

YORK UNIVERSITY

FINANCIAL STATEMENTS

APRIL 30, 2000

INDEX

Statement of Administrative Responsibility	1
Introduction to York University's Financial Statements - 1999 - 2000	2
Summary of Revenue and Expenses	4
Auditor's Report on Financial Statements	6
Financial Statements	
- Balance Sheet	7
- Statement of Operations	8
- Statement of Changes in Net Assets	9
- Statement of Cash Flows	10
- Notes to Financial Statements	11
Public Sector Salary Disclosure	21

STATEMENT OF ADMINISTRATIVE RESPONSIBILITY

The administration of the University is responsible for the preparation of the financial statements, the notes thereto and all other financial information contained in this annual report.

The financial statements were prepared in accordance with accounting principles generally accepted for Canadian universities and in accordance with guidelines developed by the Canadian Association of University Business Officers and accounting standards developed by The Canadian Institute of Chartered Accountants. The administration believes the financial statements present fairly, in all material respects, the University's financial position as at April 30, 2000 and the results of its operations for the year then ended. In order to achieve the objective of fair presentation in all material respects, the use of reasonable estimates and judgments were employed. Additionally, management has ensured that all financial information presented in this report has been prepared in a manner consistent with that in the financial statements.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that University assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

William M. Mercers Limited has been retained by the University in order to provide an estimate of the University's pension liability and other post-employment benefits for the current year. Management has provided the valuation actuary with the information necessary for the completion of the University's report and retains ultimate responsibility for the determination and estimation of the pension liabilities reported.

The Board of Governors carries out its responsibility for review of the financial statements and this annual report principally through its Audit Committee. The majority of the members of the Audit Committee are not officers or employees of the University. The Audit Committee meets regularly with the administration, as well as the internal auditors and the external auditors, to discuss the results of audit examinations and financial reporting matters, and to satisfy itself that each party is properly discharging its responsibilities. The auditors have full access to the Audit Committee with and without the presence of the administration.

The financial statements for the year ended April 30, 2000 have been reported on by Ernst & Young LLP Chartered Accountants, the auditors appointed by the Board of Governors. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

(Signed)

Phyllis Clark
Vice-President, Finance and Administration

(Signed)

Lorna R. Marsden, PhD
President and Vice-Chancellor

INTRODUCTION TO YORK UNIVERSITY'S FINANCIAL STATEMENTS - 1999-2000

The 1999-2000 fiscal year continued to present York with significant financial challenges. Across the University, the calls for additional funding to meet pressing needs continued to be significantly in excess of the available resources, and this trend shows no signs of abating in the future. Supporting the academic plan continues to be an essential element of the York's planning processes. Three significant issues face the Finances of York in the 2000-2001 fiscal year:

- The 2% tuition increase, for the next five years, as announced by the Provincial government, has resulted in necessitating a 1% budget cut in order to cover inflation on the cost side of the equation. This is a significant reduction from a two year 10% increase.
- As the 1999-2000 fiscal year drew to a close, the University was also in the midst of or about to commence bargaining with a number of employee groups. The outcome of these bargaining processes will have a significant impact on the University's budgets and plans for 1999-2000 and beyond.
- With the provincial SuperBuild program, two new faculty structures are being constructed. The obtaining of \$60.9 million of funding through donations and bank financing will restrict the University's borrowing power in the future as debt repayments will be large.

As in 1998-1999, to help offset the impact of budget pressures and continue to offer quality programs and student services, York increased domestic tuition rates by 10% in 1999-2000, the last of the 10% increase. For two years, thirty five per cent of the increased tuition revenue has been dedicated to student financial assistance.

In 1998-1999, the Ontario government commenced two key funding grants: the Fair Funding Grant and the Access to Opportunities Program (ATOP). This funding continued through 1999-2000. Fair Funding begins to address York's disadvantaged position in comparison to other Ontario universities in terms of grant funding per enrolment. ATOP funds significant expansions to computer science enrolments. These grants provided much needed new sources of income for the University, although the terms of the programs tie spending to specific purposes with stringent accountability requirements.

These Financial Statements reflect the results of the first year of the three-year operating budget planning framework first approved by the Board of Governors in 1999. The University ceased the employer pension contribution holiday in 1999-2000 as we no longer exceed the legal maximum. This eliminates the ability to provide a source of funds that was used to meet any additional funding requirements.

This is the third year that the University has included accrued liabilities associated with post-employment benefits. This means York recognizes the cost of retiree benefits over employees' working lifetimes, and recognizes the liabilities for future retiree benefits for both active employees and current retirees. The liability at April 30, 2000 was \$34.9 million. The required date of incorporation of The Canadian Institute of Chartered Accountants (CICA) accounting policy is our next fiscal year, 2000-2001.

The Statement of Operations shows an overall \$18.0 million excess of revenue over expenses for the year. This result is in keeping with the University's overall plan to manage the \$85.5 million Unrestricted Net Asset deficit reported in 1998-1999. Spending on scholarships and bursaries was \$14.9 million in 1998-99, which represents a \$4.0 million increase over the previous year, and \$22.4 million in 1999-2000, which represents a \$7.6 million increase over the previous year. These significant increases in scholarship and bursary spending largely reflect the impact of the tuition reinvestment funds generated by the 1998-1999-2000 10% fee increases.

The Balance Sheet shows the Unrestricted Net Assets, representing the accumulation of all the surpluses and deficits since the University's inception. York's cumulative deficit was reduced from \$85.5 million in 1997-98 to \$68.0 million in 1998-1999 and further reduced to \$60.5 in 1999-2000. This overall reduction in the cumulative deficit to \$60.5 is in line with the second year of the long-term deficit management plan approved by the Board in November of 1998.

The Balance Sheet also shows the book value of York's endowments at \$105.4 million by the end of 1999-2000, an increase of \$15.5 million over the previous year. This increase reflects the completion of Fund program which provided for matching funds from the Province of Ontario. The market value of the University's endowments was just over \$118.0 million at the end of the year.

Looking ahead, the University will continue to manage its finances responsibly, in difficult times of 2% tuition increases, a large capital building program, constant pressure for increased salaries for faculty and non-academic staff and the gearing up for increased student enrollments as a result of the elimination of grade 13 in 2003.

