

Department of Community Development

Financial Statements

March 31, 2003

**Department of Community Development
Financial Statements
March 31, 2003**

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AUDITOR'S REPORT

To the Minister of Community Development

I have audited the statement of financial position of the Department of Community Development as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

The Department is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policy that is an exception from Canadian generally accepted accounting principles. Items that are capital in nature have been expensed and not recognized as assets in the accompanying statement of financial position. Consequently, a significant amount of resources available to the Department for future use has been recorded as if it had been consumed. At March 31, 2003, assets and net assets have been understated by approximately \$1,724,000 and expenses have been overstated by approximately \$636,000.

In my opinion, except for the effect of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Original Signed by Fred J. Dunn, FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Department of Community Development
Statement of Operations
For the year ended March 31, 2003
(thousands of dollars)

	2003		2002
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 58,256	\$ 56,266	\$ 100,714
Transfers from the Government of Canada	18,976	15,329	16,196
Premiums, Fees and Licences	4,465	3,185	3,695
Other Revenue	1,295	2,126	5,539
	<u>82,992</u>	<u>76,906</u>	<u>126,144</u>
Expenses – Directly Incurred (Note 2b and Schedule 8)			
Voted (Schedules 2, 3 and 5)			
Ministry Support Services	9,976	8,888	5,811
Community Services	76,085	74,038	77,354
Human Rights and Citizenship	4,221	4,308	5,599
Community Support Systems	410,701	408,448	380,203
Cultural Facilities and Historical Resources	25,314	29,781	37,848
Parks and Protected Areas	41,959	37,474	39,802
	<u>568,256</u>	<u>562,937</u>	<u>546,617</u>
Statutory (Schedules 3 and 5)			
Queen's Golden Jubilee Scholarships	-	10	-
Valuation Adjustments			
Provision for Doubtful Accounts	-	15	(42)
Provision for Vacation Pay	217	402	460
	<u>217</u>	<u>427</u>	<u>418</u>
	<u>568,473</u>	<u>563,364</u>	<u>547,035</u>
(Gain) Loss on Disposal of Capital Assets	<u>(2,320)</u>	<u>9,165</u>	<u>(37)</u>
Net Operating Results	<u><u>\$ (483,161)</u></u>	<u><u>\$ (495,623)</u></u>	<u><u>\$ (420,854)</u></u>

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Statement of Financial Position
As at March 31, 2003
(thousands of dollars)

	2003	2002
Assets		
Cash	\$ 29	\$ 174
Accounts Receivable (Note 3)	740	1,045
Advances	-	507
Capital Assets (Note 4)	184,608	205,020
	\$ 185,377	\$ 206,746
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 19,585	\$ 17,519
Unearned Revenue	187	179
	19,772	17,698
Net Assets		
Net Assets at Beginning of Year	189,048	188,929
Net Operating Results	(495,623)	(420,854)
Net Transfer from General Revenues	472,180	420,973
Net Assets at End of Year	165,605	189,048
	\$ 185,377	\$ 206,746

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Statement of Changes in Financial Position
For the year ended March 31, 2003
(thousands of dollars)

	2003	2002
Operating Transactions		
Net Operating Results	\$ (495,623)	\$ (420,854)
Non-cash Items		
Amortization	9,530	9,801
Grants in Kind	3,691	-
Valuation Adjustments	417	418
(Gain) Loss on Disposal of Capital Assets	9,165	(37)
Capital Assets Contribution in Kind	-	(71)
Transfers of Collections (Note 5)	-	174
	(472,820)	(410,569)
Decrease in Accounts Receivable before		
Valuation Adjustments	290	1,049
Decrease (Increase) in Advances	507	(507)
(Decrease) Increase in Accounts Payable and Accrued		
Liabilities before Valuation Adjustments	1,664	(7,966)
Increase in Unearned Revenue	8	4
	(470,351)	(417,989)
Cash Used by Operating Transactions		
Investing Transactions		
Purchase of Capital Assets (Schedule 5)	(1,440)	(3,307)
Proceeds from Disposal of Capital Assets	18	23
Transfers of Capital Assets	(552)	9
	(1,974)	(3,275)
Cash Used by Investing Transactions		
Financing Transactions		
Net Transfer from General Revenues	472,180	420,973
Net Cash Used	(145)	(291)
Cash, Beginning of Year	174	465
Cash, End of Year	\$ 29	\$ 174

The accompanying notes and schedules are part of these financial statements.

