



Long  
Island  
Power  
Authority

Shoreham Nuclear Power Station  
P.O. Box 628  
North Country Road  
Wading River, N.Y. 11792

MAR 27 1991

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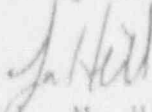
Annual Financial Report  
Shoreham Nuclear Power Station - Unit No.  
Docket No. 50-322

Gentlemen:

This letter transmits the financial information required by  
10 CFR 50.71(b). Attached please find a copy of the Long  
Island Power Authority's 1991 Annual Financial Report.

If there are any questions concerning this information, please  
contact this office.

Very truly yours,

  
L. M. Hill  
Resident Manager,  
Shoreham Nuclear Power Station

GJG/ds  
Attachment

cc: S. Brown  
T. T. Martin  
B. Norris

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Urbach Kahn & Werlin PC  
CERTIFIED PUBLIC ACCOUNTANTS

LONG ISLAND POWER AUTHORITY

FINANCIAL REPORT

March 31, 1991

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Long Island Power Authority

We have audited the accompanying balance sheet of Long Island Power Authority as of March 31, 1991, and the related statements of operations and accumulated deficit and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Long Island Power Authority for the year ended March 31, 1990, before they were restated for the matter discussed in Note 9 to the financial statements, were audited by other auditors whose report, dated May 23, 1990, expressed an unqualified opinion on those financial statements but included explanatory paragraphs describing that the continuing operations of the Authority are dependent upon future appropriations from the State of New York and the uncertainty of the amount of reimbursement of certain salary and general and administrative costs attributable to Shoreham, subject to the terms of an agreement between the Authority and Long Island Lighting Company.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 1991 financial statements referred to above present fairly, in all material respects, the financial position of Long Island Power Authority as of March 31, 1991, and results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

As described in Note 1 to the financial statements, the continuing operations of the Long Island Power Authority are dependent upon receiving future appropriations from the State of New York. No appropriations have been granted for the Authority's expenditures beginning April 1, 1991 and future appropriation amounts cannot be determined.

*Urbach Kahn & Werlin PC*

New York, New York  
July 12, 1991

LONG ISLAND POWER AUTHORITY

BALANCE SHEETS  
March 31, 1991 and 1990

ASSETS	<u>1991</u>	<u>1990</u>
<b>CURRENT ASSETS</b>		
Cash, including restricted amounts of \$26,061 in 1991 and \$269,330 in 1990	\$ 155,875	\$ 392,252
Investments in U.S. Treasury Bills, including restricted amounts of \$3,361,003 in 1991 and \$2,630,059 in 1990	5,984,568	5,545,238
Other current assets	<u>8,716</u>	<u>1,275</u>
Total current assets	<u>6,149,159</u>	<u>5,938,765</u>
<b>OFFICE EQUIPMENT AND FURNITURE</b>		
Net of accumulated depreciation of \$19,577 in 1991 and \$8,549 in 1990	53,182	31,951
<b>OTHER ASSETS</b>		
Security deposits	<u>7,172</u>	<u>6,508</u>
	<u>\$ 6,209,513</u>	<u>\$ 5,977,224</u>
 <b>LIABILITIES AND ACCUMULATED DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Attributable to Shoreham:		
Advances from Long Island Lighting Company	\$ 2,118,845	\$ 2,261,943
Due to New York Power Authority and LIPA		
Third Party Suppliers	373,452	267,825
Accrued expenses, other	883,412	400,652
Accrued consulting costs	277,624	15,378
Accrued expenses, other	98,505	56,572
Due to the State of New York, its agencies and authorities	<u>144,648</u>	<u>344,937</u>
Total current liabilities	3,896,486	3,347,307
STATE OF NEW YORK ALLOCATIONS	14,203,300	13,799,983
ACCUMULATED DEFICIT	<u>(11,890,273)</u>	<u>(11,170,066)</u>
	<u>\$ 6,209,513</u>	<u>\$ 5,977,224</u>

See Notes to financial statements.