(signed)

Phyllis Clark
Vice-President, Finance and Administration

YORK UNIVERSITY

SUMMARY OF REVENUE AND EXPENSES

Total Revenue and Expenses (millions of dollars)

Year ended April 30,

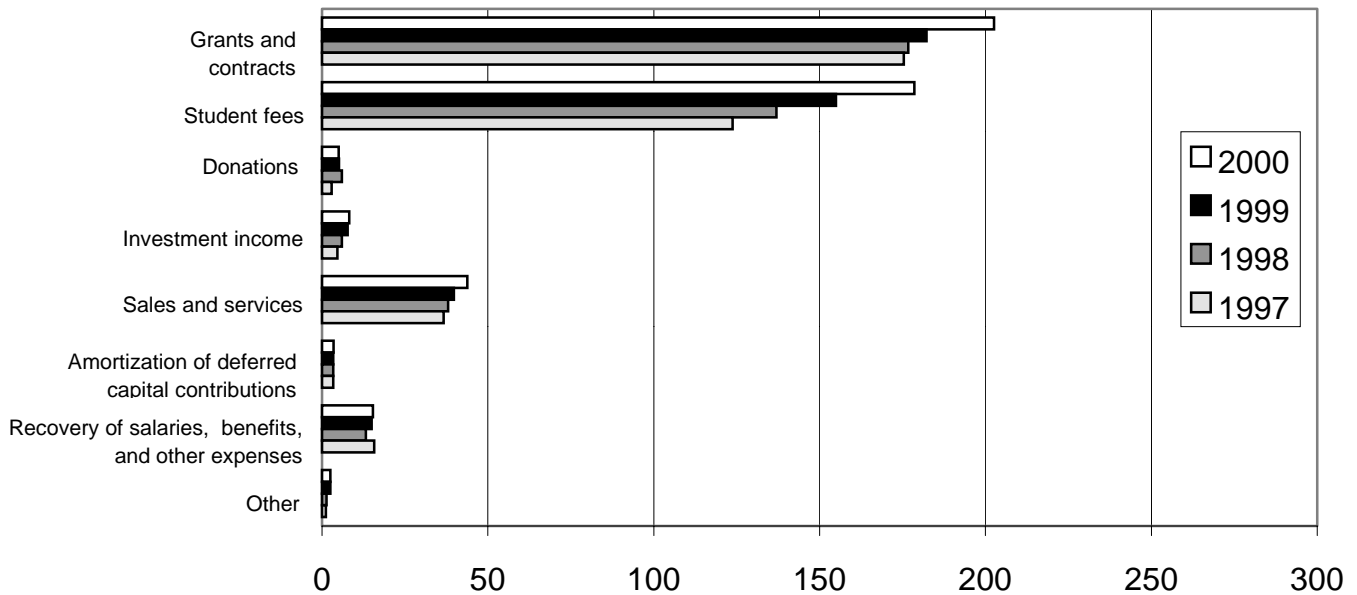
	2000	1999	1998	1997
	\$	\$	\$	\$
REVENUE				
Grants and contracts	202.6	182.2	176.8	175.4
Student fees	178.6	157.1	140.3	124.8
Donations	5.0	5.1	5.9	2.9
Investment income	8.2	7.8	6.0	4.6
Sales and services	43.8	39.7	38.0	36.7
Amortization of deferred capital contributions	3.5	3.4	3.4	3.4
Recovery of salaries, benefits and other expenses	15.3	15.0	13.2	15.7
Other	2.6	2.5	1.4	1.2
Total revenue	459.6	412.8	385.0	364.7
EXPENSES				
Salaries and benefits	289.0	270.5	260.0	247.3
Operating costs	67.9	62.7	56.5	54.1
Amortization of capital assets	22.9	22.4	20.5	19.8
Cost of goods sold	11.5	11.0	10.5	10.4
Taxes and utilities	18.4	17.6	17.9	18.5
Scholarships and bursaries	22.4	14.9	10.9	9.0
Interest on long-term debt	9.5	9.8	10.5	9.7
Total expenses	441.6	408.9	386.8	368.8
Excess of revenue over expenses				
(expenses over revenue for the year)	18.0	3.9	(1.8)	(4.1)

