



AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Learning as at March 31, 2000 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with 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 Ministry is required to follow the corporate government accounting and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across ministries. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies the exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury.

The following accounting policies are exceptions from generally accepted accounting principles:

Reporting entity

Generally accepted accounting principles require the consolidation of organizations that together constitute a single economic unit. In the public sector, consolidated financial statements should aggregate the financial statements of organizations comprising a reporting entity. A reporting entity is defined as comprising the organizations that are accountable for the administration of their financial affairs and resources to a minister, and are owned or controlled by the government. In my opinion, all of the organizations referred to in Note 2(a) meet the criteria for inclusion

in the reporting entity and accordingly, the results of operations and net assets of these organizations should be included in these financial statements. However, the Ministry has not consolidated school boards, universities, public colleges and technical institutes although they are primarily dependent on government support for their continued existence.

The organizations referred to in Note 2(a) have fiscal year ends ranging from June 30, 1999 to March 31, 2000. For the purposes of estimating the effects of consolidation, I used each entity's most recent financial statements as though they were dated March 31, 2000. As such, the actual effect of consolidating the above entities will differ from the amounts estimated, and the difference will be material. Using this methodology, had the organizations referred to in Note 2(a) been consolidated, the total assets of the Ministry as at March 31, 2000 would be increased by approximately \$6.7 billion, total liabilities would be increased by approximately \$1.9 billion, and net assets would be increased by approximately \$4.8 billion. As well, revenues and expenses for the year then ended would be increased by approximately \$1.4 billion and \$1.6 billion respectively.

Related party transactions

All of the organizations listed in Note 2(a) are related parties of the Ministry. Under generally accepted accounting principles, the relationship between the Minister and the organizations listed in Note 2(a) must be described along with the transactions between the Minister and these organizations. Schedule 10 has not disclosed funding provided to the public post-secondary institutions amounting to \$858 million or funding provided to school boards amounting to \$2.8 billion.

During the year, the Ministry transferred to public colleges certain land and buildings with a fair value of \$92.85 million for nominal consideration. This transaction with public colleges is not disclosed as a related party transaction in Schedule 10.

In my opinion, because of the effects of the matters discussed in the preceding section, these financial statements do not present fairly the financial position of the Ministry as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

[Original Signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

[The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.]

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2000

	(In thousands)		
	2000		1999
	Budget (Schedule 1)	Actual	Actual
Revenues (Schedule 2)			
School property taxes	\$ 1,144,604	\$ 1,128,263	\$ 1,118,049
Internal government transfers	41,629	41,863	12,480
Transfers from the Government of Canada	176,072	160,612	163,608
Fees, permits and licences	3,489	3,938	3,879
Investment income	1,000	1,172	1,420
Other revenue	20,080	20,201	22,935
	<u>1,386,874</u>	<u>1,356,049</u>	<u>1,322,371</u>
Expenses (Schedule 3)			
Voted:			
Ministry support services	30,047	27,694	27,829
Financial assistance to schools	1,781,596	1,889,568	1,608,045
Support for adult learning	988,983	996,398	853,149
Support for adult learners	33,449	27,235	25,294
Development, monitoring and evaluation of education programs	24,733	25,373	23,798
	<u>2,858,808</u>	<u>2,966,268</u>	<u>2,538,115</u>
Statutory and valuation adjustments:			
Alberta School Foundation Fund	1,145,604	1,140,175	1,112,632
Education Revolving Fund	-	-	23,376
Alberta Heritage Scholarships (Schedule 6)	17,000	17,234	12,480
Teachers' pension liability			
- statutory payments	85,555	88,185	63,824
- valuation adjustments	61,000	21,473	(21,316)
Provision for student loans			
- issued during the year	67,900	65,691	61,560
- valuation adjustment for loans issued in prior years	-	10,375	4,215
Provision for doubtful accounts	5	35	98
Provision for vacation pay	-	172	595
	<u>1,377,064</u>	<u>1,343,340</u>	<u>1,257,464</u>
Total expenses	4,235,872	4,309,608	3,795,579
(Gain) loss on disposal of capital assets (Note 6)	(32,735)	(46,447)	663
	<u>4,203,137</u>	<u>4,263,161</u>	<u>3,796,242</u>
Net operating results	<u>\$ (2,816,263)</u>	<u>\$ (2,907,112)</u>	<u>\$ (2,473,871)</u>

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

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000

	(In thousands)	
	2000	1999
	Actual	Actual
Operating transactions		
Net operating results	(2,907,112)	(2,473,871)
Non-cash items included in net operating results:		
Amortization of capital assets	1,137	1,557
Grants in kind (Note 6)	92,851	-
(Gain) loss on disposal of capital assets (Note 6)	(46,447)	663
Teachers' pension liability - valuation adjustments	21,473	(21,316)
Provision for student loans	76,066	65,775
	<u>(2,762,032)</u>	<u>(2,427,192)</u>
Non-budgetary disbursements on student loans (Schedule 8)	(67,209)	(60,840)
Recoveries on defaulted student loans	1,543	1,665
(Increase) decrease in accounts receivable	(19,260)	2,646
Decrease (increase) in inventory	18	(672)
Decrease in Alberta Heritage Scholarship Fund receivable	-	106
Increase (decrease) in accounts payable	26,739	(13,923)
Increase (decrease) in advance from General Revenues	-	(76,692)
Increase in allowance for adjustments and appeals	9,358	4,860
Net cash used by operating transactions	<u>(2,810,843)</u>	<u>(2,570,042)</u>
Investing transactions		
Purchase of capital assets (Schedule 7)	(1,151)	(1,281)
Net capital assets transferred from other Ministries (Note 6)	(46,125)	(224)
Cash used for investing transactions	<u>(47,276)</u>	<u>(1,505)</u>
Financing transactions		
Net transfer from General Revenues	<u>2,872,179</u>	<u>2,506,205</u>
Net cash provided	14,060	(65,342)
Cash at beginning of year	<u>43,917</u>	<u>109,259</u>
Cash at end of year	<u><u>\$ 57,977</u></u>	<u><u>\$ 43,917</u></u>