LONG ISLAND POWER AUTHORITY

STATEMENTS OF OPERATIONS AND CHANGES IN ACCUMULATED DEFICIT

Years Ended March 31, 1991 and 1990

	<u>1991</u>	<u>1990</u>
OPERATING EXPENSES:		
Consulting costs	\$ 824,370	\$ 859,808
General and administrative	<u>778,857</u>	<u>446,242</u>
	<u>1,603,227</u>	<u>1,306,050</u>
Less reimbursement of Costs Attributable to Shoreham:		
Current year	333,476	358,566
Prior years	<u>549,544</u>	<u>595,018</u>
	<u>883,020</u>	<u>953,584</u>
Net loss	(720,207)	(352,466)
Accumulated deficit, beginning of year	<u>(11,170,066)</u>	<u>(10,817,600)</u>
Accumulated deficit, ending of year	<u>\$(11,890,273)</u>	<u>\$(11,170,066)</u>

See Notes to Financial Statements.



LONG ISLAND POWER AUTHORITY  
 STATEMENTS OF CASH FLOWS  
 Years Ended March 31, 1991 and 1990

	<u>1991</u>	<u>1990</u>
RECONCILIATION OF NET LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Net loss	\$ (720,207)	\$ (352,466)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	11,028	5,379
Reimbursement of office equipment	44,243	-
Loss on sale of office equipment	-	394
Discount on investment securities	-	(1,308)
Change in:		
Other current assets	(49,829)	7,888
Security deposits	(664)	(643)
Accrued consulting costs	262,246	(1,485,297)
Accrued expenses, other	41,934	75,308
Due to New York State Agencies	<u>(25,127)</u>	<u>93,484</u>
Net cash used in operating activities	<u>\$ (436,376)</u>	<u>\$ (1,658,261)</u>
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITIES		
Transfer of liability from Due to the State of New York to State of New York Allocations	<u>\$ 319,809</u>	<u>\$ -</u>

See Notes to Financial Statements.

LONG ISLAND POWER AUTHORITY  
NOTES TO FINANCIAL STATEMENTS

Note 1. Organization and Nature of Operations

The Long Island Power Authority ("LIPA") was established on January 15, 1987. LIPA is a corporate municipal instrumentality of the State of New York (the "State"), constituting a body corporate and politic and a political subdivision of the State, created by Chapter 517 of the Laws of 1986 (the "LIPA Act").

Under the LIPA Act, LIPA is authorized to acquire, through negotiated purchase, tender offer, or exercise of the power of eminent domain, all or any part of the securities or assets of the Long Island Lighting Company ("LILCO"), provided LIPA first determines that such acquisition would result in rates that would not be higher than the rates that would be charged by LILCO if such acquisition did not occur.

Under the LIPA Act, LIPA is further authorized to undertake the following activities, among other things, within its service area: to assist in the development and implementation of conservation and load management programs; to facilitate the development of cogeneration and alternate energy production facilities; and to serve as an advocate for utility ratepayers. LIPA's service area is comprised of Nassau and Suffolk Counties and the portion of Queens constituting LILCO's franchise area.

LIPA is dependent upon the State for appropriations to meet its funding requirements. State appropriations are subject to approval each session of the State Legislature and do not constitute a legally enforceable obligation of the State; accordingly, LIPA has no assurance that required appropriations will be made beyond the current State appropriations for LIPA's operating expenses. An amount of \$490,000 was appropriated by the State to LIPA in the State Budget for LIPA's expenditures beginning April 1, 1990 in furtherance of its statutory purposes. However, the funds were not allocated to LIPA and, therefore, no remittances were received. On July 17, 1990, the Division of the Budget of the State of New York instructed LIPA to use interest earned and collected as of March 31, 1990 in the same manner, and for the same purposes as appropriated funds of the State. Cumulative interest earned and credited to New York State allocations amounted to \$403,317. No amount has been appropriated for expenditures beginning April 1, 1991.

LIPA's operations are funded solely by allocations of LIPA's State appropriations, except that LIPA's Costs Attributable to the transfer of Shoreham to LIPA and to its ownership, possession, maintenance, decommissioning or dismantling of the Shoreham Nuclear Power Plant will be reimbursed by LILCO, under the Amended and Restated Asset Transfer Agreement between LILCO and LIPA, which provides for the transfer of Shoreham to LIPA (see Note 2). Such allocations of LIPA's State appropriations represent advances from the State paid from the Long Island Power Authority creation and contingency fund in the miscellaneous special revenue fund - 339C5 (the "Fund"). The Fund consists of payments made by LILCO to the State pursuant to LILCO's gross receipts tax obligations.

