

Financial Statements of

**NORTHERN COLLEGE OF
APPLIED ARTS AND TECHNOLOGY**

Year ended March 31, 2006



KPMG LLP
Chartered Accountants
Claridge Executive Centre
144 Pine Street PO Box 700
Sudbury ON P3E 4R6

Telephone (705) 675-8500
Fax (705) 675-7586
In Watts (1-800) 461-3551
Internet www.kpmg.ca

AUDITORS' REPORT

To the Governors of
Northern College of Applied Arts and Technology

We have audited the following statements of **Northern College of Applied Arts and Technology** as at March 31, 2006 and for the year then ended:

Statement of Financial Position
Statement of Operations and Changes in Net Assets
Statement of Cash Flows

These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Sudbury, Canada
May 18, 2006

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position

March 31, 2006, with comparative figures for 2005

	2006	2005
		(as restated)
Assets		
Cash	\$ 2,964,728	\$ 2,469,703
Accounts receivable	1,191,775	1,067,996
Grants receivable	1,890,138	761,229
Inventories and prepaid expenses	104,295	80,340
Investments	1,945,205	1,246,873
	<u>8,096,141</u>	<u>5,626,141</u>
Investments	4,405,918	5,163,192
Capital assets (notes 3 and 9)	13,939,151	14,459,570
	<u>\$ 26,441,210</u>	<u>\$ 25,248,903</u>
Liabilities, Deferred Contributions and Net Assets		
Current Liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 1,877,493	\$ 2,849,128
Vacation payable (note 5)	1,760,251	1,635,918
	<u>3,637,744</u>	<u>4,485,046</u>
Post-employment and sick leave (note 5)	1,228,160	1,701,768
Long-term debt (note 6)	4,989,928	5,053,221
Deferred contributions (note 7)	4,208,377	1,811,094
Deferred capital contributions (note 8)	9,412,835	9,736,071
Net Assets:		
Unrestricted:		
Operating	42,781	20,709
Employment-related	(2,988,411)	(3,337,686)
Capital (note 9)	1,907,467	1,765,768
Restricted and endowment	4,002,329	4,012,912
	<u>2,964,166</u>	<u>2,461,703</u>
Commitments (note 12)		
Contingency (note 14)		
	<u>\$ 26,441,210</u>	<u>\$ 25,248,903</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Chair, Board of Governors

_____ President

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations and Changes in Net Assets

Year ended March 31, 2006, with comparative figures for 2005

	Operating		Equity in capital assets	Restricted and Endowment (Schedule)	Total 2006	Total 2005 (as restated)
	Current operations (Schedules)	Employment- related				
Revenue:						
Grants and reimbursements	\$ 22,473,060	-	-	-	22,473,060	22,270,771
Tuition fees	3,113,992	-	-	-	3,113,992	3,320,841
Ancillary sales and services	1,411,264	-	-	-	1,411,264	1,501,591
Other	1,992,007	-	-	-	1,992,007	2,345,840
Amortization of deferred capital contributions	-	-	981,461	-	981,461	891,428
Restricted	-	-	-	176,295	176,295	249,720
Investment income	62,566	-	215,979	137,783	416,328	480,717
	29,052,889	-	1,197,440	314,078	30,564,407	31,060,908
Expenses:						
Academic	14,047,793	-	-	-	14,047,793	13,593,025
Administration	3,895,989	-	-	-	3,895,989	3,835,826
Student services	2,583,079	-	-	-	2,583,079	2,282,572
Plant and property	2,940,385	-	-	-	2,940,385	2,449,954
Community services	901,660	-	-	-	901,660	941,902
Employment training programs	2,989,030	-	-	-	2,989,030	3,547,489
Ancillary	1,375,517	-	-	-	1,375,517	1,375,652
Amortization of capital assets	-	-	1,356,182	-	1,356,182	1,456,526
Restricted	-	-	-	343,440	343,440	447,404
Post-employment and vacation	-	(349,275)	-	-	(349,275)	(8,049)
	28,733,453	(349,275)	1,356,182	343,440	30,083,800	29,922,301
Excess (deficiency) of revenue over expenses	319,436	349,275	(158,742)	(29,362)	480,607	1,138,607
Net assets, beginning of year as previously reported	307,082	(3,337,686)	1,765,768	4,012,912	2,748,076	1,455,676
Change in accounting policy (note 2)	(286,373)	-	-	-	(286,373)	(322,199)
Net assets, beginning of year, as restated	20,709	(3,337,686)	1,765,768	4,012,912	2,461,703	1,133,477
Ontario Student Opportunity Trust Fund contributions	-	-	-	21,856	21,856	189,619
Transfer of capital assets	(297,364)	-	300,441	(3,077)	-	-
Net assets, end of year	\$ 42,781	(2,988,411)	1,907,467	4,002,329	2,964,166	2,461,703