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 1 Authority and Purpose

The Department of Community Development (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance and preserve the quality of life for Albertans. This is done by:

- Promoting community development by designing and delivering programs and services that nurture and support, in collaboration with geographic communities and communities of interest, a high quality of life in Alberta;
- Protecting human rights and promoting fairness and access by designing and delivering programs and services that increase understanding and awareness of diversity, fostering equality and reducing discrimination so all Albertans have the opportunity to participate in the social, economic and cultural life of the Province;
- Supporting the inclusion and participation of Albertans with disabilities and protecting persons in care by designing and delivering individual-based programs that ensure that Albertans who live with a disability have opportunity to participate in the social, economic and cultural life of the province and ensure that adult Albertans in care are protected from abuse;
- Preserving, protecting and presenting Alberta's history and culture by designing and delivering programs and services that preserve, protect, research, present and promote appreciation for Alberta's historical resources and culture, and that provide significant educational, scientific and economic benefits; and
- Preserving, protecting and presenting Alberta's provincial parks and protected areas by managing and maintaining Alberta's provincial parks and protected areas to preserve the province's natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity

The reporting entity is the Department of Community Development, which is part of the Ministry of Community Development (ministry) and for which the Minister of Community Development (Minister) is accountable. Other entities reporting to the Minister are:

- Alberta Foundation for the Arts
- The Alberta Historical Resources Foundation
- Alberta Sport, Recreation, Parks and Wildlife Foundation
- The Government House Foundation
- The Historic Resources Fund
- Human Rights, Citizenship and Multiculturalism Education Fund
- The Wild Rose Foundation
- Persons with Developmental Disabilities Provincial Board and Community Boards

The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for goods or services which have not been provided by year end is recorded as unearned revenue.

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

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of capital assets;
- Pension costs which comprise the cost of employer contributions for current service of employees during the year; and
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Department operations are disclosed in Schedule 8.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Capital assets of the Department are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. All land is capitalized.

Donated capital assets are recorded at their fair value at the time of contribution.

When physical assets (capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings, and works of art held by the Department are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Net Assets

Net assets represents the difference between the carrying value of assets held by the Department and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable and accrued liabilities, and unearned revenue are estimated to approximate their carrying values.

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 3 Accounts Receivable (thousands of dollars)

	2003		2002	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 700	\$ (18)	\$ 682	\$ 746
Refunds from Suppliers	58	-	58	299
	<u>\$ 758</u>	<u>\$ (18)</u>	<u>\$ 740</u>	<u>\$ 1,045</u>

Accounts receivable are unsecured and non-interest bearing.

Note 4 Capital Assets (thousands of dollars)

	Estimated Useful Life	2003		2002	
		Cost	Accumulated Amortization	Net Book Value	Net Book Value
General Capital Assets					
Buildings	20-40 years	\$ 106,770	\$ (57,962)	\$ 48,808	\$ 63,089
Land		37,794	-	37,794	37,408
Computer Hardware and Software	5-8 years	841	(487)	354	439
Equipment	3-10 years	15,854	(13,793)	2,061	2,086
Other	20 years	16,953	(13,761)	3,192	3,983
Infrastructure Assets					
Land Improvements	40 years	138,550	(66,900)	71,650	75,825
Highways and Roads	40 years	47,427	(28,905)	18,522	19,913
Bridges	60 years	2,894	(667)	2,227	2,277
		<u>\$ 367,083</u>	<u>\$ (182,475)</u>	<u>\$ 184,608</u>	<u>\$ 205,020</u>

Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003

Note 5 Collections

Collections consist of historical and scientific artifacts, archival holdings, and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Department has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for \$344 million. A description of the major collections is as follows:

- (a) The Province, through the Historic Sites and Cultural Facilities Branch, preserves and presents 9 historic sites that contain 48 restored historic buildings/structures and 3 stabilized ruins. The Branch also operates 3 interpretive centers, 2 museums and 2 cultural facilities. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.
- (b) The Provincial Museum of Alberta maintains 13 programs, with a total collection of approximately 10 million objects representing a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, images, audio and books as well as all the permitted archaeological material recovered in Alberta.
- (c) The Royal Tyrrell Museum of Palaeontology collection has over 109,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum exhibits approximately 150 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,000 major and 2,700 smaller artifacts. Included in these numbers are 79 vintage aircraft, 8 of which are on permanent loan to the museum. The museum also houses a collection of documents, numbering 47,480 pieces, related to the museum's mechanization themes.
- (e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 265 carriages, buggies, wagons and sleighs, and approximately 690 associated small artifacts.
- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites and Cultural Facilities' collection of 46,300 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.

**Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003**

Note 5 Collections (continued)

- (g) The Provincial Archives of Alberta holds approximately 35,800 linear metres of government textual records; 4,530 linear metres of private textual records; 61,800 maps; 27,600 architectural drawings; 2,086,000 photographic images; 46,600 hours of recorded audio tapes; 65,900 hours of film and video materials; and 10,100 volumes of items in the reference library.
- (h) The Collection Management Unit of the Arts Branch, manages fourteen collections containing approximately 1,500 donated, purchased and/or commissioned artworks.
- (i) The Glenbow-Alberta Institute manages under contract, the care of, and access to, a government collection of approximately 223,900 artifacts in cultural history, military history, ethnology, art and mineralogy; 5 shelf kilometres of textual archival records; over 2 million historical photographs; 800,000 feet of film footage; and over 5,000 sound recordings. The collection is continually enhanced each year.

Note 6 Commitments (thousands of dollars)

As at March 31, 2003, the Department has the following commitments:

	2003	2002
Grant Agreements	\$ 4,728	\$ 1,459
Long-term Leases ^(a)	970	1,151
	\$ 5,698	\$ 2,610

^(a) The Department leases vehicles under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	2003	2002
2002-2003	\$ -	\$ 592
2003-2004	502	332
2004-2005	343	193
2005-2006	108	34
2006-2007	17	-
	\$ 970	\$ 1,151

**Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003**

Note 7 Contingencies

The Department of Community Development has a contingent liability in respect of 14 claims (2002 – 18 claims) aggregating \$2.7 million (2002 – \$15.1 million) relating to the decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. The ultimate outcome of these claims cannot be determined.

At March 31, 2003, the Department is a defendant in nine other legal claims (2002 – seven legal claims). Eight of these claims have a specified amount totalling \$1,406,000 and the remaining one has no specified amount (2002 – five claims with a specified amount of \$1,190,000 and two with no specified amount). Four claims (2002 – three claims) amounting to \$926,000 (2002 – \$910,000) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 8 Trust Funds Under Administration (thousands of dollars)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Department's financial statements.

As at March 31, 2003, trust funds under administration were as follows:

	2003	2002
Parks General Trust and Performance Deposits ^(a)	\$ 308	\$ 275
Gakken Dinosaur Exhibit Trust Fund	154	150
Fort Dunvegan Historical Society Trust Fund	6	6
	\$ 468	\$ 431

^(a) In the prior year, these trusts were reported in the financial statements of the Department of Sustainable Resource Development.

In addition to the above trust funds under administration, the Department holds a bank guarantee in the form of a letter of credit in the amount of \$2,209 (2002 – \$222).

**Department of Community Development
Notes to the Financial Statements
For the year ended March 31, 2003**

Note 9 Payments Under Agreement (thousands of dollars)

The Government of Alberta entered into an agreement to deliver services that were fully funded by the Government of Canada. Costs incurred under the agreement were made by the Department under authority of the *Financial Administration Act*, Section 25. This agreement had been budgeted as a Dedicated Revenue Initiative as disclosed in Schedule 2, however, after the release of the Government and Lottery Fund Estimates, it was determined that this agreement should be recorded as a Payment Under Agreement.

Amounts paid under the agreement were as follows:

	2003
Government of Canada	
G8 Summit Security Agreement	\$ 211

Note 10 Defined Benefit Plans

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$2,317,000 for the year ended March 31, 2003 (2002 – \$2,155,000).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968,000 (2001 – surplus \$5,338,000) and the Public Service Pension Plan reported an actuarial deficiency of \$175,528,000 (2001 – actuarial surplus \$320,487,000). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472,000 (2001 – actuarial deficiency \$399,000).