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

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000

	(In thousands)	
	2000	1999
Assets		
Financial assets:		
Cash (Note 4)	\$ 57,977	\$ 43,917
Accounts receivable (Note 5)	29,489	10,229
Inventory	7,330	7,348
Capital assets (Note 6)	3,298	3,562
	\$ 98,094	\$ 65,056
Liabilities		
Accounts payable (Note 7)	\$ 67,210	\$ 40,471
Liability for student loans issued (Schedule 9)	162,800	152,400
Allowance for assessment adjustments and appeals	29,240	19,882
Teachers' pension obligation (Note 8)	3,804,658	3,783,184
	4,063,908	3,995,937
Net liabilities		
Net liabilities at beginning of year, as restated (Note 3)	(3,930,881)	(3,963,215)
Net operating results	(2,907,112)	(2,473,871)
Net transfer from General Revenues	2,872,179	2,506,205
Net liabilities at end of year	(3,965,814)	(3,930,881)
	\$ 98,094	\$ 65,056
Net liabilities at end of year	\$ (3,965,814)	\$ (3,930,881)
Less teachers' pension obligation	3,804,658	3,783,184
Net liabilities excluding teachers' pension obligation	\$ (161,156)	\$ (147,697)

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

MINISTRY OF LEARNING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2000

Note 1 Authority and Purpose

The Ministry of Learning has been designated as responsible for various Acts by the Government Organization Act and its regulations. To fulfill these responsibilities, the Minister administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Learning.

<u>Organization</u>	<u>Authority</u>
The Department of Learning Alberta School Foundation Fund	Government Organization Act School Act

The purpose of the Ministry is to lead and work with partners to build a globally recognized lifelong learning community that enables Albertans to be responsible, caring, self-reliant and contributing members of a knowledge-based and prosperous society.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the Government for all departments. 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.

(a) Reporting entity

The reporting entity is the Ministry of Learning, for which the Minister of Learning is accountable. These consolidated financial statements include the activities of the Department of Learning and the Alberta School Foundation Fund. This entity also includes the provision of scholarships to eligible students from the Alberta Heritage Scholarship Fund. Activities of school boards, universities, technical institutes and public colleges, which are accountable organizations to the Minister, and the Banff Centre are reported in these statements to the extent of contributions from the Ministry under programs to cover the operations of these entities.

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

(b) Basis of financial reporting

Revenues

All revenues are reported using the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue. Revenue collected by the Alberta School Foundation Fund is dedicated towards funding of school boards.

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.

The Ministry receives a transfer of funds to pay for certain program expenses from the Lottery Fund. It also receives a transfer of funds to pay Alberta Heritage Scholarships from the Alberta Heritage Scholarship Fund. The financial statements of the Alberta Heritage Scholarship Fund are included in the Ministry of Treasury Annual Report.

Expenses

Expenses represent the costs of resources consumed during the year on the Ministry's operations and include amortization of capital assets.

Obligations under guarantees, remission of student loans, risk premiums and the estimated future interest costs on student loans are expensed as management determines that the Province will likely be called upon to make payment. This expense represents management's estimate of future payments less recoveries from defaulted student loans.

Pension costs included in these statements comprise the cost of employer contributions for the current service of employees during the year and additional employer contributions for service relating to prior years. Pension costs also include the Ministry's pension contributions under the Teachers' Pension Plans Act. Further information is contained in Note 8.

Certain expenses, primarily for office space, legal advice, and banking services, incurred on behalf of the Ministry by other Ministries are not reflected in the Statement of Operations. Schedule 10 discloses information on these related party transactions.

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

(b) Basis of financial reporting (continued)

Valuation Adjustments

Valuation adjustments include changes in the valuation allowances 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 student loans, teachers' pensions and employee vacation pay.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventory held for resale. Inventory is valued at the lower of cost, determined on a weighted average basis, or estimated net realizable value. The fair values of the financial assets are estimated to approximate their book values. 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.

Capital assets of the Ministry are recorded at historical costs and amortized on a straight line basis over the estimated useful lives of the assets. All land is capitalized. The threshold for capitalizing new computer systems development is \$100,000 and the threshold for all other capital assets is \$15,000.

When physical assets 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.

Liabilities

Liabilities include all financial claims payable by the Ministry at fiscal year end. They include the Ministry's obligations for future payments under the Student Loans Act for guarantees, remissions, risk premiums, interest and carrying charges, as well as an estimate of future payments for property assessment appeals and adjustments, and the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements. Note 8 contains further information on the Teachers' Pension Plan.

The fair values of payables are estimated to approximate their book values. The fair value of the liability for student loans issued and the fair value of the allowance for property assessment adjustments and appeals have not been determined as there is no established financial market for these types of liabilities and it is not cost effective to estimate the fair value with sufficient reliability.

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

(b) Basis of financial reporting (continued)

Net Liabilities

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

Measurement Uncertainty

The liability for student loans issued amounting to \$162,800,000 (1999 - \$152,400,000), the allowance for assessment adjustments amounting to \$29,240,000 (1999 - \$19,882,000) and the teachers' pension obligation amounting to \$3,804,658,000 (1999 - \$3,783,184,000) are subject to measurement uncertainty. Measurement uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount. The Ministry has made certain assumptions in the determination of the liability for student loans, such as the number of students applying for remissions, future interest, recovery and default rates. The effect on the teachers' pension obligation of actual experience compared to assumptions results in measurement uncertainty. The allowance for assessment adjustments and appeals represents management's best estimate of amounts that will be paid out, based on discussions with the Ministry of Municipal Affairs, historical trends, and changes in the equalized assessment process. Actual amounts paid may vary significantly from the estimates. Schedule 9 discloses information on the liability for student loans issued and Note 8 discloses information on the teachers' pension plan.