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

March 31, 2006, with comparative figures for 2005

	2006	2005 (as restated)
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 480,607	\$ 1,138,607
Adjustments for:		
Amortization of deferred capital contributions (note 8)	(981,461)	(891,428)
Amortization of capital assets	1,356,182	1,456,526
Increase (decrease) in post-employment and sick leave	(473,608)	(5,982)
	381,720	1,697,723
Changes in non-cash working capital (note 13)	(2,123,945)	(695,073)
	(1,742,225)	1,002,650
Cash flows from financing and investing activities:		
Endowment contributions	21,856	189,619
Purchase of capital assets	(835,763)	(1,269,885)
Deferred capital contributions	658,225	1,099,445
Deferred contributions	2,397,283	359,746
Purchase of investments	(2,121,883)	(1,690,504)
Proceeds from disposition of investments	2,393,873	497,723
Increase in value of long-term investments	(213,048)	(180,596)
Principal repayment of long-term debt	(63,293)	(28,877)
	2,237,250	(1,023,329)
Net increase (decrease) in cash	495,025	(20,679)
Cash, beginning of year	2,469,703	2,490,382
Cash, end of year	\$ 2,964,728	\$ 2,469,703

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

1. Significant accounting policies:

(a) Fund accounting:

The accounts are maintained in accordance with the principles of fund accounting. The operating fund accounts for transactions related to current operations. The capital fund accounts for capital assets and the transactions related to their acquisition, disposal, debt commitments and amortization. Restricted and endowment funds consist of scholarships and bursaries for future students of the College and other special projects whose funds are administered by the College as well as endowments from the Ontario Student Opportunity Trust Funds and Ontario Trust for Student Support Funds which report the resources contributed under these matching programs.

(b) Revenue recognition:

The College accounts for contributions under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grant amounts relating to future periods are deferred and recognized in the subsequent period when the related activity occurs. Grants approved but not received are accrued.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Contributions received for endowment are reported as an increase in the endowment fund balance. Interest income earned on the resources of this endowment fund is reported in the restricted fund.

Tuition fees are recognized as revenue based on the number of teaching days within the period.

(c) Investments:

Investments are recorded at the lower of cost plus accrued interest and market.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

1. Significant accounting policies (continued):

(d) Capital assets:

Capital asset purchases are recorded at cost. Property and equipment that are donated are recorded at their fair market value at the date of acquisition. Amortization of capital assets is recorded on the straight-line basis over the following periods:

Buildings	40 years
Site improvements and parking lots	20 years
Courthouse renovations	10 years
Furniture and equipment	5 years

(e) Employment-related obligations:

Vacation entitlements are accrued for as entitlements are earned (note 5).

Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the College (note 5).

For the post-employment benefits (continuation of life, medical and dental during long-term disability ("LTD")), these benefits are accounted on a terminal basis, in comparison to the non-pension post-retirement benefit which is accounted on an accrual basis. This means that the liability for the post-employment benefit is accrued only when a LTD claim occurs. For these benefits, the full change in the liability is being recognized immediately as an expense in the year (note 5).

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

2. Change in accounting policy:

During 2006, the College changed its policy for recognizing tuition fee revenue. Previously the College recorded tuition fee revenue at the beginning of each semester. Tuition fee revenue is now recognized based on the number of teaching days which occur during the fiscal year. The change has been applied retroactively and has decreased the unrestricted operating net assets at the beginning of 2006 as previously reported by \$286,373 (2005 - \$322,199) representing an increase in deferred tuition fees of the same amount. This change has also had the effect of increasing tuition fee revenue in 2005 by \$35,826 over that previously reported from what would have been recognized under the former policy.