% of Total Revenue and Expenses

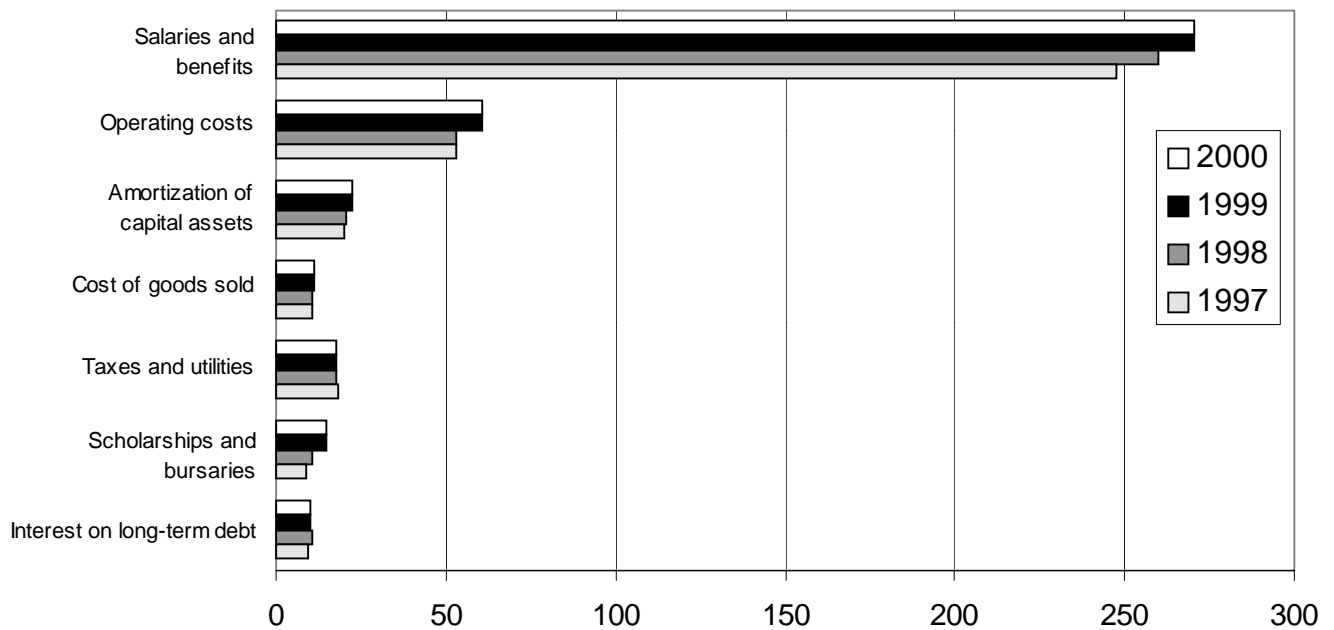
	2000	1999	1998	1997
	%	%	%	%
REVENUE				
Grants and contracts	44.1	44.3	45.9	48.1
Student fees	38.9	37.7	36.4	34.2
Donations	1.1	1.2	1.5	0.8
Investment income	1.8	1.9	1.6	1.3
Sales and services	9.5	9.7	9.9	10.1
Amortization of deferred capital contributions	0.8	0.8	0.9	0.9
Recovery of salaries, benefits and other expenses	3.3	3.7	3.4	4.3
Other	0.5	0.7	0.4	0.3
	100.0	100.0	100.0	100.0
EXPENSES				
Salaries and benefits	65.4	66.5	67.2	67.1
Operating costs	15.4	14.9	14.6	14.7
Amortization of capital assets	5.2	5.5	5.3	5.4
Cost of goods sold	2.6	2.7	2.7	2.8
Taxes and utilities	4.2	4.3	4.7	5.0
Scholarships and bursaries	5.1	3.6	2.8	2.4
Interest on long-term debt	2.1	2.5	2.7	2.6
	100.0	100.0	100.0	100.0

SUMMARY OF REVENUE AND EXPENSES
1997 – 2000
(millions of dollars)

Revenue



Expenses



AUDITORS' REPORT

To the Board of Governors of
York University

We have audited the financial statements of York University as at and for the year ended April 30, 2000 comprising the following:

Balance Sheet
Statement of Operations
Statement of Changes in Net Assets
Statement of Cash Flows

These financial statements are the responsibility of the administration of the University. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Canada. 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 the administration, 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 University as at April 30, 2000 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in Canada.

Toronto, Canada
July 28, 2000

Ernst & Young LLP

Chartered Accountants

BALANCE SHEET

(thousands of dollars)

As at April 30

	2000	1999
	\$	\$
ASSETS		
Current		
Cash and short-term investments	56,117	34,682
Accounts receivable	31,308	27,058
Current portion of note receivable (<i>note 6</i>)	8,101	2,000
Prepaid expenses	3,676	4,087
Inventories	5,741	6,213
Total current assets	104,943	74,040
Pension cost deferral (<i>notes 12 and 15</i>)	2,900	-
Investments (<i>notes 3 and 11</i>)	195,269	127,644
Capital assets, net (<i>note 4</i>)	209,290	210,427
Note receivable (<i>note 6</i>)	-	8,030
	512,402	420,141
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	47,168	46,318
Current portion of long-term debt (<i>note 10</i>)	5,363	4,170
Deferred contributions and income (<i>note 8</i>)	43,202	38,015
Total current liabilities	95,733	88,503
Long-term liabilities (<i>note 9</i>)	34,881	32,850
Long-term debt (<i>note 10</i>)	90,377	96,511
Deferred contributions and income (<i>note 8</i>)	29,146	28,708
Deferred capital contributions (<i>note 11</i>)	127,850	70,251
Total liabilities	377,987	316,823
NET ASSETS		
Unrestricted	(60,470)	(68,033)
Internally restricted (<i>note 12</i>)	22,771	19,565
Investment in capital assets (<i>note 5</i>)	66,683	61,818
Endowments (<i>note 13</i>)	105,431	89,968
Total net assets	134,415	103,318
	512,402	420,141

See accompanying notes

On behalf of the Board of Governors

(signed)

 Marshall A. Cohen
 Chair

(signed)

 Lorna R. Marsden, PhD
 President and Vice Chancellor

STATEMENT OF OPERATIONS

(thousands of dollars)

Year ended April 30

	2000 \$	1999 \$
REVENUE		
Grants and contracts	202,609	182,194
Student fees	178,680	157,074
Donations	5,031	5,076
Investment income (<i>note 3</i>)	8,269	7,760
Sales and services	43,758	39,742
Amortization of deferred capital contributions	3,485	3,406
Recovery of salaries, benefits and other expenses	15,275	14,986
Other	2,567	2,587
	459,674	412,825
EXPENSES		
Salaries and benefits	288,970	270,447
Operating costs	67,920	62,735
Amortization of capital assets	22,877	22,378
Cost of goods sold	11,514	11,021
Taxes and utilities	18,371	17,637
Scholarships and bursaries	22,449	14,873
Interest on long-term debt	9,541	9,839
	441,642	408,930
Excess of revenue over expenses	18,032	3,895

See accompanying notes

STATEMENT OF CHANGES IN NET ASSETS

(thousands of dollars)

Year ended April 30

	2000				1999	
	Unrestricted \$	Internally restricted \$ <i>(note 12)</i>	Investment in capital assets \$ <i>(note 5)</i>	Endowments \$ <i>(note 13)</i>	Total \$	Total \$
Net assets, beginning of year	(68,033)	19,565	61,818	89,968	103,318	77,684
Excess of revenue over expenses	18,032	-	-	-	18,032	3,895
Change in internally restricted net assets	(3,206)	3,206	-	-	-	-
Donated assets added directly to investment in capital assets <i>(note 5)</i>	-	-	-	-	-	102
Change in investment in capital assets before donations <i>(note 5)</i>	(4,865)	-	4,865	-	-	-
Investment income credited directly to endowment <i>(note 13)</i>	-	-	-	2,213	2,213	815
Internally restricted contributions	(2,398)	-	-	2,398	-	-
Endowment contributions				10,852	10,852	20,822
Net assets, end of year	(60,470)	22,771	66,683	105,431	134,415	103,318