In accordance with a Repayment Agreement between LIPA and the Director of the Budget of the State of New York ("Repayment Agreement"), LIPA is required to repay to the State the total original principal amount disbursed by the State to LIPA, without interest, pursuant to the LIPA Act. This amount must be repaid by LIPA: a) first, from the proceeds of the first issuance of LIPA Bonds, b) second, from any "excess revenues" (as defined in the Repayment Agreement) derived from LIPA operations and/or investments, and c) third, if sufficient bond proceeds or excess revenues are not available, then by the delivery to the State of non-interest bearing bonds which are duly authorized, issued and executed by LIPA ("repayment bonds"). LIPA repayment bonds are without recourse to the assets of LIPA except to the extent that LIPA has sources of funds available from the proceeds of the first issuance of LIPA bonds or from any excess revenues derived from LIPA operations and/or investments.

## NOTES TO FINANCIAL STATEMENTS

### Note 2. Settlement Between the State of New York and LILCO and Transfer of Shoreham to LIPA

On February 28, 1989, LILCO and the State of New York, entered into a Settlement Agreement to resolve the controversy over the Shoreham Nuclear Power Plant and power supply issues affecting LILCO and its customers. The Settlement Agreement contemplates, among other things, the transfer of the Shoreham plant from LILCO to LIPA for \$1.00, the payment by LILCO of all Costs Attributable to LIPA's ownership, possession, maintenance, decommissioning or dismantling of the Shoreham plant, including any of LIPA's administrative and general costs directly related to Shoreham; and the determination by the New York State Public Service Commission ("PSC") of just and reasonable rates for LILCO.

On April 14, 1989, LILCO and LIPA entered into the Amended and Restated Asset Transfer Agreement ("Asset Transfer Agreement") under which LILCO reiterated its agreement never to operate Shoreham and to transfer the plant to LIPA. Both the Settlement Agreement and the Asset Transfer Agreement have been approved by LIPA's Board of Trustees and LILCO's Board of Directors. The Agreements became effective on June 28, 1989, when LILCO's shareholders voted to approve them.

In accordance with the Asset Transfer Agreement, LIPA and LILCO have also entered into a Site Cooperation and Reimbursement Agreement ("Site Agreement") on January 24, 1990. Among other things, the Site Agreement establishes the specific mechanism for LILCO to provide payment for all Costs Attributable to Shoreham (as defined in the Site Agreement), including such costs incurred prior to January 24, 1990. LIPA has also entered into a Management Services Agreement with the New York Power Authority ("NYPA") on January 24, 1990, which specifies the management and technical services NYPA will provide to LIPA in connection with the license transfer, maintenance and decommissioning of Shoreham. Both the Site Agreement and the Management Services Agreement are in effect.

As required by the Site Agreement, LIPA has established two reimbursement funds, one for Costs Attributable to Shoreham incurred or to be incurred by LIPA and one for Costs Attributable to Shoreham incurred or to be incurred by NYPA and by LIPA Third-party Suppliers. LILCO is required to advance to LIPA for deposit into the reimbursement funds amounts equal to three months' projected costs. LIPA has sole authority to invest and to make disbursements from the reimbursement funds.

### Note 3. Summary of Significant Accounting Policies

#### Accounting basis:

The financial statements have been prepared on the accrual basis of accounting.

#### Investments in U.S. Treasury Bills:

LIPA invests available State appropriations and Shoreham-related funds in U.S. Treasury Bills which are carried at amortized cost which approximates market value. Under an agreement between LIPA and the State, all investment income earned by LIPA on its State appropriated funds, (except as disclosed in Note 1), is payable to the State. As a result, discount earned is recorded as a liability to the State, and no income or expense is recorded in the financial statements. Under the Site Agreement and the Management Services Agreement, all investment income earned on Shoreham-related funds is credited against LILCO's future remittance and deposit obligations, and no income or expense is recorded in the financial statements.