(c) Change in Accounting Policy

The Ministry has changed the way it accounts for the disposal of capital assets at a nominal amount. The fair value of capital assets sold for nominal amounts to parties external to the government reporting entity less any nominal proceeds is reported as grants in kind. The difference between the fair value and the carrying value of the capital assets disposed is recorded as gains/losses on disposal. Previously the difference between the carrying value of capital assets disposed and the nominal proceeds received were treated as gains/losses on disposal. This change in accounting policy has been applied prospectively.

Note 3 Reorganization

The Ministry was established as a result of a major reorganization announced by the government on May 25, 1999 and transfers of responsibility announced throughout the year. Comparatives for 1999 have been restated as if the Ministry had always been assigned its current responsibilities.

	(In thousands)
Net liabilities at March 31, 1998	
Transfer from Ministry of Education	\$ (3,799,599)
Transfer from Ministry of Advanced Education and Career Development	(163,616)
Net liabilities, as restated at March 31, 1998	<u>\$ (3,963,215)</u>

Note 4 Cash

Cash consists primarily of deposits in the Consolidated Cash Investment Trust Fund of the Province of Alberta. The Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. Interest is earned on the daily cash balance at the average rate of earnings of the Trust Fund, which varies depending on prevailing market interest rates.

Note 5 Accounts Receivable

	(In thousands)	
	2000	1999
Government of Canada	\$ 18,687	\$ 2,838
School boards	1,466	1,024
Requisitions from municipalities	8,573	5,369
Other	763	998
	<u>\$ 29,489</u>	<u>\$ 10,229</u>

Accounts receivable are non-interest bearing, unsecured and are reported at their net realizable value.

Note 6 Capital Assets

		(In thousands)		
		2000		1999
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value
Equipment (a)	3-10 years	\$ 1,196	\$ 1,064	\$ 132
Computer hardware & software	5 years	14,595	11,429	3,166
		<u>\$ 15,791</u>	<u>\$ 12,493</u>	<u>\$ 3,298</u>
				<u>\$ 3,562</u>

(a) Equipment includes office equipment and furniture.

Note 6 Capital Assets (continued)

During the year the Ministry received certain land and buildings with a net book value of \$46,125 from the Ministry of Infrastructure, and transferred these assets to Portage, Northern Lakes, NorQuest, and Bow Valley Colleges for nominal consideration. The assets' approximate fair value of \$92,851 was recorded as a grant in kind, which resulted in a gain on disposal of \$46,726.

Note 7 Accounts Payable

	(In thousands)	
	2000	1999
Accounts payable	\$ 2,461	\$ 2,952
Accrued liabilities		
- vacation	5,508	5,019
- other	16,750	15,417
- school boards	24,292	4,764
Advances from Government of Canada	16,364	11,906
Interest payable on advances from General Revenues (a)	1,455	68
Unearned revenue	380	345
	<u>\$ 67,210</u>	<u>\$ 40,471</u>

- (a) Under the provisions of the Financial Administration Act, the School Foundation Fund receives quarterly advances from the General Revenues to make payments to school boards in accordance with section 159.1 of the School Act. The Fund repays the advances as monies are received from municipalities.

The Fund pays interest on the advances at the appropriate bankers' acceptance rate less 0.05%. Interest is calculated on a prorata basis for the number of days the advances are outstanding.

Note 8 Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

Under the Teachers' Pension Plans Act, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 per cent by the Province and 32.65 per cent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 per cent of any current service costs and related actuarial adjustments, including certain cost-of-living benefits.

The Act provides that payment of all benefits prior to September 1, 1992 is guaranteed by the Province.

Note 8 Teachers' Pension Plan (continued)

The teachers' pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on services. The assumptions used in the valuation are adopted after consultations between the pension plan board, the government and the actuaries, and represent best estimates of future events. The plan's future experience will inevitably vary, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

The valuation was based upon economic assumptions, including a long-term rate of return on pension plan fund assets of 4.5 per cent over the level of price inflation. The rate was based upon a long-term rate of return of 8.0 percent per annum and price inflation of 3.5 per cent. Demographic assumptions used in the valuation reflect the experience of the plan.

The latest actuarial valuation was performed on August 31, 1998. This valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability is extrapolated to March 31, 2000 and includes deferred adjustments.

In the Statement of Operations, payments for current service of \$105,852,000 (1999 - \$106,420,000) are included in voted expenses while payments towards the unfunded liability of \$88,185,000 (1999 - \$63,824,000) are shown as statutory payments. In addition, a provision of \$21,473,000 (1999 - (\$21,316,000)) shown as a valuation adjustment has been recorded to recognize the estimated impact on the obligation as a result of estimated changes in the value of the plan's assets and the amortization of experience gains and losses.

Note 9 Commitments

As at March 31, 2000, the Ministry has \$2,596,000 (1999 - \$2,499,000) in commitments relating to service contracts.

Note 10 Trust Funds Under Administration

The Ministry administers trust funds which 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 purpose of various trusts, they are not included in the Ministry's financial statements.

Note 10 Trust Funds Under Administration (continued)

At March 31, 2000, trust funds under administration were as follows:

	(In thousands)			
	2000		1999	
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities)
Department of Learning				
Endowment Fund	\$ 16	\$ -	\$ 16	\$ 16
Teachers' Pension Plan Fund	1,795,000	6,216,000	(4,421,000)	(4,145,000)
Mildred Rowe Weston				
Estate Trust	77	-	77	78
	<u>\$1,795,093</u>	<u>\$6,216,000</u>	<u>\$(4,420,907)</u>	<u>\$ (4,144,906)</u>

Note 11 Payments Under Agreement

The Ministry has entered into several agreements to deliver programs on behalf of third parties, which includes the Government of Canada. These programs and services are fully funded by these parties. Expenses incurred under these agreements are made by the Ministry under authority of the Financial Administration Act, Section 29.1 and are not included in these statements. Accounts receivable of \$3,790,000 (1999 - \$558,000) from these third parties and accounts payable of \$12,307,000 (1999 - \$10,995,000) to these third parties are reflected in the Statement of Financial Position.