See accompanying notes

STATEMENT OF CASH FLOWS

(thousands of dollars)

Year ended April 30

	2000 \$	1999 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	18,032	3,895
Add (deduct) non-cash items:		
Amortization of capital assets	22,877	22,378
(Increase) decrease in pension cost deferral	(2,900)	3,278
Amortization of deferred capital contributions	(3,485)	(3,406)
Net change in non-cash working capital balances <i>(note 14)</i>	(2,517)	6,595
Cash provided by operating activities	32,007	29,462
INVESTING ACTIVITIES		
Purchase of investments, net	(67,625)	(34,855)
Decrease in note receivable	1,929	307
Purchase of capital assets	(21,740)	(20,105)
Cash used in investing activities	(87,436)	(54,653)
FINANCING ACTIVITIES		
Donation of land	-	102
Increase in long-term liabilities	2,031	1,450
Repayment of long-term debt	(4,941)	(3,776)
Increase in deferred contributions and income	5,625	14,384
Contributions restricted for capital purposes	61,084	2,570
Investment income credited directly to endowment	2,213	815
Endowment contributions	10,852	20,822
Cash provided by financing activities	76,864	39,645
Net increase in cash and short-term investments during the year	21,435	14,454
Cash and short-term investments, beginning of year	34,682	20,228
Cash and short-term investments, end of year	56,117	34,682

See accompanying notes

YORK UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

(all amounts are in thousands of dollars unless otherwise indicated)

April 30, 2000

1. DESCRIPTION

York University ("York" or the "University") is incorporated under the York University Act, 1965, a statute of the Legislative Assembly of Ontario. The University is dedicated to providing postsecondary and postgraduate education and to conducting research. The University is a registered charity and, under the provisions of Section 149 of the Income Tax Act (Canada), is exempt from paying income taxes.

The financial statements of York reflect the assets, liabilities, net assets, revenue, expenses and other transactions of all the operations of the University and organizations that the University controls. Accordingly, these financial statements include the operating and the ancillary operations of the University and the accounts of its wholly owned subsidiary, York University Development Corporation, which is responsible for the development of undeveloped York lands and management of York Lanes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

A summary of significant accounting policies is as follows:

Revenue recognition

The University follows the deferral method of accounting for contributions, which include donations and government grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions, other than endowments, are deferred and recognized as revenue in the year in which the related expenses are recognized. Endowment contributions are recognized as direct increases in net assets.

Donations of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

Student fees are recognized as revenue when courses and seminars are held. Sales and services revenue is recognized at point of sale or when the service has been provided.

Pledges are recorded as revenue on a cash basis as pledges are not legally enforceable.

Inventories

Inventories are stated at the lower of cost and net realizable value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Short-term investments are recorded at the lower of cost and market value. Investments in fixed income securities which are to be held to maturity are recorded at cost plus accrued interest. Other investments are recorded in the accounts at market value. Unrealized gains (losses) are included in investment income. Externally restricted investment income, other than that designated for endowments, is recognized as revenue when the related expenses are incurred. Externally restricted investment income designated for endowment is recognized as direct increases in net assets. Internally restricted investment income is recorded as a transfer from unrestricted to internally restricted net assets in the Statement of Changes in Net Assets. Unrestricted investment income is recognized as revenue in the year it is earned.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution, except for land received under the terms of grants, which is carried at nominal value. Amortization of capital assets with a limited life is provided on a straight-line basis over their estimated useful lives as follows:

	Annual Rate	Years
Buildings, plant facilities and infrastructure	2.5% to 10%	10 to 40
Equipment and furnishings	10% to 33.3%	3 to 10
Library collection	100%	1

Foreign exchange translation

The University accounts for transactions in a foreign currency at the exchange rate in effect at the date of the transactions. At year end, monetary assets and liabilities denominated in a foreign currency are translated at year end exchange rates and any translation gain or loss is included in operations. Foreign exchange gains and losses on investments have been included in investment income.

Post-employment benefits

The cost of providing benefits through the defined benefit pension plan and post-employment benefits other than pensions is actuarially determined and recognized in operations using the projected benefit method pro rated on service. Differences arising from plan amendments, changes in assumptions and experience gains and losses are recognized in income over the expected average remaining service life of employees. The cost of providing benefits through the defined contribution pension plan is charged to operations in the year in respect of which contributions become payable.

Financial instruments

The fair value of accounts receivable and accounts payable and accrued liabilities approximate their carrying amounts because of the short-term maturity of these instruments. The fair values of long-term receivables and liabilities approximate carrying values as the rates approximate market rates for the associated risk of the underlying instrument. Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

3. INVESTMENTS

(a) Investments consist of the following:

	2000					1999			
	Less than 1 year \$	1 to 5 years \$	5 to 10 years \$	Maturity More than 10 years \$	No fixed maturity \$	Total \$	Fair value \$	Total \$	Fair Value \$
Short-term investments	59,107	-	-	-	-	59,107	59,107	40,778	40,778
Government bonds	1	16,880	10,607	20,536	-	48,024	50,850	39,022	44,756
Corporate bonds	52	4,720	3,394	2,917	-	11,083	11,083	13,059	13,059
Canadian equities	-	-	-	-	43,239	43,239	43,239	34,067	34,067
International equities	-	-	-	-	33,126	33,126	33,126	28	28
Other	-	-	-	-	690	690	690	690	690
Total	59,160	21,600	14,001	23,453	77,055	195,269	198,095	127,644	133,378

(b) The weighted average yield on fixed income instruments based on fair value at year end is as follows:

	2000				1999	
	Less than 1 year %	1 to 5 years %	5 to 10 years %	More than 10 years %	Total %	Total %
Short-term investments	5.87	-	-	-	5.87	4.83
Government bonds	-	6.28	6.36	6.30	6.31	5.30
Corporate bonds	-	6.77	6.78	7.21	6.92	5.45