The Department also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of \$14,434,000 (2002 – \$8,646,000) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$3,053,000 (2002 – \$2,656,000). The expense for these two plans is limited to employer's annual contributions for the year.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Community Development
Revenues
For the year ended March 31, 2003
(thousands of dollars)

	2003		2002
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Lottery Fund	\$ 58,256	\$ 56,256	\$ 100,714
Transfer from Alberta Heritage Scholarship Fund	-	10	-
	<u>58,256</u>	<u>56,266</u>	<u>100,714</u>
Transfer from the Government of Canada			
Canada Health and Social Transfer	17,791	14,896	15,921
Other	1,185	433	275
	<u>18,976</u>	<u>15,329</u>	<u>16,196</u>
Premiums, Fees and Licences			
Residency Fees	-	-	824
Land and Grazing	415	472	461
Film Classification	450	493	521
Other	3,600	2,220	1,889
	<u>4,465</u>	<u>3,185</u>	<u>3,695</u>
Other Revenue			
Contribution in Kind	1,000	1,080	859
Refunds of Expenses	50	238	3,350
Other	245	808	1,330
	<u>1,295</u>	<u>2,126</u>	<u>5,539</u>
	<u><u>\$ 82,992</u></u>	<u><u>\$ 76,906</u></u>	<u><u>\$ 126,144</u></u>

Department of Community Development
Dedicated Revenue Initiatives
For the year ended March 31, 2003
(thousands of dollars)

	2003		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall) / Excess ^(h)
Cultural Facilities and Historical Resources ^(b)	\$ 4,000	\$ 1,078	\$ (2,922)
Park Operations ^(c)	2,100	1,873	(227)
Parks Capital Reinvestment Levy ^(d)	1,500	777	(723)
Francophone Secretariat ^(e)	240	240	-
Government of Canada Admin Reform Agreement ^(f)	488	-	(488)
Government of Canada G8 Summit Security Agreement ^(g)	457	-	(457)
	<u>\$ 8,785</u>	<u>\$ 3,968</u>	<u>\$ (4,817)</u>

- (a) Revenues from dedicated revenue initiatives are included in the Department's revenues in the Statement of Operations.
- (b) Cultural facilities and historical resources dedicated revenue is related to donations of artifacts and other items to various historic sites and cultural facilities.
- (c) Parks Operations dedicated revenue initiative is established to:
- Ensure that tendered campgrounds, that have not been contracted out, and other recreational facilities will remain open to the public;
 - Facilitate the receipt of corporate and private sector contributions to the parks programs;
 - Provide for the interim operation of tendered campgrounds and recreation facilities by redirecting fees, corporate and other contributions to parks operations; and
 - Provide for the cost of firewood supply at sites which do not have facility operating agreements or firewood concessions.
- (d) Revenues generated by the Parks capital reinvestment levy dedicated revenue are used for reinvestment in the aging infrastructure of Alberta's parks and recreation areas. This levy is included in the camping fees at all Natural Heritage Sites and those Recreation Facility sites operated to Department standards.
- (e) Francophone Secretariat dedicated revenue is a Canada-Alberta Cooperation Agreement to promote the official languages.
- (f) Government of Canada Admin Reform Agreement is a Canada-Alberta Agreement in which Alberta is reimbursed for those Social Services which are delivered to Natives who would ordinarily be residing on a Reserve.
- (g) Government of Canada G8 Summit Security Agreement is a Canada-Alberta Agreement pertaining to security measures required in connection with the holding of the G8 Summit in Alberta. This agreement had been budgeted as a dedicated revenue initiative. However, after the Government and Lottery Fund Estimates were released, it was determined that this agreement would be recorded as a Payment Under Agreement (Note 9).
- (h) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Department of Community Development
Expenses – Directly Incurred Detailed By Object
For the year ended March 31, 2003
(thousands of dollars)

	2003		2002
	Budget	Actual	Actual
Voted			
Salaries, Wages and Employee Benefits	\$ 49,870	\$ 48,642	\$ 45,361
Supplies and Services	28,239	25,978	27,138
Supplies and Services from Support Services			
Arrangements with Related Parties ^(a)	829	829	1,316
Grants	483,939	481,306	466,590
Financial Transactions and Other	96	131	118
Amortization of Capital Assets	9,612	9,530	9,801
Total Voted Expenses before Recoveries	572,585	566,416	550,324
Less: Recovery from Support Service			
Arrangements with Related Parties ^(b)	(4,329)	(3,479)	(3,707)
	<u>\$ 568,256</u>	<u>\$ 562,937</u>	<u>\$ 546,617</u>
Statutory			
Grants	\$ -	\$ 10	\$ -
Valuation Adjustments			
Provision for Doubtful Accounts	-	15	(42)
Provision for Vacation Pay	217	402	460
	<u>\$ 217</u>	<u>\$ 427</u>	<u>\$ 418</u>

^(a) The Department received information technology services from the Department of Seniors.