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Summary of Significant Accounting Policies, (Continued)

#### Reimbursement for Costs Attributable to Shoreham and advances from LILCO:

Costs Attributable to Shoreham incurred by LIPA prior to January 1, 1990 were subsequently reimbursed by LILCO and have been recognized as reimbursement of expenses during the year ended March 31, 1991. After January 1, 1990, LILCO provided for these costs in advance based upon estimates of expenditures. The related funds received from LILCO are classified as advances from LILCO. Certain Costs Attributable to Shoreham incurred by LIPA or NYPA are charged against these advances. Other Costs Attributable to Shoreham, principally operating expense allocations, are also reimbursed, but are recognized in the statement of operations.

#### State of New York Allocations:

Allocations received from the State are recorded as liabilities since the amounts are required to be repaid to the State in accordance with the provisions of the Repayment Agreement.

#### Depreciation:

Depreciation of office equipment and furniture is calculated on a straight-line basis over the estimated useful lives of the assets.

#### Taxes:

LIPA is a political subdivision of the State of New York and, therefore is exempt from federal and state income taxes.

#### Statement of cash flows:

For the year ended March 31, 1990, LIPA adopted Statement No. 9 of the Governmental Accounting Standards Board, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting" ("GASB No. 9"), which requires a statement of cash flows be presented in place of a statement of changes in financial position. GASB No. 9 requires different classifications of certain cash flows from those used by LIPA in prior years.

#### Retirement Plan:

The pension plan for LIPA employees is part of the New York State Employees Retirement System. The plan benefits are provided under the provisions of the New York State Retirement and Social Security Law and are guaranteed by the State Constitution. The Authority's election to participate in the plan is irrevocable.

#### Reclassification:

Certain amounts in the March 31, 1990 financial statements have been reclassified to conform to the current year presentation.

NOTES TO FINANCIAL STATEMENTS

Note 4. Investments and Deposits with Financial Institutions

At March 31, 1991, LIPA had cash deposits with two financial institutions totalling \$155,875. The cash deposits include \$26,061 of funds restricted for Shoreham-related activities. The amount of each deposit was covered by federal depository insurance or by collateral held in LIPA's name by the pledging bank's trust division.

LIPA is authorized under investment guidelines adopted by its Board of Trustees to invest available monies in U.S. government securities having maturities not greater than 120 days and in certificates of deposits from banks or trust companies authorized to do business in the state. LIPA's investments include \$3,361,003 of funds restricted for Shoreham-related activities.

LIPA's investments at March 31, 1991, which were held in LIPA's name by its authorized bank, were as follows:

	<u>Maturity Dates</u>	<u>Par Value</u>	<u>Amortized Cost</u>
Unrestricted investments (non-Shoreham-related funds):	April 18, 1991-		
U.S. Treasury Bills	July 18, 1991	\$2,650,000	\$2,605,619
Accrued interest			17,946
Restricted investments (Shoreham-related funds):	April 4, 1991-		
U.S. Treasury Bills	June 13, 1991	<u>3,375,000</u>	<u>3,334,661</u>
Accrued interest			<u>26,342</u>
		<u>\$6,025,000</u>	<u>\$5,984,568</u>

Note 5. Office Equipment and Furniture

Office equipment and furniture consists of the following:

	<u>March 31, 1991</u>	<u>March 31, 1990</u>
Office equipment	\$ 68,274	\$ 17,653
Office furniture	48,728	22,847
Less, reimbursements	<u>(44,243)</u>	<u>-</u>
	72,759	40,500
Less, accumulated depreciation	<u>(19,577)</u>	<u>(8,549)</u>
	<u>\$ 53,182</u>	<u>\$ 31,951</u>

Note 6. Resolution of Prior Years' Uncertainties

During the years ended March 31, 1989 and 1988, LIPA entered into two consulting contracts for services under which a portion of the amounts to be paid for consulting services were subject to negotiation. As the amounts to be paid under these consulting contracts were not determinable, no liability relating to these consulting contracts had been recorded in prior years' financial statements. During the year ended March 31, 1990, LIPA resolved the uncertainty and paid a total of approximately \$441,000 to the consultants. Such amounts were recorded as consulting costs during the year ended March 31, 1990.