(c) Investment income is as follows:

	2000 \$	1999 \$
Total investment income recognized	10,482	8,575
Less amounts credited directly to endowment	(2,213)	(815)
Total	8,269	7,760

4. CAPITAL ASSETS

Capital assets consist of the following:

	2000			1999		
	Cost \$	Accumulated Amortization \$	Net Book Value \$	Cost \$	Accumulated Amortization \$	Net Book Value \$
Land	12,832	-	12,832	12,832	-	12,832
Buildings, plant facilities and infrastructure	338,744	162,753	175,991	330,351	154,061	176,290
Equipment and furnishings	71,311	52,897	18,414	69,547	52,503	17,044
Library collection	56,755	56,755	-	52,917	52,917	-
Construction in progress	2,053	-	2,053	4,261	-	4,261
Total	481,695	272,405	209,290	469,908	259,481	210,427

4. CAPITAL ASSETS (continued)

The increase in net book value of capital assets is due to the following:

	2000 \$	1999 \$
Balance, beginning of year	210,427	212,700
Purchase of capital assets funded by restricted contributions	2,029	3,161
Purchase of capital assets internally funded	19,711	16,842
Donated capital assets	-	102
Fully depreciated capital assets at cost	(9,953)	(8,186)
Accumulated amortization on fully depreciated capital assets	9,953	8,186
Amortization of capital assets	(22,877)	(22,378)
Balance, end of year	209,290	210,427

During the year, the total cost of items added to the library collection was \$8,009 (1999 - \$6,881) and the total cost of items removed was \$4,171 (1999 - \$3,818).

The Glendon campus land and a majority of the Keele Street campus land were acquired by grants. These grants had restrictive covenants, which have been registered on the title of the property. Under these covenants properties may only be used for educational or research purposes at the University level. As appraisals are not available at the date of the grants, these assets are recorded in the accounts at actual historic costs.

5. INVESTMENT IN CAPITAL ASSETS

The investment in capital assets consists of the following:

	2000 \$	1999 \$
Capital assets	209,290	210,427
Less amounts financed by:		
Long-term debt	(83,745)	(88,292)
Deferred capital contributions (note 11)	(58,862)	(60,317)
Balance, end of year	66,683	61,818

The change in investment in capital assets is calculated as follows:

	2000 \$	1999 \$
Repayment of long-term debt	4,546	3,539
Purchase of capital assets internally funded	19,711	16,842
Increase in investment in capital assets	24,257	20,381
Amortization expense	22,877	22,378
Less amortization of deferred capital contributions (note 11)	(3,485)	(3,406)
Decrease in investment in capital assets	19,392	18,972
Change in investment in capital assets before donations	4,865	1,409
Donated capital assets	-	102
Change in investment in capital assets	4,865	1,511

6. NOTE RECEIVABLE

On May 12, 1997, Seneca College of Applied Arts and Technology ("Seneca") entered into an agreement in which York leases land to Seneca. Seneca will construct, establish and operate the Seneca-at-York campus. The land lease extends for an initial term of 50 years to August 31, 2047 and can be extended for two extensions of 25 and 24 years to 2072 and 2096, respectively. As a result of this agreement, a promissory note for \$10.3 million was issued to York from Seneca. These funds will be directed toward construction of a new Computer Science building.

7. CREDIT FACILITY

The University has a bank credit facility available in the amount of \$15 million. When drawn upon, interest is charged at the bank's prime rate of interest, which was 7.0% at April 30, 2000.

8. DEFERRED CONTRIBUTIONS AND INCOME

Deferred contributions and income represent unspent externally restricted grants and donations for research and other restricted purposes. The changes in the deferred contributions and income balance are as follows:

	April 30 1999 \$	Additions \$	Transfers to		April 30 2000 \$
			Income \$	Endowment \$	
Current					
Research and other grants and contracts	29,133	33,096	25,448	-	36,781
Fees and other income	8,382	5,921	8,382	-	5,921
Donations	500	-	-	-	500
	38,015	39,017	33,830	-	43,202
Long-term					
Expendable investment and other income from trusts and endowments	28,708	9,988	9,004	546	29,146
Total deferred contributions and income	66,723	49,005	42,834	546	72,348

9. LONG-TERM LIABILITIES

Long-term liabilities consist of the following accruals:

	2000 \$	1999 \$
Early retirement benefits	10,492	10,900
Other post-employment benefits, other than pensions	24,389	21,700
Teacher's superannuation settlement	-	250
Balance, end of year	34,881	32,850

Other post-employment benefits include comprehensive medical, supplementary hospital and dental care.

10. LONG-TERM DEBT

Long-term debt consists of the following:

Maturity	2000		1999		2000		1999	
	Weighted average interest rate		Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
			\$	\$	\$	\$	\$	\$
Debentures	2017 to 2023	6.76%	6.75%	8,733	8,523	8,935	9,474	
Capital leases	2019 to 2020	7.31%	7.31%	4,530	4,722	4,623	5,228	
Mortgages	2006 to 2016	10.12%	10.11%	28,543	36,152	28,704	38,984	
Term loans	2001 to 2002	9.38%	9.30%	53,934	55,363	58,419	64,298	
Total				95,740	104,760	100,681	117,984	

The fair value of long-term debt has been calculated based upon current interest rates at the year end for comparable debt instruments and maturity dates. The effective rates are as follows: term loans – 7.23% (1999 - 5.83%); mortgages, capital leases and debentures – 6.40% to 7.0% (1999 – 5.56% to 6.0%).

Scheduled future minimum annual repayments of long-term debt are as follows:

	\$
2001	5,363
2002	49,580
2003	561
2004	602
2005	647
Subsequent years	38,987
Total	95,740

11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of restricted donations and grants received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the Statement of Operations when the associated capital asset is brought into service. The changes in the deferred capital contribution balance are as follows:

	2000			1999		
	Expended	Unexpended	Total	Expended	Unexpended	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	60,317	9,934	70,251	60,562	10,525	71,087
Contributions received in the year	1,103	59,981	61,084	2,570	-	2,570
Transfers	927	(927)	-	591	(591)	-
Amortization of deferred capital contributions	(3,485)	-	(3,485)	(3,406)	-	(3,406)
Balance, end of year	58,862	68,988	127,850	60,317	9,934	70,251

In March 2000, the Ministry of Training, Colleges and Universities issued SuperBuild Growth Funding to the University in the amount of \$54.0 million. This funding is being used to partially fund the construction of two new academic buildings. Construction is anticipated to commence in fiscal 2001. This amount is included in unexpended deferred capital contributions above and investments on the Balance Sheet.