^(b) The Department provided financial and administrative services to Ministry of Seniors, Ministry of Gaming and to the funds and agencies of the Ministry of Community Development. Costs incurred by the Department for these services were recovered from the Ministry of Seniors, Ministry of Gaming and from the funds and agencies of the Ministry of Community Development.

**Department of Community Development
Budget
For the year ended March 31, 2003
(thousands of dollars)**

	2002-2003				
	Estimates	Adjustment ^(a)	Budget	Authorized Supplementary ^(b)	Authorized Budget
Revenues					
Internal Government Transfers	\$ 58,256	\$ -	\$ 58,256	\$ -	\$ 58,256
Transfers from the Government of Canada	18,976	-	18,976	-	18,976
Premiums, Fees and Licences	4,465	-	4,465	-	4,465
Other Revenue	1,295	-	1,295	3,000	4,295
	<u>82,992</u>	<u>-</u>	<u>82,992</u>	<u>3,000</u>	<u>85,992</u>
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	9,976	-	9,976	-	9,976
Community Services	76,085	-	76,085	-	76,085
Human Rights and Citizenship	4,221	-	4,221	-	4,221
Community Support Systems	410,701	(488)	410,213	-	410,213
Cultural Facilities and Historical Resources	25,314	(2,922)	22,392	6,700	29,092
Parks and Protected Areas	41,959	(1,407)	40,552	-	40,552
	<u>568,256</u>	<u>(4,817)</u>	<u>563,439</u>	<u>6,700</u>	<u>570,139</u>
Statutory Expenses					
Queen's Golden Jubilee Scholarships	-	-	-	-	-
Valuation adjustments					
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	217	-	217	-	217
	<u>217</u>	<u>-</u>	<u>217</u>	<u>-</u>	<u>217</u>
	<u>568,473</u>	<u>(4,817)</u>	<u>563,656</u>	<u>6,700</u>	<u>570,356</u>
(Gain) Loss on Disposal of Capital Assets	<u>(2,320)</u>	<u>-</u>	<u>(2,320)</u>	<u>-</u>	<u>(2,320)</u>
Net Operating Results	<u>\$ (483,161)</u>	<u>\$ 4,817</u>	<u>\$ (478,344)</u>	<u>\$ (3,700)</u>	<u>\$ (482,044)</u>
Capital Investment	<u>\$ 1,312</u>	<u>\$ -</u>	<u>\$ 1,312</u>	<u>\$ -</u>	<u>\$ 1,312</u>

^(a) Adjustments include dedicated revenue shortfalls.

^(b) Supplementary estimates of \$3,700 were approved on December 4, 2002. Treasury Board approval of \$3,000 is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).

Department of Community Development
Comparison of Expenses – Directly Incurred and Capital Investments by Element to Authorized Budget
For the year ended March 31, 2003
(thousands of dollars)