## NOTES TO FINANCIAL STATEMENTS

### Note 6. Resolution of Prior Years' Uncertainties, (Continued)

In addition, during the year ended March 31, 1991, a total of \$549,544 of general and administrative expenses related to prior years was determined to be attributable to Shoreham. This amount has been recorded as prior years reimbursement of Costs Attributable to Shoreham for the year ended March 31, 1991.

### Note 7. Commitments and Contingencies

Under the February 28, 1989 Settlement Agreement between LILCO and the State of New York, LILCO has settled all outstanding litigation against LIPA. One appeal is still pending, however, in the Supreme Court of the State of New York, Appellate Division -- Second Department ("Second Department") because a litigant has chosen to pursue the matter notwithstanding LILCO's and LIPA's settlement of that litigation. LILCO and Herbert Jaffe vs. LIPA, et al.

On April 26, 1989, a petition, styled Citizens for an Orderly Energy Policy, Inc., et al. v. Cuomo et al. ("COEP"), was filed in the Supreme Court of the State of New York, Albany County, challenging the Settlement Agreement and the Asset Transfer Agreement on a variety of grounds. On July 25, 1989, the court dismissed the COEP petition and specifically found that the Settlement Agreement and the Asset Transfer Agreement were authorized by the LIPA Act. The COEP petitioners subsequently appealed the dismissal of their petition to the Supreme Court of the State of New York, Appellate Division Third Department ("Third Department").

On July 14, 1989, a petition, styled Dollard et al. v. The Long Island Power Authority et al. ("Dollard"), was filed in the Supreme Court of the State of New York, Albany County, challenging the Settlement Agreement and the Asset Transfer Agreement on a variety of grounds and added a claim that the Settlement Agreement violates the New York State Environmental Quality Review Act. On October 4, 1989, the court denied the Dollard petitioners' motion for a preliminary injunction to bar implementation of the Settlement Agreement, ruling that petitioners had failed to demonstrate a probability of success on the merits or that they would suffer irreparable harm absent the granting of the motion.

The court subsequently ordered the Dollard case transferred to the Third Department, and on November 21, 1989, the Third Department ordered that the COEP appeal and the Dollard case be heard together. Both Dollard and COEP were argued before the Third Department on April 16, 1990. On July 12, 1990, the court issued its decision upholding LIPA's authority to acquire Shoreham for the purpose of decommissioning. Dollard, et al. v. LIPA, et al., 159 A.D. 141 (3d Dept. 1990). On February 19, 1991, the court of appeals granted the COEP and Dollard petitioners' leave to appeal. Oral argument on the appeal is scheduled for September 11, 1991.

LIPA believes that the outcome of the above litigations will not have a material effect on its financial condition.

Beginning in October 1989, LIPA discontinued its monthly lease of its New York City office and consolidated its operations in LIPA's Miraflores office. In February 1990, LIPA relocated its operations to larger office space located in Garden City.

NOTES TO FINANCIAL STATEMENTS

Note 7. Commitments and Contingencies, (Continued)

In February 1990, LIPA sublet their leased premises in Mineola. The sub-tenancy agreement requires the sub-tenant to pay what LIPA would otherwise have to pay (approximately \$35,000 per annum) with six month option periods beginning January 1, 1991 for the sub-tenant to continue in the premises until the end of the lease (June 1992). Provision is made in LIPA's Mineola lease for cancellation upon payment of certain declining lease termination fees. In January 1991, the subtenant opted not to continue in the premises after June 30, 1991. In June 1991, LIPA paid the lease cancellation fee of \$3,250 for the Mineola premises. The lease for these premises will therefore expire on December 31, 1991.

Minimum annual rental expense for the terms of the leases are as follows:

March 31, 1992	\$ 190,126
March 31, 1993	162,783
March 31, 1994	167,934
March 31, 1995	173,088
March 31, 1996	<u>44,235</u>
	\$ <u>738,166</u>

Rental expense for LIPA's office space amounted to approximately \$110,000 and \$88,000 for the years ended March 31, 1991 and 1990, respectively.