3. Capital assets:

	2006		2005	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 169,570	–	169,570	–
Buildings	28,353,071	16,903,293	28,345,180	16,194,565
Site improvements and parking lots	310,892	244,148	310,892	232,188
Courthouse renovations	596,101	432,173	596,101	372,563
Furniture and equipment	11,086,767	8,997,636	10,258,893	8,421,750
	40,516,401	26,577,250	39,680,636	25,221,066
Less accumulated amortization	26,577,250		25,221,066	
	\$ 13,939,151		\$ 14,459,570	

4. Accounts payable and accrued liabilities:

	2006	2005
Trade and other	\$ 1,483,881	\$ 2,267,754
Payroll related liabilities	393,610	581,374
	\$ 1,877,491	\$ 2,849,128

Payroll related liabilities reflects management's best estimate of the union settlement with faculty. Any change in this estimate will be reflected in the period of settlement.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

5. Employment related obligations:

	2006	2005
Vacation payable	\$ 1,760,251	\$ 1,635,918
Non-pension post-employment obligations	\$ 646,000	\$ 1,159,000
Sick leave benefits	582,160	542,768
	\$ 1,228,160	\$ 1,701,768

The accrued benefit obligations accrued at March 31, 2006 amounted to \$449,000 (2005 - \$923,000). The net unamortized actuarial gain and plan assets were \$197,000 (2005 - \$236,000). Benefit plan interest and current service costs recorded in the year were \$38,000 (2005 - \$118,000) and the amortization of actuarial gain of \$Nil (2005 - \$Nil). The benefits paid out in the year were \$44,000 (2005 - \$46,000). These amounts represent the results of the actuarial valuation completed in April 2004.

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the true significant assumptions made:

	2006	2005
Discount rate	5.00%	5.25%
Health Care Trend Rate		
- Drugs (reducing to 5% in 2010)	9%	9%
- Hospital and other medical	5%	5%
- Dental	4%	4%

The College is liable to pay 50% of certain faculty members' accumulated sick leave credits on termination or retirement after ten years of service. The MTCU currently undertakes the annual funding of these expenditures.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

6. Long-term debt:

The hydro retrofit assets acquisition was financed through a five year term loan with the Royal Bank, bearing interest at 5.15%.

Under the existing terms and rates, principal due to maturity is as follows:

2007	\$	65,731
2008		69,160
2009		416,037
	\$	550,928

The balance of the long-term debt of \$4,439,000 is a loan payable to the Canada Pension Plan. The loan bears a fixed interest rate of 9.17% and is secured by a first mortgage on the student residence at the Porcupine campus. Under the terms of the loan agreement, interest payments of \$203,528 are made semi-annually and the principal amount will be repaid on July 1, 2012. By Board resolution a 9.5% Province of Ontario sinking-fund investment will be used at maturity to retire this loan payable.

7. Deferred contributions:

	2006	2005
Balance, beginning of year (as restated)	\$ 1,811,094	\$ 1,431,874
Additional contributions received	8,703,385	5,746,048
Amounts taken into revenue	(6,306,102)	(5,366,828)
Balance, end of year	\$ 4,208,377	\$ 1,811,094

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized balance of donations and grants received for capital asset acquisitions.

Details of the continuity of these funds are as follows:

	2006	2005
Balance, beginning of year	\$ 9,736,071	\$ 9,528,054
Additional capital contributions	658,225	1,099,445
Less amounts amortized to revenue	(981,461)	(891,428)
Balance, end of year	\$ 9,412,835	\$ 9,736,071

9. Capital fund:

a) The equity in capital assets is calculated as follows:

	2006	2005
Capital assets	\$ 13,939,151	\$ 14,459,570
Amounts financed by:		
Deferred capital contributions	(9,412,835)	(9,736,072)
Long-term mortgage debt net of sinking-fund investment (note 6)	(1,903,990)	(2,119,970)
Interfund loan (note 10)	(163,931)	(223,539)
Other long-term debt	(550,928)	(614,221)
	\$ 1,907,467	\$ 1,765,768

b) Transfer for capital assets:

	2006	2005
Purchase of capital assets	\$ 835,764	\$ 1,269,885
Amounts funded by deferred capital contributions	(658,225)	(1,099,447)
Repayments on long-term obligations	63,292	28,869
Interfund loan repayment for courthouse renovations	59,610	59,609
	\$ 300,441	\$ 258,916

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

10. Interfund loan:

A loan was established between the operating fund and the capital fund to fund the renovations necessary to lease a section of the Kirkland Lake campus to the Attorney General for a courthouse (note 12(a)). The interfund loan is being repaid over the ten year lease term, consistent with the amortization of related capital assets (note 3).