Amounts paid and payable under agreements for the year ended March 31, 2000 are as follows:

	(In thousands)	
	2000	1999
Canadian Millennium Scholarships Foundation		
Canadian Millennium Scholarships	\$ 25,496	\$ -
Government of Canada		
Canada Study Grants	7,442	5,357
Immigration Settlement Services	374	797
Faculte St. Jean Construction and Fellowships	1,601	762
French Minority Language Education and French		
Second Language Instruction	9,800	10,292
South Africa Teacher Development Program	64	108
Interprovincial Computerized Exam Management System	41	-
Other	31	5
Alberta School Boards		
International Student Program	4	571
Western Provinces		
Collaboration in Aboriginal Education	45	74
Alberta Vocational Colleges (a)		
NorQuest	-	971
Bow Valley	-	1,336
	<u>\$ 44,898</u>	<u>\$ 20,273</u>

(a) Payments under agreement for the Alberta Vocational Colleges ceased effective June 30, 1998.

Note 12 Pensions

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers established by the government effective July 1, 1999. The expense for these pension plans is equivalent to the annual contributions of \$2,667,000 for the year ending March 31, 2000 (1999 - \$2,499,000).

Effective January 1, 1999, the Ministry's contribution to the Public Service Pension Plan was reduced by 0.3% of pensionable salaries.

At December 31, 1999, the Management Employees Pension Plan reported a surplus of \$46,019,000 (1998 - \$4,355,000) and the Public Service Pension Plan reported a surplus of \$517,020,000 (1998 - \$406,445,000). At December 31, 1999, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$33,000.

Note 13 Contingencies

As at March 31, 2000, the Ministry was named as defendant in legal claims that have specified amounts totalling approximately \$135,000 (1999 - \$110,000). The resulting loss, if any, from these claims cannot be determined. One claim is covered by Alberta Risk Management Fund.

The Ministry may be required to pay the cost of transfers of pension entitlements for former non-teaching staff members of the Alberta School for the Deaf, who are now employees of the Edmonton Public School Board. The Ministry's maximum liability may be as much as \$250,000 (1999 - \$250,000) subject to the conclusion of negotiations to have the employees grandfathered in the Public Service Pension Plan.

Note 14 Approval of Financial Statements

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

MINISTRY OF LEARNING
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

Schedule 1

Budget

	(In thousands)		
	2000		
	Estimates and Budget Restated (a)	Supple- mentary Estimates (b)	Authorized Budget
Revenues			
School property taxes	\$1,144,604	\$ -	\$1,144,604
Internal government transfers	41,629	-	41,629
Transfers from the Government of Canada	176,072	-	176,072
Fees, permits and licences	3,489	-	3,489
Investment income	1,000	-	1,000
Other revenue	20,080	-	20,080
	<u>1,386,874</u>	<u>-</u>	<u>1,386,874</u>
Expenses			
Voted (c):			
Department of Learning:			
Ministry support services	30,047	417	30,464
Financial assistance to schools	1,781,596	134,658	1,916,254
Support for adult learning	988,983	120	989,103
Support for adult learners	33,449	24	33,473
Development, monitoring and evaluation of education programs	24,733	163	24,896
	<u>2,858,808</u>	<u>135,382</u>	<u>2,994,190</u>
Statutory and valuation adjustments (d):			
Alberta School Foundation Fund	1,145,604	-	1,145,604
Alberta Heritage Scholarships	17,000	-	17,000
Teachers' pension liability			
- statutory payments	85,555	-	85,555
- valuation adjustments	61,000	-	61,000
Provision for student loans			
- issued during year	67,900	-	67,900
- valuation adjustment for loans issued in prior years	-	-	-
Provision for doubtful accounts	5	-	5
Provision for vacation pay	-	-	-
	<u>1,377,064</u>	<u>-</u>	<u>1,377,064</u>
Total expenses	4,235,872	135,382	4,371,254
(Gain) loss on disposal of capital assets (d)	(32,735)	-	(32,735)
	<u>4,203,137</u>	<u>135,382</u>	<u>4,338,519</u>
Net operating results	<u>\$ (2,816,263)</u>	<u>\$ (135,382)</u>	<u>\$ (2,951,645)</u>

Schedule 1 (continued)

Budget

- (a) Effective April 1, 1999, the Ministry was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year.
- (b) Supplementary Estimates approved on December 9, 1999 included \$134,640,000 for financial assistance to schools to assist in the elimination of school boards' accumulated debt and other one-time local priorities. In addition, Supplementary Estimates approved on March 14, 2000 included \$16,600,000 for an achievement bonus program for government management and opted-out employees. These funds were placed temporarily in a central pool administered by Personnel Administration Office and then distributed to Ministries. The amount distributed to the Ministry of Learning was \$742,000.
- (c) In the event actual voted expenses and capital investments exceed the authorized budget, the difference is known as an encumbrance and reduces the budgeted amount for these items in subsequent years.
- (d) In the event actual statutory expense, actual valuation adjustments and actual (gain) loss on disposal of capital assets exceed their authorized budget, there is no impact to budgeted amounts in the subsequent year.