	2002-2003 Estimates	Adjustments ^(a)	2002-2003 Budget	2002-2003 Authorized Supplementary ^(b)	2002-2003 Authorized Budget	2002-2003 Actual ^(c)	Unexpended (Over Expended)
1 Ministry Support Services							
1.0.1 Minister's Office	\$ 327	\$ -	\$ 327	\$ -	\$ 327	\$ 320	\$ 7
1.0.2 Deputy Minister's Office	264	-	264	-	264	264	-
1.0.3 Strategic Corporate Services							
- Operating Expense	3,800	-	3,800	-	3,800	3,650	150
- Capital Investment	50	-	50	-	50	-	50
1.0.4 Corporate Costs	5,192	-	5,192	-	5,192	4,256	936
1.0.5 Communications	393	-	393	-	393	398	(5)
	10,026	-	10,026	-	10,026	8,888	1,138
2 Community Services							
2.1 Management and Operations							
2.1.1 Program Support	1,197	-	1,197	-	1,197	619	578
2.1.2 Arts Development							
- Operating Expense	-	-	-	-	-	-	-
- Operating Expense funded by Lotteries	1,438	-	1,438	-	1,438	1,436	2
2.1.3 Volunteer Services							
- Operating Expense	-	-	-	-	-	70	(70)
- Operating Expense funded by Lotteries	3,461	-	3,461	-	3,461	3,461	-
2.1.4 Sports and Recreation							
- Operating Expense	-	-	-	-	-	28	(28)
- Operating Expense funded by Lotteries	1,143	-	1,143	-	1,143	1,143	-
2.1.5 Library Services	470	-	470	-	470	573	(103)
2.1.6 Francophone Secretariat	549	-	549	-	549	468	81
	8,258	-	8,258	-	8,258	7,798	460
2.2 Financial Assistance							
2.2.1 Community Services Grants							
- Operating Expense	550	-	550	-	550	760	(210)
- Operating Expense funded by Lotteries	500	-	500	-	500	500	-
2.2.2 Library Operating Grants	17,204	-	17,204	-	17,204	17,057	147
2.2.3 2001 World Championships in Athletics	-	-	-	-	-	-	-
2.2.4 Alberta NHL Teams Initiative	4,834	-	4,834	-	4,834	4,834	-

Department of Community Development
Comparison of Expenses – Directly Incurred and Capital Investments by Element to Authorized Budget
For the year ended March 31, 2003
(thousands of dollars)

	2002-2003 Estimates	Adjustments ^(a)	2002-2003 Budget	2002-2003 Authorized Supplementary ^(b)	2002-2003 Authorized Budget	2002-2003 Actual ^(c)	Unexpended (Over Expended)
2.2.5 2005 World Master Games	-	-	-	-	-	100	(100)
- Operating Expense funded by Lotteries	-	-	-	-	-	-	-
2.2.6 Assistance to the Alberta Foundation for the Arts	21,104	-	21,104	-	21,104	21,104	(250)
- Operating Expense	-	-	-	-	-	250	-
- Operating Expense funded by Lotteries	21,104	-	21,104	-	21,104	21,104	-
2.2.7 Assistance to the Alberta Sport, Recreation, Parks, and Wildlife Foundation	15,085	-	15,085	-	15,085	15,085	-
- Operating Expense funded by Lotteries	-	-	-	-	-	-	-
2.2.8 Assistance to the Wild Rose Foundation	6,550	-	6,550	-	6,550	6,550	-
- Operating Expense funded by Lotteries	-	-	-	-	-	-	-
2.2.9 Assistance to the First Nations Development Fund	2,000	-	2,000	-	2,000	-	2,000
- Operating Expense funded by Lotteries	67,827	-	67,827	-	67,827	66,240	1,587
3	76,085	-	76,085	-	76,085	74,038	2,047
3.0.1 Human Rights and Citizenship	3,159	-	3,159	-	3,159	3,246	(87)
3.0.2 Assistance to the Human Rights, Citizenship and Multiculturalism Education Fund	1,062	-	1,062	-	1,062	1,062	-
- Operating Expense funded by Lotteries	4,221	-	4,221	-	4,221	4,308	(87)
4	254	-	254	-	254	274	(20)
4.1 Community Support Systems	1,235	-	1,235	-	1,235	592	643
4.1.1 Management and Operations	758	-	758	-	758	480	278
4.1.1.1 Program Support	1,055	-	1,055	-	1,055	1,087	(32)
4.1.1.2 Community Support Systems	3,302	-	3,302	-	3,302	2,433	869
4.1.1.3 Premier's Council on the Status of Persons with Disabilities	-	-	-	-	-	-	-
4.1.1.4 Protection for Persons in Care	-	-	-	-	-	-	-

Department of Community Development
Comparison of Expenses – Directly Incurred and Capital Investments by Element to Authorized Budget
For the year ended March 31, 2003
(thousands of dollars)