11. Pension plan:

Employees are participants in the contributory retirement pension plans administered by The Colleges of Applied Arts and Technology Pension Plan. Under these arrangements, the College makes contributions equal to those of the employees. Contributions made by the College during the year amounted to approximately \$1,015,191 (2005 - \$1,005,000).

12. Commitments:

- (a) The College has a ten year lease to the Attorney General of a section of its Kirkland Lake campus for a courthouse at \$117,591 per year. The lease expires November 2008 (notes 3 and 10).
- (b) The College has entered into agreements to lease certain equipment. The leases have options whereby the College is able to either purchase the equipment at the end of the lease or return the equipment to the lessor. The total annual minimum lease payments to maturity are approximately as follows:

2007	\$ 799,000
2008	375,000
2009	114,000
2010	3,000
2011	2,000
	<hr/>
	\$ 1,293,000

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2006

13. Changes in non-cash working capital:

	2006	2005
Accounts receivable	\$ (123,779)	\$ 167,814
Grants receivable	(1,128,909)	7,512
Inventories and prepaid expenses	(23,955)	(14,599)
Accounts payable and accrued liabilities	(971,635)	(853,733)
Vacation payable	124,333	(2,067)
	<u>\$ (2,123,945)</u>	<u>\$ (695,073)</u>

14. Contingency:

As at March 31, 2006, certain legal actions are pending against the College. An estimate of the contingency cannot be made since the outcome of these matters is indeterminate. Should any loss result from the resolution of these matters, such loss would be charged to operations in the year of disposition.

15. Fair value of financial assets and financial liabilities:

The carrying values of cash, accounts receivable, grants receivable and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

Market value of investments is \$7,165,759 (2005 - \$7,308,477).

The fair value of the long-term debt amounts to approximately \$5.7 million (2005 - \$5.8 million) as compared to its carrying amount of \$4.990 (2005 - \$5.053) million. The fair value of this instrument was calculated using the future cash flows (principal and interest) of the actual outstanding debt instrument, discounted at current market rates available to the College for a similar instrument.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Continuity of Restricted and Endowment Funds

Year ended March 31, 2006

Restricted Funds

	Balance, beginning of year	Additions	Scholarships and other disbursements	Balance, end of year
South Region	\$ 170,008	20,214	8,294	\$ 181,928
North Region	172,328	78,770	131,097	120,001
College-wide	178,579	87,418	103,973	162,024
Board of Governors				
- Entrance scholarship	26,900	607	10,500	17,007
- Mature Student bursary	17,288	640	-	17,928
J.H. Drysdale Award	65,463	2,404	500	67,367
Ontario Student Opportunity and Trust Disbursements Fund	62,649	124,025	92,153	94,521
	\$ 693,215	314,078	346,517	\$ 660,776

Endowment Funds

	Balance, beginning of year	Additions	Balance, end of year
Ontario Student Opportunity Trust Fund 1	\$ 2,748,799	-	\$ 2,748,799
Ontario Student Opportunity Trust Fund 2	570,898	-	570,898
Ontario Trust for Student Support Fund	-	21,856	21,856
	\$ 3,319,697	21,856	\$ 3,341,553

Total restricted and endowment funds	\$ 4,012,912	335,934	346,517	\$ 4,002,329
--------------------------------------	--------------	---------	---------	--------------

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Fund Revenues

March 31, 2006, with comparative figures for 2005

	2006	2005
Grants and reimbursements:		
Post Secondary:		
General operating grant	\$ 8,744,826	\$ 8,807,357
Final diploma nursing grant	509,241	335,950
Special support grants	4,213,714	4,139,253
Grant for municipal taxation	99,450	100,575
Rental add-on grant	676,896	624,651
	<u>14,244,127</u>	<u>14,007,786</u>
Industrial Skills and Adult Training:		
Federal Programs	1,753,284	2,620,849
Apprenticeship per diem grant	857,792	415,047
Literacy and Basic Skills/Ontario Basic Skills program	896,419	859,222
Employment programs	2,297,490	2,422,266
	<u>5,804,985</u>	<u>6,317,384</u>
Special Purpose Grants:		
Aboriginal projects	300,000	300,000
Plant	722,442	331,964
Special needs	284,914	275,258
Day care and social services funding	633,837	604,054
Termination / sick leave buyout recovery	117,303	34,858
OSAP special bursaries	354,862	379,892
Other	10,590	19,575
	<u>2,423,948</u>	<u>1,945,601</u>
	<u>\$ 22,473,060</u>	<u>\$ 22,270,771</u>
Tuition fees:		
Post-secondary	\$ 2,953,066	\$ 3,154,692
Industrial skills and adult training	160,926	166,149
	<u>\$ 3,113,992</u>	<u>\$ 3,320,841</u>
Other revenue:		
Daycare fees	\$ 167,639	\$ 224,113
Special employment programs	69,761	59,719
Rents	199,992	199,992
Other fees	1,517,562	1,688,599
Miscellaneous	37,053	173,417
	<u>\$ 1,992,007</u>	<u>\$ 2,345,840</u>