12. INTERNALLY RESTRICTED NET ASSETS

Details of the internally restricted net assets are as follows:

	1999 \$	Appropriated \$	Expended \$	2000 \$
Departmental carryforwards	18,274	22,355	18,274	22,355
Progress through the ranks	(8,691)	(4,805)	-	(13,496)
System enhancements for the year 2000	717	(688)	29	-
Computing systems development	1,147	3,439	3,153	1,433
Contractual commitments to employee groups	686	1,105	658	1,133
Purchase order commitments	1,694	1,321	1,694	1,321
Pension cost deferral	-	8,866	5,966	2,900
Capital reserve	5,738	2,415	1,028	7,125
Balance, end of year	19,565	34,009	30,656	22,771

Internally restricted net assets include funds committed for specific purposes that reflect the application of the Board of Governor's policy as follows:

- i. Departmental carryforwards - These represent the cumulative positions of all Faculties and Divisions with net unspent year end balances at the 2000 year end. Under Board policy, which is approved annually, Faculties and Divisions are entitled to carryforward the net unspent funds from previous years' allocations. These funds provide units with a measure of flexibility established through prudent management over several years to assist with future balancing of their budgets in the face of additional anticipated budget reductions, as well as resources which are to meet commitments made during the year but not reflected at year end in purchase orders.
- ii. Progress through the ranks – This is the cumulative difference between the amounts paid for progress through the ranks (PTR) salary adjustments and the budget funds provided under York's salary recovery policy. PTR adjustments are planned to be self-funding over time. However, on a year to year basis, the cost of providing PTR adjustments can be more or less than the funds provided depending on the number of retirements that occurred during the year.
- iii. System enhancements for the year 2000 - The University appropriated funds for the potential costs of having to upgrade or replace hardware, software and equipment to avoid adverse impacts which could arise as a result of problems related to the year 2000. The reserve is no longer required.
- iv. Computing systems development - The University has implemented several major administrative computing and information systems. These appropriated funds support forward commitments for these new systems in process, as well as planned future stages of system implementation not yet contracted for at year end.
- v. Contractual commitments to employee groups - This is the net carryforward of funds to meet future commitments defined under Collective Agreements with various employee groups.
- vi. Purchase order commitments - This represents the net value across all operating budget units of purchase commitments for goods ordered but not received at year end.
- ix. Pension cost deferral - This represents the portion of University-funded contributions paid into the pension plan, which exceed the accrued value of employee pension benefits earned during this period, as estimated in accordance with accounting principles generally accepted in Canada.
- x. Capital reserve - This represents funds restricted for deferred maintenance, capital emergencies and major capital projects.

13. ENDOWMENTS

Endowments include restricted donations received by the University and donations that have been internally designated. Investment returns generated from endowments are used in accordance with the various purposes established by the donors or by the Board of Governors. The University protects the future purchasing power of its endowments by designating a portion of the annual investment income earned to endowments, known as capital protection. Further, the University has established a policy of setting the amount of income available for spending to 5% of the endowment.

Net assets restricted for endowment consist of the following:

	Endowed funds				Endowed funds
	April 30, 1999	New	Capital	Transfers	April 30, 2000
	\$	Contributions	Protection	\$	\$
	\$	\$	\$	\$	\$
Externally restricted	86,226	10,852	2,213	1,586	100,877
Internally restricted	3,742	2,301	97	(1,586)	4,554
Total	89,968	13,153	2,310	-	105,431

(a) Ontario Student Opportunity Trust Fund

The Government of Ontario established the Ontario Student Opportunity Trust Fund (OSOTF) program to encourage companies and individuals to contribute funds to post secondary students. The University set up a fund, in fiscal 1997, and eligible donations made were equally matched by the Province. Investment income earned in this fund is awarded to qualified students in need of financial aid.

As at April 30, 2000, the market value of the OSOTF Fund was \$66,710 (1999 - \$55,770). Investment income earned during the year was \$3,026 (1999 - \$3,094). The amount available for awards is \$4,207 (1999 - \$2,607) after awards of \$1,567 (1999 - \$614) were distributed during the year.

(b) Seymour Schulich Endowment Fund

The University has received a gift of \$10 million, which it holds as an endowment in perpetuity. The University has agreed to match the gift and until such time as it discharges its commitment, it will make an annual revenue contribution to the Fund equal to 7% of the unmatched capital contribution. The agreement also provides for a testamentary bequest to the University of a further \$5 million.

At April 30, 2000, the unmatched endowment contribution is \$6.1 million which the University has agreed to discharge in four installments over a four-year period commencing not later than the year 2001. It is intended that these amounts will be realized from future fundraising activities.

14. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2000	1999
	\$	\$
Accounts receivable	(4,250)	5,632
Prepaid expenses	411	(1,012)
Inventories	472	(1,793)
Accounts payable and accrued liabilities	850	3,768
Net change in non-cash working capital balances	(2,517)	6,595

15. PENSION PLAN

The University has a defined contribution pension plan covering substantially all of its employees. It also has a defined benefit pension plan that provides a minimum level of pension for the employees covered by the defined contribution plan.

During the fiscal year ended April 30, 2000, the University made employer contributions to the University pension plan.

The pension expense, calculated and reported for the year ended April 30, 2000 in accordance with accounting principles generally accepted in Canada, was \$5,966 (1999 - \$2,301).

As at April 30, 2000, the date of the most recent actuarial valuation, the assets of the plan had a market related value of \$861,227. The actuarial present value of the accrued pension benefits amounted to \$823,029, resulting in an actuarial surplus of \$38,198. The assets and liabilities of the plan are not included in the financial statements of the University.

16. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Guaranteed housing loans

The University has guaranteed and is contingently liable in the amount of \$3,703 (1999 - \$4,539) for bank loans for faculty and staff. The loans to assist in the purchase of homes are collateralized by home mortgages.

(b) Canadian University Reciprocal Insurance Exchange

The University participates in a reciprocal exchange of insurance risks in association with forty-nine other Canadian universities. This self-insurance reciprocal, named CURIE, involves a subscriber agreement to share the insurable property and liability risks of member universities for a term of not less than five years. Plan members are required to pay annual deposit premiums, which are actuarially determined and are subject to further assessment in proportion to their participation in the event premiums are insufficient to cover losses and expenses. As at April 30, 2000, CURIE was fully funded.

(c) Capital and other commitments

The estimated cost to complete committed capital projects at April 30, 2000 is approximately \$132,102 (1999 - \$1,246). The projects include the construction three new buildings for Computer Science, the Technology Enhanced Learning (TEL) project and the Schulich School of Business. These costs will be financed by SuperBuild and other government grants and contributions, borrowings and fundraising.

17. PLEDGES OUTSTANDING

The total amount of pledges outstanding is \$16,921 as at April 30, 2000. The receipt of funds pledged cannot be assured as they are not legally enforceable and consequently, have not been included in the financial results. Pledges outstanding are as follows:

	\$
2001	10,855
2002	2,953
2003	2,262
2004	409
2005	183
Subsequent years	259
Total	16,921

At the request of the contributor, restrictions may apply to the use of these funds.

18. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2000 financial statements.

YORK UNIVERSITY
PUBLIC SECTOR SALARY DISCLOSURE
(UNAUDITED)

YORK UNIVERSITY

PUBLIC SECTOR SALARY DISCLOSURE 2000

The Public Sector Salary Disclosure Act, 1995 requires the University to publish the salaries of all employees of York University earning \$100,00 or more.

EMPLOYEE NAME	POSITION	SALARY	TAXABLE BENEFIT
Abner, Brian D.	Professor and Associate Vice-President Academic Resources Planning	124,849	601
Abramson, Morton	Professor, Mathematics & Statistics	140,008	2,743
Arjomandi, Eshrat	Professor, Computer Science	108,725	587
Arthurs Harry W.	University Professor, Osgoode Hall Law School & President Emeritus	184,800	1,065
Auster, Ellen R	Professor, Schulich School of Business	105,985	597
Barrett, Frank A.	Professor, Geography	101,757	559
Bartel, Henry	Professor, Administrative Studies	114,062	586
Bell, David V.J.	Professor, Environmental Studies	121,718	702
Bell, Jill	Professor, Education	110,363	1,280
Bianchi, Luigi M.	Professor, Science & Technology Studies	109,689	507
Bordessa, Ronald	Professor & Dean, Atkinson College	116,999	649
Brewer, Dawson E.	Professor, Schulich School of Business	105,867	582
Brewer, Gary H.	Assistant Vice-President, Finance and Chief Financial Officer	123,469	1,690
Brooks, William Neil	Professor, Osgoode Hall Law School	127,893	691
Burke, Ronald J.	Professor, Schulich School of Business	122,761	695
Buzacott, John A.	Professor, Schulich School of Business	117,835	664
Clark, Phyllis M.	Vice-President, Administration	137,724	767
Claydon, John E.	Professor, Osgoode Hall Law School	135,000	777
Cook, Wade	Professor, Schulich School of Business	139,290	652
Cowles, Michael P.	Professor, Psychology	110,143	515
Cragg, Arthur W.	Professor, Schulich School of Business	116,818	4,170
Darroch, Arthur G.L.	Professor, Sociology	101,612	574
Darroch, James	Professor, Schulich School of Business	101,336	526
Davey, Kenneth G.	Distinguished Research Professor, Biology	126,969	555
Denzel, George E.	Professor, Mathematics & Statistics	113,896	652
Dermer, Jerry	Professor, Schulich School of Business	250,143	6,591
Dimick, David E.	Professor, Schulich School of Business	108,377	576
Dusk, Cora Marie M.	Assistant Vice-President, Campus Relations & Student Affairs	101,849	5,347
Dymond, Patrick	Professor, Computer Science	116,384	2,124
Emond, D. Paul	Professor, Osgoode Hall Law School	120,257	2,334
Ewoldt, Carolyn K.	Professor, Education	101,855	572
Fallis, George B.	Professor & Dean, Faculty of Arts	134,741	739
Fenton, Brock	Professor and Associate Vice-President, Research	114,178	627
Fenwick, Ian D.	Professor, Schulich School of Business	116,093	629
Fischer, Eileen Mary	Professor, Schulich School of Business	105,323	533
Found, William C.	University Professor, Environmental Studies	127,349	722
Frolic, Bernie M.	Professor, Political Science	106,414	2,249
Gainer, Brenda J.	Professor, Schulich School of Business	103,132	565
Geva, Benjamin	Professor, Osgoode Hall Law School	103,667	664
Gledhill, Norman	Professor, Kinesiology & Health Science	103,509	573
Gray, Robert J.S.	Professor, Osgoode Hall Law School	146,932	268
Grayson, J. Paul	Professor, Sociology	102,056	5,582

YORK UNIVERSITY

PUBLIC SECTOR SALARY DISCLOSURE 2000 (continued)

