

# SANTA CLARA 911 OPERATIONS

## OPERATING REPORT

FOR THE ONE MONTH ENDING DECEMBER 31, 2013

<b>Net Ambulance Revenue</b>	<b>\$ 5,267,578</b>
Payroll	2,354,241
Payroll Related Expense	398,393
Depreciation & Amortization	190,298
Vehicle Equipment	355,602
Station Expenses	139,065
Other Operating Expenses	(1,190,457)
<b>Total Expenses</b>	<b>2,247,142</b>
Gross Operating Income	<b>\$ 3,020,436</b>

On December 10, 2013, the Board of Supervisors of Santa Clara County approved recommended changes to the contractual relationship the County has with Rural/Metro and the Advanced Life Support (ALS) / 911 ambulance service contract (as previously amended) that has been effective since July 1, 2011. Included in these changes are retroactive and prospective modifications impacting Rural/Metro's historical and future net revenues and expenses related to Rural/Metro's operations in Santa Clara County. The financial impact of the agreed-upon changes and new amendment to the contract have been recognized in the December 2013 accounting period, as follows:

Recognition of Revenue related to Jail Transports	\$ 1,605,390
Recognition of Retroactive payroll	\$ 348,412
Forgiveness of certain First Responder, Franchise and Communication Fees	\$ (1,539,488)
Forgiveness of certain Fines	\$ (628,750)

As part of its emergence from Chapter 11 Bankruptcy on December 31, 2013, Rural/Metro changed its year-end date from June 30 to December 31. Certain year-end adjustments have not yet been recorded, and thus are not included in these financial reports. The pending adjustments may or may not impact the reported results of the Santa Clara County operations.

In addition, additional adjustments related to Rural/Metro's emergence from Chapter 11 Bankruptcy, including the revaluation of assets, have not yet been completed and therefore have not been reflected in these financial reports.