Schedule 2

Revenues

	(In thousands)		
	2000		1999
	Budget	Actual	Actual
School property taxes	<u>\$ 1,144,604</u>	<u>\$ 1,128,263</u>	<u>\$ 1,118,049</u>
Internal government transfers			
Lottery Fund	24,629	24,629	-
Alberta Heritage Scholarship Fund	17,000	17,234	12,480
	<u>41,629</u>	<u>41,863</u>	<u>12,480</u>
Transfers from the Government of Canada			
Canadian Health and Social Transfers	173,848	159,129	160,753
Bilingualism	1,180	-	1,278
Canada student loans administration	1,044	1,483	1,577
	<u>176,072</u>	<u>160,612</u>	<u>163,608</u>
Fees, permits and licences			
Marketing Apprenticeship	1,544	1,643	1,646
High school transcripts	600	760	741
Teacher certificate fees	600	664	728
Diploma exam rewrite fees	326	383	356
Other	419	488	408
	<u>3,489</u>	<u>3,938</u>	<u>3,879</u>
Investment income	<u>1,000</u>	<u>1,172</u>	<u>1,420</u>
Other revenue			
Sales of learning resources	18,175	18,067	18,463
Refunds of expenditure	1,500	1,654	4,179
Funding from Telus learning connection project	400	400	225
Miscellaneous	5	80	68
	<u>20,080</u>	<u>20,201</u>	<u>22,935</u>
Total revenues	<u><u>\$ 1,386,874</u></u>	<u><u>\$ 1,356,049</u></u>	<u><u>\$ 1,322,371</u></u>

Schedule 3

Expenses by Object Detail

	(In thousands)		
	2000		1999
	Budget (a)	Actual	Actual
Grants:			
School boards (Schedule 4)	\$ 2,730,766	\$ 2,822,646	\$ 2,556,551
Post-secondary institutions (Schedule 5)	850,897	869,087	833,922
Individuals	45,105	38,927	33,485
Other	194,611	202,852	166,796
Grants in kind	94,747	92,851	-
	<u>3,916,126</u>	<u>4,026,363</u>	<u>3,590,754</u>
Salaries, wages and employee benefits	49,451	45,278	46,732
Supplies and services	54,986	47,151	47,490
Amortization of capital assets	1,081	1,137	1,557
Other	214,528	189,979	109,046
Total expenses before recoveries	<u>4,236,172</u>	<u>4,309,908</u>	<u>3,795,579</u>
Less: Recovery from support service arrangements with related parties (b)	(300)	(300)	-
Total expenses	<u>\$4,235,872</u>	<u>\$4,309,608</u>	<u>\$3,795,579</u>

(a) Effective April 1, 1999, the Ministry was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year. The breakdown of expenses by object is based on management's best estimate.

(b) The Ministry provides financial, payroll, human resource and administrative services to the Ministry of Innovation and Science and the Ministry of International and Intergovernmental Relations. Costs for these services are recovered from the respective ministries.

The Ministry provides support services to the Ministry of Human Resources and Employment without charge.

Schedule 4

Funding Provided to School Boards

(In thousands)

	Funding Frame- work ^(a)	One Time Grant ^(b)	Technology	Student Health ^(c)	Opted Out ^(d)	Ministry Total
Separate school jurisdictions						
Calgary Roman Catholic Separate School District	\$206,919	\$12,005	\$1,559	\$3,446	\$(69,647)	\$154,282
Christ the Redeemer Catholic Separate Regional Division	16,553	775	101	75	(2,221)	15,283
East Central Alberta Catholic Separate Schools Regional Division	14,028	910	119	-	(1,085)	13,972
Edmonton Catholic Regional Division	158,876	9,076	1,187	3,073	(47,359)	124,853
Elk Island Catholic Separate Regional Division	25,597	1,443	189	-	(4,966)	22,263
Evergreen Catholic Separate Regional Division	10,161	620	81	-	(2,539)	8,323
Fort McMurray Roman Catholic Separate School Division	20,036	1,024	134	-	(1,950)	19,244
Grande Prairie Roman Catholic Separate School District	15,543	676	115	-	(3,140)	13,194
Holy Spirit Catholic Separate Regional Division	21,852	1,204	158	-	(5,976)	17,238
Lakeland Roman Catholic Separate School Division	10,572	588	77	-	(1,319)	9,918
Living Waters Catholic Regional Division	11,151	610	80	-	(1,855)	9,986
Lloydminster Public School Division	9,086	511	67	-	(3,288)	6,376
Lloydminster Roman Catholic Separate School Division	3,938	217	29	-	(835)	3,349
Medicine Hat Catholic Separate Regional Division	12,418	691	91	498	(3,307)	10,391
Red Deer Catholic Regional Division	23,019	1,214	159	-	(3,797)	20,595
St. Albert Protestant Separate School District	30,532	1,849	242	-	(6,895)	25,728
St. Thomas Aquinas Roman Catholic Separate School Division	9,899	567	74	-	(2,512)	8,028
Public school jurisdictions						
Aspen View Regional Division	21,743	1,017	133	-	-	22,893
Battle River Regional Division	43,916	2,259	296	597	-	47,068
Black Gold Regional Division	44,321	2,511	329	203	-	47,364
Buffalo Trail Regional Division	30,017	1,956	193	-	-	32,166
Calgary School District	492,476	28,280	3,706	-	-	524,462
Canadian Rockies Regional Division	13,364	697	91	96	-	14,248
Chinook's Edge Regional Division	58,017	3,293	432	71	-	61,813
Clearview Regional Division	16,799	849	111	-	-	17,759
East Central Francophone Education Region	3,548	120	16	-	-	3,684
Edmonton School District	403,775	22,209	2,911	-	-	428,895
Elk Island Public Schools Regional Division	83,178	4,454	584	1,321	-	89,537
Foothills School Division	35,276	1,932	253	287	-	37,748
Fort McMurray School District	26,143	1,343	176	269	-	27,931
Fort Vermilion School Division	19,368	800	108	63	-	20,339

Schedule 4 (continued)