	2002-2003 Estimates	Adjustments ^(a)	2002-2003 Budget	2002-2003 Authorized Supplementary ^(b)	2002-2003 Authorized Budget	2002-2003 Actual ^(c)	Unexpended (Over Expended)
4.2 Financial Assistance							
4.2.1 Brain Injury Initiative	2,502	-	2,502	-	2,502	1,788	714
4.2.2 Assistance to Persons with Developmental Disabilities Provincial Board	404,897	(488)	404,409	-	404,409	404,227	182
	407,399	(488)	406,911	-	406,911	406,015	896
	410,701	(488)	410,213	-	410,213	408,448	1,765
5 Cultural Facilities and Historical Resources							
5.1 Management and Operations							
5.1.1 Program Support	1,010	-	1,010	-	1,010	795	215
5.1.2 Provincial Museum	4,010	(38)	3,972	-	3,972	4,437	(465)
5.1.3 Royal Tyrrell Museum of Paleontology	1,837	-	1,837	-	1,837	2,157	(320)
5.1.4 Historic Sites and Cultural Facilities							
- Operating Expense	8,491	(2,644)	5,847	3,000	8,847	8,682	165
- Capital Investment	-	-	-	-	-	28	(28)
5.1.5 Provincial Archives of Alberta	1,651	(240)	1,411	-	1,411	1,444	(33)
5.1.6 Heritage Resources Management	2,140	-	2,140	-	2,140	2,384	(244)
5.1.7 Centennial Operations	262	-	262	-	262	278	(16)
	19,401	(2,922)	16,479	3,000	19,479	20,205	(726)
5.2 Financial Assistance							
5.2.1 Cultural Facilities and Historical Resources Grants	-	-	-	3,700	3,700	3,691	9
5.2.2 Assistance to the Alberta Historical Resources Foundation	5,913	-	5,913	-	5,913	5,913	-
- Operating Expense funded by Lotteries	5,913	-	5,913	3,700	9,613	9,604	9
	25,314	(2,922)	22,392	6,700	29,092	29,809	(717)

Department of Community Development
Comparison of Expenses – Directly Incurred and Capital Investments by Element to Authorized Budget
For the year ended March 31, 2003
(thousands of dollars)

	2002-2003 Estimates	Adjustments ^(a)	2002-2003 Budget	2002-2003 Authorized Supplementary ^(b)	2002-2003 Authorized Budget	2002-2003 Actual ^(c)	Unexpended (Over Expended)
6 Parks and Protected Areas							
6.0.1 Program Support	215	-	215	-	215	233	(18)
6.0.2 Parks Policy and Planning	3,442	-	3,442	-	3,442	3,499	(57)
6.0.3 Parks Operations							
- Operating Expense	25,283	(1,407)	23,876	-	23,876	24,687	(811)
- Capital Investment	1,262	-	1,262	-	1,262	1,412	(150)
6.0.4 Nominal Sum Disposals	4,000	-	4,000	-	4,000	-	4,000
6.0.5 Amortization of Capital Assets	9,019	-	9,019	-	9,019	9,055	(36)
	43,221	(1,407)	41,814	-	41,814	38,886	2,928
Total Voted Expenses	\$ 569,568	\$ (4,817)	\$ 564,751	\$ 6,700	\$ 571,451	\$ 564,377	\$ 7,074
Program Operating Expense	\$ 510,000	\$ (4,817)	\$ 505,183	\$ 6,700	\$ 511,883	\$ 506,683	\$ 5,200
Program Operating Expense funded by Lotteries	58,256	-	58,256	-	58,256	56,254	2,002
	\$ 568,256	\$ (4,817)	\$ 563,439	\$ 6,700	\$ 570,139	\$ 562,937	\$ 7,202
Program Capital Investment	1,312	-	1,312	-	1,312	1,440	(128)
Total Voted Expenses	\$ 569,568	\$ (4,817)	\$ 564,751	\$ 6,700	\$ 571,451	\$ 564,377	\$ 7,074
Statutory Expenses							
Queen's Golden Jubilee Scholarships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10	\$ (10)
Valuation Adjustments	217	-	217	-	217	417	(200)
	\$ 217	\$ -	\$ 217	\$ -	\$ 217	\$ 427	\$ (210)

(a) Adjustments include dedicated revenue shortfalls.

(b) Supplementary estimates of \$3,700 were approved on December 4, 2002. Treasury Board approval for \$3,000 is pursuant to section 24(2) of the *Financial Administration Act*.

