair chairs			70,000		
Training manikin		8,000			
Equipment for new units(1)	128,000	64,000	64,000	64,000	64,000
Ventilators	90,000				
Miscellaneous	37,000	38,000	39,000	40,000	41,000
<b>CAD and radio equipment:</b>					
Mobile data terminals	150,000				
Dispatch console replacement			947,000		
Base station upgrade	40,000	40,000	40,000	40,000	40,000
Equipment for new units	15,000	15,000	15,000	15,000	15,000
Radio infrastructure (NG911system)	163,000	82,000			

**EMSA Western Division**  
**Capital Budget**  
**Years Ending June 30,2014 through 2018**

Description	2014	2015	2016	2017	2018
<b>Building expenses:</b>					
Bldg improvements			20,000		
Office furniture		10,000			
Parking lot and grounds		10,000			10,000
Common use vehicle	35,000				
Miscellaneous	44,000	45,000	46,000	47,000	48,000
<b>Computer equipment:</b>					
Server upgrade (accounting)	10,000				10,000
UPS batteries			9,000		
Server upgrade (network)	20,000			40,000	
Billing/CAD system hardware	20,000				
Web site development	10,000	10,000	10,000	10,000	10,000
Miscellaneous	50,000	50,000	50,000	50,000	50,000
	<u>2,631,000</u>	<u>2,384,000</u>	<u>3,317,000</u>	<u>3,289,000</u>	<u>3,529,000</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, 2014 - 2018

	2014	2015	2016	2017	2018
Ambulance revenue	101,315,000	122,200,000	124,600,000	127,000,000	129,500,000
Utility bill revenue	6,200,000	4,800,000	6,700,000	7,445,000	7,445,000
Subscription revenue	80,000	68,000	95,000	90,000	86,000
	<u>107,595,000</u>	<u>127,068,000</u>	<u>131,395,000</u>	<u>134,535,000</u>	<u>137,031,000</u>
Deductions:					
Allowance and collection fees	76,200,000	95,000,000	95,900,000	98,300,000	100,200,000
Net Revenue	<u>31,395,000</u>	<u>32,068,000</u>	<u>35,495,000</u>	<u>36,235,000</u>	<u>36,831,000</u>
Operating expense:					
Contractor	24,300,000	25,500,000	26,800,000	28,100,000	29,500,000
Other	5,374,000	5,266,000	5,424,000	5,587,000	5,755,000
	<u>29,674,000</u>	<u>30,766,000</u>	<u>32,224,000</u>	<u>33,687,000</u>	<u>35,255,000</u>
Depreciation & Amor	2,221,000	2,940,000	3,741,000	4,398,000	3,526,000
Operating income	<u>(500,000)</u>	<u>(1,638,000)</u>	<u>(470,000)</u>	<u>(1,850,000)</u>	<u>(1,950,000)</u>
Nonoperating income (expense):					
Interest expense	74,000	139,000	127,000	115,000	103,000
Interest income	5,000	4,000	4,000	3,000	1,000
Net income (loss)	<u>(569,000)</u>	<u>(1,773,000)</u>	<u>(593,000)</u>	<u>(1,962,000)</u>	<u>(2,052,000)</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, 2014 - 2018

	2014	2015	2016	2017	2018
Ambulance revenue	118,926,000	143,900,000	146,700,000	149,600,000	152,500,000
Subscription revenue	160,000	152,000	144,000	137,000	130,000
	<u>119,086,000</u>	<u>144,052,000</u>	<u>146,844,000</u>	<u>149,737,000</u>	<u>152,630,000</u>
Deductions:					
Allowance & collection fees	90,100,000	113,000,000	114,000,000	116,200,000	118,400,000
Net Revenue	<u>28,986,000</u>	<u>31,052,000</u>	<u>32,844,000</u>	<u>33,537,000</u>	<u>34,230,000</u>
Operating expense:					
Contractor	31,000,000	31,900,000	33,500,000	35,200,000	36,900,000
Other	5,793,000	5,953,000	6,132,000	6,316,000	6,505,000
	<u>36,793,000</u>	<u>37,853,000</u>	<u>39,632,000</u>	<u>41,516,000</u>	<u>43,405,000</u>
Depreciation & Amor	1,874,000	2,470,000	3,299,000	4,121,000	3,788,000
Operating income (loss)	<u>(9,681,000)</u>	<u>(9,271,000)</u>	<u>(10,087,000)</u>	<u>(12,100,000)</u>	<u>(12,963,000)</u>
Nonoperating income (expense):					
Interest expense	12,000	2,000	-	-	-
Net income (loss)	<u>(9,693,000)</u>	<u>(9,273,000)</u>	<u>(10,087,000)</u>	<u>(12,100,000)</u>	<u>(12,963,000)</u>