Funding Provided to School Boards

	(In thousands)					
	Funding Frame- work ^(a)	One Time Grant ^(b)	Technology	Student Health ^(c)	Opted Out ^(d)	Ministry Total
Golden Hills Regional Division	32,805	1,779	233	220	-	35,037
Grande Prairie School District	26,983	1,472	193	541	-	29,189
Grande Yellowhead Regional Division	33,162	1,848	242	-	-	35,252
Grasslands Regional Division	20,591	1,056	138	-	-	21,785
Greater North Central Francophone	9,918	355	47	-	-	10,320
Greater St. Albert Catholic Regional Division	37,237	2,088	274	244	-	39,843
High Prairie School Division	21,203	991	130	209	-	22,533
Holy Family Catholic Regional Division	13,027	652	85	121	-	13,885
Horizon School Division	20,024	999	131	-	-	21,154
Lethbridge School District	38,544	2,244	294	-	-	41,082
Livingstone Range School Division	25,746	1,322	173	-	-	27,241
Medicine Hat School District	31,886	1,878	246	-	-	34,010
Northern Gateway Regional Division	31,133	1,577	207	-	-	32,917
Northern Lights School Division	37,442	1,812	238	-	-	39,492
Northland School Division	26,244	474	62	-	-	26,780
Northwest Francophone Education Region	2,507	71	9	-	-	2,587
Palliser Regional Division	22,909	1,129	148	-	-	24,186
Parkland School Division	48,566	2,635	345	-	-	51,546
Peace River School Division	23,229	1,120	147	-	-	24,496
Peace Wapiti School Division	35,487	1,608	211	-	-	37,306
Pembina Hills Regional Division	33,489	1,496	195	571	-	35,751
Prairie Land Regional Division	15,284	609	80	-	-	15,973
Prairie Rose Regional Division	27,386	1,085	142	-	-	28,613
Red Deer School District	48,304	2,627	344	-	-	51,275
Rocky View School Division	69,475	3,766	493	-	-	73,734
St. Paul Education Regional Division	19,033	897	117	-	-	20,047
Sturgeon School Division	26,405	1,342	176	-	-	27,923
Westwind Regional Division	21,061	1,153	151	844	-	23,209
Wetaskiwin Regional Division	25,233	1,255	164	303	-	26,955
Wild Rose School Division	30,614	1,593	209	-	-	32,416
Wolf Creek Regional Division	42,201	2,182	286	1,278	-	45,947
Charter schools						
Action for Bright Children Charter Society	1,838	85	11	-	-	1,934
Almadina Charter School Society	1,593	93	12	-	-	1,698
Aurora Charter School Society	1,861	93	12	-	-	1,966
Centre for Academic & Personal Excellence	594	36	5	-	-	635
Education for the Gifted Charter Society	623	33	4	-	-	660
Foundations for the Future Charter School	1,625	67	9	-	-	1,701
Moberly Hall School Society	477	23	3	-	-	503
Science Alberta Charter School Society	376	-	-	-	-	376
Suzuki Charter School Society	504	26	3	-	-	533
The Boyle Street Service Society	1,190	32	4	-	-	1,226
Totals	\$2,799,930	\$151,303	\$19,774	\$14,330	\$(162,691)	\$2,822,646

Schedule 4 (continued)

Funding Provided to School Boards

- (a) Funding framework combines the instruction and support block funding with other enrollment driven funding.
- (b) This amount is one-time funding for the elimination of school boards' accumulated debt and other one-time local priorities.
- (c) Student Health is a cross-government initiative. Funding is allocated to all school jurisdictions as well as funded private schools and private early childhood services operators. The funding is distributed to selected school jurisdictions who administer the program for their partners.
- (d) Opted out separate school boards, which have passed a resolution pursuant to section 157(2) of the School Act, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts collected from municipalities are shown as a reduction to funding from the Ministry.

Schedule 5

Funding Provided to Post-Secondary Institutions

	(In thousands)						Total
	Operating & Conditional Funding	Access Fund	Learning Enhancement	Infra-structure Support ^(a)	Perform-ance	Other ^(b)	
Private Colleges							
Augustana University College	\$3,142	\$ -	\$101	\$ -	\$33	\$ -	\$3,276
Canadian University College	1,018	-	72	-	11	-	1,101
Concordia University College of Alberta	4,525	-	124	-	47	153	4,849
The King's University College	1,450	-	82	-	125	-	1,657
Technical Institutes							
Northern Alberta Institute of Technology	66,018	2,686	770	275	1,544	1,245	72,538
Southern Alberta Institute of Technology	57,318	3,061	748	287	1,353	792	63,559
Public Colleges							
Alberta College of Art and Design	5,645	737	107	18	223	128	6,858
Bow Valley College	10,155	-	275	46	321	366	11,163
Fairview College	10,709	556	114	40	108	986	12,513
Grande Prairie Regional College	13,274	-	158	38	211	-	13,681
Grant MacEwan Community College	28,605	1,350	570	141	737	486	31,889
Keyano College	15,419	538	147	62	438	393	16,997
Lakeland College	15,981	230	148	49	323	383	17,114
Lethbridge Community College	15,725	614	338	100	352	835	17,964
Medicine Hat College	10,739	398	206	56	333	-	11,732
Mount Royal College	29,220	1,212	533	155	740	246	32,106
NorQuest College	12,277	-	316	54	366	224	13,237
Northern Lakes College	14,340	-	132	22	144	-	14,638
Olds College	11,851	8	140	48	362	285	12,694
Portage College	10,190	305	121	20	262	-	10,898
Red Deer College	17,508	2,485	314	87	177	517	21,088
Universities							
Athabasca University	13,926	648	260	56	401	101	15,392
University of Alberta	232,787	8,520	2,212	891	4,284	398	249,092
University of Calgary	150,920	9,800	1,536	637	3,245	126	166,264
University of Lethbridge	32,892	2,680	399	115	871	160	37,117
Banff Centre							
Banff Centre	9,054	-	77	30	244	-	9,405
Private Vocational Schools							
Alberta College	-	169	-	-	-	-	169
Henderson College (Cambridge)	-	34	-	-	-	-	34
Columbia College	-	62	-	-	-	-	62
Totals	\$794,688	\$36,093	\$10,000	\$3,227	\$17,255	\$7,824	\$869,087

(a) Infrastructure Support includes support for the purchase or replacement of equipment.

(b) Other funding includes inmate education programs and apprenticeship and industry training.