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Expense by Cost Object

Year ended March 31, 2006, with comparative figures for 2005

	Academic	Administration	Student Services	Plant and Property	Community Services	Employment Training Programs	Total 2006	Total 2005
Academic salaries	\$ 7,939,546	58,908	92,060	-	-	-	\$ 8,090,514	\$ 7,544,948
Administration salaries	620,162	786,895	59,143	34,000	32,944	131,252	1,664,396	1,671,886
Support salaries	1,272,232	1,209,155	1,057,844	606,389	578,425	1,043,707	5,767,752	5,409,280
Stipends and allowances	6,500	26,113	576,121	-	-	1,269,464	1,878,198	2,859,637
Fringe benefits	1,600,600	432,912	258,458	121,761	133,567	236,743	2,784,041	2,724,031
Instructional supplies	1,070,859	10,106	90,886	-	4,498	28,046	1,204,395	1,054,670
Field work	33,931	-	3,655	-	40,364	-	77,950	57,293
Staff employment	-	24,881	-	-	-	-	24,881	6,466
Professional development	3,294	120,839	-	-	-	4,614	128,747	139,555
Travel	210,473	122,071	40,171	742	431	30,550	404,438	351,064
Promotion and advertising	24,864	18,838	261,792	-	-	30,265	335,759	373,158
Equipment maintenance	34,463	45,656	1,540	14,569	210	7,303	103,741	97,099
Telecommunications	26,845	201,009	2,493	524	1,922	28,398	261,191	227,770
Office supplies	122,555	213,849	73,606	2,436	972	48,840	462,258	468,124
Janitorial	140	10,863	-	40,253	17,017	-	68,273	61,566
Facilities maintenance	417	-	-	876,481	1,310	-	878,208	366,693
Vehicle	-	-	-	11,616	-	-	11,616	9,984
Insurance	-	198,088	-	-	-	-	198,088	230,717
Interest	21,746	31,779	-	28,991	-	-	82,516	139,921
Professional fees	41,644	191,382	3,885	-	-	4,750	241,661	375,154
Contracted services	426,568	77,957	34,296	269,578	-	9,230	817,629	1,196,100
Utilities	-	-	-	809,699	-	-	809,699	922,197
Municipal taxation	-	-	-	99,450	-	-	99,450	100,575
Rentals	590,954	114,688	27,129	23,896	90,000	115,868	962,535	862,091
OSAP default liability	-	-	-	-	-	-	-	(303,264)
	\$ 14,047,793	3,895,989	2,583,079	2,940,385	901,660	2,989,030	27,357,936	26,946,715
Ancillary expense							1,375,517	1,375,652
Total expense							\$ 28,733,453	\$ 28,322,367

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Ancillary Revenue and Expenses

March 31, 2006, with comparative figures for 2005

	2006	2005
Bookstore Operations		
Revenue	\$ 133,043	\$ 165,613
Operating expense	4,216	13,234
Excess of revenue over expense	\$ 128,827	\$ 152,379
 Student Residence Operations		
Revenue:		
Rent	\$ 421,248	\$ 394,984
Service charges	24,355	17,859
	445,603	412,843
Expense:		
Operating	308,827	315,944
Interest	407,056	407,056
	715,883	723,000
Deficiency of revenue over expense	\$ (270,280)	\$ (310,157)
 Parking Grounds Operations		
Revenue	\$ 53,279	\$ 56,251
Operating expense	48,456	51,738
Excess of revenue over expense	\$ 4,823	\$ 4,513
 Ancillary Facilities Operations		
Revenue	\$ 779,339	\$ 866,884
Operating expense	606,962	587,680
Excess of revenue over expense	\$ 172,377	\$ 279,204

See accompanying notes to financial statements.