Note 8. Costs Attributable to Shoreham

In connection with the Management Services Agreement and the Site Agreement, as described in Note 2, Costs Attributable to Shoreham are fully reimbursed and subject to audit by LILCO.

Current and cumulative costs incurred through March 31, 1991 are as follows:

	Prior April 1, 1990	Year Ended March 31, 1991	Cumulative
LIPA and Third Party Suppliers:			
Legal consultants	\$1,687,177	\$ 702,026	\$ 2,389,203
Engineering consultants	191,291	-	191,291
Consultants, other	722,312	953,499	1,675,811
Third party suppliers	-	101,846	101,846
Salaries and employee benefits	-	618,467	618,467
General and administrative	<u>33,858</u>	<u>382,423</u>	<u>416,281</u>
	<u>2,634,638</u>	<u>2,758,261</u>	<u>5,392,899</u>
NYPA:			
Legal consultants	300,820	118,013	418,833
Engineering consultants	11,071	1,321,403	1,332,474
Consultants, other	-	977,136	977,136
Salaries and employee benefits	298,898	1,153,724	1,452,622
General and administrative	<u>39,519</u>	<u>444,168</u>	<u>483,687</u>
	<u>650,308</u>	<u>4,014,444</u>	<u>4,664,752</u>
	<u>\$3,284,946</u>	<u>\$6,772,705</u>	<u>\$10,057,651</u>

## NOTES TO FINANCIAL STATEMENTS

### Note 8. Costs Attributable to Shoreham, (Continued)

As of March 31, 1990, LIPA had not determined the amount of its total salary and general and administrative costs which are Costs Attributable to Shoreham incurred through March 31, 1990 for which it seeks reimbursement from LILCO. The amount was determined and remittance was received from LILCO and recognized as a reimbursement during the year ended March 31, 1990. These costs were recorded as expenses in LIPA's prior years' financial statements.

### Note 9. Restatement of Prior Years

Accumulated deficit at March 31, 1990 and 1989 has been restated by \$21,111 and \$35,880 respectively due to the over accrual in those years of certain employee fringe benefits. The effects of this restatement on the accumulated deficit were not material.



SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

To the Board of Trustees  
Long Island Power Authority

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended March 31, 1991 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Urbach Kahn & Werlin PC*

New York, New York  
July 12, 1991

LONG ISLAND POWER AUTHORITY

CONSULTING COSTS AND GENERAL AND ADMINISTRATIVE EXPENSES  
Year Ended March 31, 1991

	<u>Current Costs</u>	<u>Reimbursement</u>	<u>Net Costs</u>
Consulting costs:			
Engineering	\$ 455,322	\$ -	\$ 455,322
Energy conservation	327,079	-	327,079
Accounting	40,840	-	40,840
Legal	<u>1,129</u>	<u>-</u>	<u>1,129</u>
	<u>\$ 824,370</u>	<u>\$ -</u>	<u>\$ 824,370</u>
General and administrative expenses:			
Payroll	\$ 449,722	\$ 198,637	\$ 251,085
Employee benefits	79,635	34,252	45,383
Rent, current	159,214	68,854	90,360
Rent, prior	(10,692)	-	(10,692)
Telephone	12,335	-	12,335
Insurance	6,736	2,980	3,756
Office expenses	13,939	6,603	7,336
Postage and messengers	7,888	3,628	4,260
Equipment rental	6,685	-	6,685
Repairs and maintenance	3,828	1,975	1,853
Dues and subscriptions	1,214	652	552
Clerical assistance	1,323	609	714
Travel and entertainment	4,784	2,952	1,832
Auto rental	8,642	5,481	3,161
Advertising and promotion	5,097	2,344	2,753
Moving costs	6,785	-	6,785
Board meetings and trustee expenses	2,041	-	2,041
Court reporting services	7,557	4,499	3,058
Interest and bank charges	1,096	-	1,096
Depreciation expense	<u>11,028</u>	<u>-</u>	<u>11,028</u>
	<u>\$ 778,857</u>	<u>\$ 333,476</u>	<u>\$ 445,381</u>