Schedule 6

Statement of Alberta Heritage Scholarship Fund Expenses

	(Expenses In thousands)					
	Actual				Cumulative	
	2000		1999		1981-2000	
	Number of Recipients	Expenses	Number of Recipients	Expenses	Number of Recipients	Expenses
Rutherford	7,307	\$ 12,329	6,778	\$ 7,416	96,848	\$ 110,484
McKinney	941	2,337	930	1,517	15,274	40,270
Condon	-	-	1,529	1,286	23,987	20,216
Graduate Scholarships	133	1,294	129	1,257	1,118	10,729
Lougheed	16	275	14	180	421	5,658
Steinhauer	15	265	15	190	412	5,331
United World College	12	282	12	260	110	2,297
Other Heritage						
Scholarships	330	282	282	191	5,094	7,258
Endowment programs	89	170	96	183	281	691
	<u>8,843</u>	<u>\$ 17,234</u>	<u>9,785</u>	<u>\$ 12,480</u>	<u>143,545</u>	<u>\$ 202,934</u>

The Alberta Heritage Scholarship Fund is designed to reward Albertans for excellence and outstanding achievement.

The award programs are administered by the Students Finance Board.

Schedule 7

Purchase of Capital Assets

By Type

	(In thousands)		
	2000		1999
	Budget	Actual	Actual
Equipment	\$ -	\$ 16	\$ 36
Computer hardware and software	4,339	1,135	1,245
	<u>\$ 4,339</u>	<u>\$ 1,151</u>	<u>\$ 1,281</u>

Schedule 8

Voted Non-Budgetary Disbursements by Program

	(In thousands)		
	2000		1999
	Budget	Actual	Actual
Financial Assistance to Schools			
Learning Resources:			
Changes in learning resources inventory during the year	<u>\$ 8,000</u>	<u>\$ (18)</u>	<u>\$ -</u>
Support for Adult Learners			
Assistance for Learners:			
Interest, risk premium and guarantees	29,800	28,673	27,344
Remissions of loans	36,200	38,536	33,496
	<u>66,000</u>	<u>67,209</u>	<u>60,840</u>
	<u>\$ 74,000</u>	<u>\$ 67,191</u>	<u>\$ 60,840</u>

Non-budgetary disbursements represents changes in learning resources inventory during the year and payments made during the year which are applied against the liability for student loans. The authorized budget is the amount approved by the Legislative Assembly. The expense for student loans issued during the year is included as a statutory expense on the Statement of Operations.

Schedule 9

Liability for Student Loans Issued

	(In thousands)	
	2000	1999
Remissions (a)	\$ 111,700	\$ 101,300
Interest (b)	32,900	33,900
Guarantees (net of estimated recoveries) (c)	5,700	8,900
Risk premium (d)	12,500	8,300
	<u>\$ 162,800</u>	<u>\$ 152,400</u>

As at March 31, 2000, the outstanding Alberta Student Loans issued by the financial institutions to Alberta students amounted to \$410 million (1999 - \$410 million). The Government fully guarantees \$57 million (1999 - \$74 million) of these outstanding loans. The authorized guarantee limit set by Order in Council for loans issued under the Student Loan Act is \$400 million.

The student loans result in a liability to the Government for remissions, interest, guarantees and risk premium. This liability is recognized in the year the financial institutions issue loans and is re-evaluated each year to reflect changes in assumptions or new information.

- a) Remissions are a debt control instrument payable on Alberta Student Loans, to students who apply and have completed their studies and have assumed a total combined indebtedness of Canada and Alberta Student Loans exceeding established debt limits. In determining the liability for remissions, assumptions were made regarding the percentage of students applying for remission and the maximum debt limit. Changes in these assumptions could materially impact the calculation of the liability for remissions.
- b) Interest is paid at a variable rate based on prime on Alberta Student Loans while the students are in school and for six months after completion of their studies. Interest relief and interest shielding are also provided to students who have completed their studies and who meet certain requirements whereby the Government pays all or a portion of the interest on the Alberta Student Loan. Changes in assumptions regarding future interest rates will impact the liability for interest. The impact of a 1% interest rate change on the interest liability is estimated to be \$4 million.
- c) The liability for guarantees is an estimate of the amount of guaranteed Alberta Student Loans which will go into default, less the amount that will subsequently be recovered from students. The key assumptions used to determine this liability are the default and recovery rates.
- d) A risk premium ranging from 5 to 8% on Alberta Student Loans is paid to financial institutions six months after students complete their studies. This premium eliminates the need for the Government to provide further loan guarantees on most student loans outstanding.

Schedule 10

Related Party Transactions

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 Ministry.

The Ministry 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 following transactions with related parties are recorded at the amount of consideration agreed upon between the related parties.

	(In thousands)	
	2000	1999
Revenue		
Internal government transfers		
Lottery Fund	\$ 24,629	\$ -
Alberta Heritage Scholarship Fund	17,234	12,480
	<u>\$ 41,863</u>	<u>\$ 12,480</u>
Expenses		
Interest on advances from General Revenues	\$ 3,992	\$ 1,025
Supplies and services from other ministries	2,537	2,521
	<u>\$ 6,529</u>	<u>\$ 3,546</u>
Capital assets transferred	<u>\$ 46,125</u>	<u>\$ 836</u>
Interest payable on advances from General Revenues	<u>\$ 1,455</u>	<u>\$ 68</u>

The Ministry 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.