(c) Includes achievement bonus amounting to \$551.

**Department of Community Development
Salary and Benefits Disclosure
For the year ended March 31, 2003**

	2003			2002
	Salary ^(a)	Benefits and Allowances ^(b)	Total	Total
Senior Officials				
Deputy Minister ^{(c)(d)}	\$ 176,573	\$ 48,981	\$ 225,554	\$ 208,845
Chief Commissioner, Alberta Human Rights and Citizenship Commission	119,354	27,783	147,137	134,330
Executives				
Assistant Deputy Minister, Community and Citizenship Services ^(d)	136,456	43,064	179,520	155,689
Assistant Deputy Minister, Cultural Facilities and Historical Resources ^{(d)(e)}	119,293	25,573	144,866	26,917
Assistant Deputy Minister, Parks and Protected Areas	131,556	31,109	162,665	135,292
Assistant Deputy Minister, Community Support Systems ^(f)	148,197	38,577	186,774	128,423
Assistant Deputy Minister, Strategic Corporate Services	142,237	34,979	177,216	158,617

Prepared in accordance with Treasury Board Directive 12/98.

Total salary and benefits relating to a position are disclosed.

- (a) Salary includes regular base pay, bonuses, overtime and lump sum payments.
- (b) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.
- (c) Automobile provided, no dollar amount included in benefits and allowances figures.
- (d) Benefits and allowances include vacation payments for the Deputy Minister \$Nil (2002 \$6,663), and for the Assistant Deputy Minister, Community and Citizenship Services \$9,116 (2002 \$6,261).
- (e) The position was vacant from April 1, 2001 to January 31, 2002.
- (f) The position was vacant from April 1, 2001 to June 30, 2001.

Department of Community Development
Related Party Transactions
For the year ended March 31, 2003
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded in the financial statements at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues				
Grants	\$ -	\$ -	\$ 56,266	\$ 100,714
Expenses – Directly Incurred				
Grants	\$ 454,191	\$ 426,331	\$ -	\$ -
Other services	-	-	4,493	4,622
	<u>\$ 454,191</u>	<u>\$ 426,331</u>	<u>\$ 4,493</u>	<u>\$ 4,622</u>
Capital Assets Transferred from (to)				
Others	\$ -	\$ -	\$ 552	\$ (9)
Accounts Payable	<u>\$ 355</u>	<u>\$ 1,300</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts Receivable	<u>\$ 118</u>	<u>\$ 406</u>	<u>\$ 7</u>	<u>\$ -</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Recoveries				
Services Provided	\$ 1,421	\$ 1,547	\$ -	\$ -
Expenses – Incurred by Others				
Accommodation	\$ -	\$ -	\$ 20,089	\$ 17,228
Legal Services	-	-	298	278
Parks Maintenance	-	-	1,500	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,887</u>	<u>\$ 17,506</u>

**Department of Community Development
Allocated Costs
For the year ended March 31, 2003
(thousands of dollars)**

Program	2003										2002
	Expenses (a)	Services Provided	Accommodation Costs	Legal Services	Parks Maintenance	Provision for Vacation Pay	Provision for Doubtful Accounts	Total Expenses	Total Expenses	Total Expenses	
Ministry Support Services	\$ 8,888	\$ -	\$ 378	\$ 67	\$ -	\$ 28	\$ -	\$ 9,361	\$ 9,361	\$ 6,388	
Community Services	74,038	(804)	877	78	-	64	-	74,253	74,253	77,219	
Human Rights and Citizenship	4,308	(96)	148	-	-	24	-	4,384	4,384	5,621	
Community Support Systems	408,448	-	192	6	-	12	-	408,658	408,658	380,468	
Cultural Facilities and Historical Resources	29,781	(521)	16,886	63	-	129	-	46,338	46,338	51,641	
Parks and Protected Areas	37,474	-	1,608	84	1,500	145	15	40,826	40,826	41,657	
	<u>\$ 562,937</u>	<u>\$ (1,421)</u>	<u>\$ 20,089</u>	<u>\$ 298</u>	<u>\$ 1,500</u>	<u>\$ 402</u>	<u>\$ 15</u>	<u>\$ 583,820</u>	<u>\$ 583,820</u>	<u>\$ 562,994</u>	

(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.