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, 2014 through 2018**

	2014	2015	2016	2017	2018	5-year
<b>Receipts:</b>						
Patient accounts	25,000,000	27,200,000	28,200,000	28,700,000	29,300,000	138,400,000
Utility bill receipts	4,800,000	4,800,000	6,700,000	7,445,000	7,445,000	31,190,000
Rate stabilization fund	1,400,000					1,400,000
Non-beneficiary subsidy	694,000	694,000	968,000	1,000,000	1,000,000	4,356,000
TotalCare receipts	80,000	68,000	95,000	90,000	86,000	419,000
Interest income	6,000	3,000	-	-	-	9,000
<b>Total receipts</b>	<b>31,980,000</b>	<b>32,765,000</b>	<b>35,963,000</b>	<b>37,235,000</b>	<b>37,831,000</b>	<b>175,774,000</b>
<b>Disbursements:</b>						
Ambulance contract	24,300,000	25,500,000	26,800,000	28,100,000	29,500,000	134,200,000
Operating expenses	5,374,000	5,400,000	5,500,000	5,600,000	5,800,000	27,674,000
Debt reduction	167,000	333,100	333,100	333,100	333,100	1,499,400
Capital expenditures	2,657,000	1,915,000	3,207,000	2,631,000	3,411,000	13,821,000
<b>Total disbursements</b>	<b>32,498,000</b>	<b>33,148,100</b>	<b>35,840,100</b>	<b>36,664,100</b>	<b>39,044,100</b>	<b>177,194,400</b>
<b>Current year change in cash</b>	<b>\$ (518,000)</b>	<b>\$ (383,100)</b>	<b>\$ 122,900</b>	<b>\$ 570,900</b>	<b>\$ (1,213,100)</b>	<b>\$ (1,420,400)</b>
Cash balance at beginning of year	2,800,000	2,282,000	1,898,900	2,021,800	2,592,700	2,800,000
Increase (decrease) in cash balance for year	(518,000)	(383,100)	122,900	570,900	(1,213,100)	(1,420,400)
<b>Cash balance at end of year</b>	<b>2,282,000</b>	<b>1,898,900</b>	<b>2,021,800</b>	<b>2,592,700</b>	<b>1,379,600</b>	<b>1,379,600</b>
<b>Rate Stabilization Fund Balance</b>						
Beginning balance	1,400,000	-	-	-	-	-
Current year addition						
Current year usage	1,400,000					
<b>Ending balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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, 2014 through 2018**

	2014	2015	2016	2017	2018	5-year
Receipts:						
Patient accounts	28,777,000	31,400,000	32,700,000	33,400,000	34,100,000	160,377,000
Total Care proceeds	160,000	152,000	144,000	137,000	130,000	723,000
Total receipts	<u>28,937,000</u>	<u>31,552,000</u>	<u>32,844,000</u>	<u>33,537,000</u>	<u>34,230,000</u>	<u>161,100,000</u>
Disbursements:						
Ambulance contract	30,400,000	31,900,000	33,500,000	35,200,000	36,900,000	167,900,000
Operating expenses	5,793,000	6,000,000	6,132,000	6,300,000	6,500,000	30,725,000
Capital expenditures	2,631,000	2,384,000	3,317,000	3,289,000	3,529,000	15,150,000
Debt reduction	279,000	62,000	-	-	-	341,000
Total disbursements	<u>39,103,000</u>	<u>40,346,000</u>	<u>42,949,000</u>	<u>44,789,000</u>	<u>46,929,000</u>	<u>214,116,000</u>
Reserve:						
Ending cash balance	<u><u>\$(10,166,000)</u></u>	<u><u>\$(8,794,000)</u></u>	<u><u>\$(10,105,000)</u></u>	<u><u>\$(11,252,000)</u></u>	<u><u>\$(12,699,000)</u></u>	<u><u>\$(53,016,000)</u></u>

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