EMPLOYEE NAME	POSITION	SALARY	TAXABLE BENEFIT
Harris, Geoffrey W.	Professor, Chemistry	126,473	696
Hasson, Reuben, A.	Professor, Osgoode Hall Law School	133,461	769
Hay, Charles Douglas	Professor, Osgoode Hall Law School	114,921	689
Heddle, John A.	Professor, Biology	112,139	634
Hobson, Deborah W.	Professor and Vice-President, Enrolment & Student Services	136,761	832
Hoffmann, Ellen J.	Associate Vice-President, Academic Information & University Librarian	124,378	688
Hogg, Peter W.	University Professor & Dean, Osgoode Hall Law School	170,613	918
Horvath, Dezso	Professor & Dean, Schulich School of Business	181,020	1,016
Hutchinson, Allan C.	Professor, Osgoode Hall Law School	110,984	2,848
Innanen, Kimmo A.	Professor, Physics & Astronomy	114,307	649
Irani, Khurshed	Director, Facilities Management	103,374	5,529
Jarvie, Ian C.	Distinguished Research Professor, Philosophy	113,691	5,663
Joshi, Sudhakar B.	Professor, Physics & Astronomy	120,678	464
Jurkowski, Diane	Course Director, Administrative Studies	100,948	
Kanya-Forstner, A. Sydney	Professor, History	102,164	577
Kaplan, Harold	Professor, Political Science	132,724	749
Kater, Michael H.	Professor, History	116,619	659
Katz, Shirley	Professor & Associate to the Counsel	101,950	560
Keall, Marguerite J.	Professor, Social Science	127,454	441
Kehoe, Dalton A.	Professor, Social Science	126,162	1,906
Kelton, Roger A.	Professor, Kinesiology and Health Sciences	100,668	4,458
Kohn, Paul M.	Professor, Psychology	105,264	571
Lay, Clarry H.	Professor, Psychology	102,604	4,160
Leibu, Ygal	Registrar	112,593	2,838
Lever, Alfred B.P.	Distinguished Research Professor, Chemistry	104,554	590
Lewis, Harriet	University Secretary & General Counsel	132,989	755
Leyton-Brown, David	Professor & Dean, Graduate Studies	124,089	645
Litvak, Isaiah A.	Professor, Schulich School of Business	112,413	707
Liu, Joseph W.H.	Professor, Computer Science	104,062	586
Logan, David M.	Professor, Biology	104,415	556
Mandel, Michael G.	Professor, Osgoode Hall Law School	123,411	633
Mann, Susan N.	Professor, History & President Emeritus	115,041	480
Marsden, Lorna Ruth	President & Vice-Chancellor	239,679	9,125
McCamus, John D.	Professor, Osgoode Hall Law School	147,388	804
McDougall, Ian A.	Professor, Osgoode Hall Law School	101,031	646
McKechnie, Graeme H.	Professor, Economics	122,362	600
McKellar, James	Professor, Schulich School of Business	139,969	684
Morgan, Gareth H.J.	Distinguished Research Professor, Schulich School of Business	120,476	680
Morris, Raymond N.	Professor, Sociology	108,158	609
Mossman, Mary Jane	Professor, Osgoode Hall Law School	115,161	664
O'Brien, Patricia C.	Professor, Schulich School of Business	109,625	623
Peterson, Rein	Professor, Schulich School of Business	121,593	2,808
Pilkington, Marilyn	Professor, Osgoode Hall Law School	122,071	704
Plourde, Charles G.	Professor, Economics	104,911	576
Prince, Robert H.	Professor & Dean, Faculty of Science	119,586	662

YORK UNIVERSITY

PUBLIC SECTOR SALARY DISCLOSURE 1999 (continued)

EMPLOYEE NAME	POSITION	SALARY	TAXABLE BENEFIT
Prisman, Eliezer Zeey	Professor, Schulich School of Business	122,487	5,566
Pyke, Sandra W.	Professor, Psychology	108,101	4,282
Regan, David M.	Distinguished Research Professor, Psychology	146,640	829
Robbins, Stuart G.	University Professor, School of Physical Education	112,380	595
Roberts, Gordon Sam Abram	Professor, Schulich School of Business	112,334	707
Rosen, Lawrence S.	Professor, Schulich School of Business	131,263	743
Roy, S. Paul	Professor, Schulich School of Business	100,755	566
Rudolph, Jochen	Professor, Chemistry	113,458	645
Rudolph, Ross A.	Professor, Political Science	102,976	593
Sadowski, Chester M.	Professor, Chemistry	100,884	2,637
Savary, James R.	Professor, Economics	100,494	540
Shapiro, Alan A.	Professor, Economics	102,905	538
Shapson, Stan	Professor & Associate Vice-President, Strategic Academic Initiatives	148,709	845
Shepherd, Gordon G.	Distinguished Research Professor, Earth & Atmospheric Science	101,001	497
Silver, Phillip	Professor & Dean, Fine Arts	111,613	578
Slattery, Brian	Professor, Osgoode Hall Law School	112,530	683
Smith, David M.	Assistant Vice-President, Management Information	128,746	10,409
Smith, Gary	Vice-President, University Advancement	175,090	4,061
Smylie, Douglas E.	Professor, Earth & Atmospheric Science	103,579	586
Spence, Edward S.	Professor, Environmental Studies	135,203	699
Stelmacovich, Andrew F.	Director of Development Osgoode Hall	103,479	586
Stevenson, Hugh Michael	Professor & Vice-President, Academic Affairs & Provost	149,025	829
Struk, Peter	Assistant Vice-President, Facilities & Business Operations	123,431	6,420
Swarney, Paul R.	Professor, Humanities	105,386	528
Taylor, Peter	Professor, Earth & Atmospheric Science	102,504	576
Thompson, Donald N.	Professor, Schulich School of Business	111,396	1,521
Tryfos, Peter	Professor, Schulich School of Business	100,899	556
Tucker, Eric M.	Professor, Osgoode Hall Law School	100,108	5,588
van der Merwe, Marina	Professor, Kinesiology & Health Science	105,089	496
Victor, Peter Alan	Professor & Dean, Environmental Studies	123,449	2,744
Wacyk, Maria	Executive Director, Human Resources	106,610	588
Watson, Garry D.	Professor, Osgoode Hall Law School	149,534	763
Waxer, Peter H.	Professor, Psychology	103,457	9,011
Weiss, Stephen E.	Professor, Schulich School of Business	115,110	615
Wiesenthal, David L.	Professor, Psychology	103,377	477
Wilson, H. Thomas	Professor, Schulich School of Business	103,616	576
Wood, John David	Professor, Geography	104,606	450
Zarry, Peter T.	Director, Executive Programs, Schulich School of Business	167,362	468
Zemans, Frederick H.	Professor, Osgoode Hall Law School	130,323	783

NOTE ON SALARY: These amounts include base salary and, if applicable, additional payments such as administrative stipends, payments for overload teaching, etc..