	(In thousands)	
	2000	1999
Expenses (notional)		
Accommodation	\$ 9,727	\$ 9,069
Legal services	318	133
	<u>\$ 10,045</u>	<u>\$ 9,202</u>

DEPARTMENT OF LEARNING

FINANCIAL STATEMENTS

MARCH 31, 2000

Auditor's Report

Statement of Operations

Statement of Changes in Financial Position

Statement of Financial Position

Notes to the Financial Statements

Schedule 1 - Budget

Schedule 2 - Revenues

Schedule 3 - Comparison of Voted Expenses by Element to
Authorized Budget

Schedule 4 - Voted Expenses by Object Detail

Schedule 5 - Purchase of Capital Assets

Schedule 6 - Non-Budgetary Disbursements by Program

Schedule 7 - Liability for Student Loans Issued

Schedule 8 - Dedicated Revenue Initiatives

Schedule 9 - Related Party Transactions

Schedule 10 - Salary and Benefits Disclosure



AUDITOR'S REPORT

To the Minister of Learning

I have audited the statement of financial position of the Department of Learning as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with 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 and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across ministries. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies the exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury.

The following accounting policies are exceptions from generally accepted accounting principles:

Related party transactions

All of the organizations listed in Note 2(a) are related parties of the Department. Under generally accepted accounting principles, the relationship between the Minister and the organizations listed in Note 2(a) must be described along with the transactions between the Minister and these organizations. Schedule 9 has not disclosed funding provided to the public post-secondary institutions amounting to \$858 million or funding provided to school boards amounting to \$1.7 billion.

During the year the Department transferred to public colleges certain land and buildings with a fair value of \$92.85 million for nominal consideration. This transaction with public colleges is not disclosed as a related party transaction in Schedule 9.

In my opinion, except for the effects of the matter discussed in the preceding section, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

[Original Signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

[The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.]

**DEPARTMENT OF LEARNING
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2000**

	(In thousands)		
	2000		1999
	Budget (Schedule 1)	Actual	Actual
Revenues (Schedules 2 and 8)			
Internal Government Transfers	\$ 41,629	\$ 41,863	\$ 12,480
Transfers from the Government of Canada	176,072	160,612	163,608
Fees, permits and licences	3,489	3,938	3,879
Other revenue	20,080	20,201	4,472
	<u>241,270</u>	<u>226,614</u>	<u>184,439</u>
Expenses			
Voted (Schedules 3, 4 and 8):			
Ministry support services	30,047	27,694	27,829
Financial assistance to schools	1,781,596	1,889,568	1,613,996
Support for adult learning	988,983	996,398	853,149
Support for adult learners	33,449	27,235	25,294
Development, monitoring and evaluation of education programs	24,733	25,373	23,798
	<u>2,858,808</u>	<u>2,966,268</u>	<u>2,544,066</u>
Statutory and valuation adjustments:			
Alberta Heritage Scholarships	17,000	17,234	12,480
Teachers' pension liability			
- statutory payments	85,555	88,185	63,824
- valuation adjustments	61,000	21,473	(21,316)
Provision for student loans			
- issued during the year	67,900	65,691	61,560
- valuation adjustment for loans issued in prior years	-	10,375	4,215
Provision for doubtful accounts	5	35	98
Provision for vacation pay	-	172	595
	<u>231,460</u>	<u>203,165</u>	<u>121,456</u>
Total expenses	3,090,268	3,169,433	2,665,522
(Gain) loss on disposal of capital assets (Note 5)	(32,735)	(46,447)	656
	<u>3,057,533</u>	<u>3,122,986</u>	<u>2,666,178</u>
Net operating results	<u>\$ (2,816,263)</u>	<u>\$ (2,896,372)</u>	<u>\$ (2,481,739)</u>

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

DEPARTMENT OF LEARNING
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000

	(In thousands)	
	2000	1999
	Actual	Actual
Operating transactions		
Net operating results	(2,896,372)	(2,481,739)
Non-cash items included in net operating results:		
Amortization of capital assets	1,137	1,162
Grants in kind (Note 5)	92,851	-
(Gain) loss on disposal of capital assets (Note 5)	(46,447)	656
Teachers' pension liability - valuation adjustments	21,473	(21,316)
Provision for student loans	76,066	65,775
	<u>(2,751,292)</u>	<u>(2,435,462)</u>
Non-budgetary disbursements on student loans (Schedule 6)	(67,209)	(60,840)
Recoveries on defaulted student loans	1,543	1,665
(Increase) decrease in accounts receivable	(16,056)	3,063
Decrease (increase) in inventory	18	(7,348)
Decrease in Alberta Heritage Scholarship Fund receivable	-	106
Increase (decrease) in accounts payable	5,829	(3,626)
Net cash used by operating transactions	<u>(2,827,167)</u>	<u>(2,502,442)</u>
Investing transactions		
Purchase of capital assets (Schedule 5)	(1,151)	(979)
Net capital assets transferred from other Ministries and the Education Revolving Fund (Note 5)	(46,125)	(836)
Cash used for investing transactions	<u>(47,276)</u>	<u>(1,815)</u>
Financing transactions		
Net transfer from General Revenues	<u>2,872,179</u>	<u>2,510,312</u>
Net cash provided (used)	(2,264)	6,055
Cash at beginning of year	<u>6,356</u>	<u>301</u>
Cash at end of year	<u>\$ 4,092</u>	<u>\$ 6,356</u>

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

DEPARTMENT OF LEARNING
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000

	(In thousands)	
	2000	1999
Assets		
Financial assets:		
Cash	\$ 4,092	\$ 6,356
Accounts receivable (Note 4)	20,916	4,860
Inventory	7,330	7,348
Capital assets (Note 5)	3,298	3,562
	<u>\$ 35,636</u>	<u>\$ 22,126</u>
Liabilities		
Accounts payable (Note 6)	\$ 43,720	\$ 37,891
Liability for student loans issued (Schedule 7)	162,800	152,400
Teachers' pension obligation (Note 7)	3,804,658	3,783,184
	<u>4,011,178</u>	<u>3,973,475</u>
Net liabilities		
Net liabilities at beginning of year, as restated (Note 3)	(3,951,349)	(3,979,922)
Net operating results	(2,896,372)	(2,481,739)
Net transfer from General Revenues	2,872,179	2,510,312
Net liabilities at end of year	<u>(3,975,542)</u>	<u>(3,951,349)</u>
	<u>\$ 35,636</u>	<u>\$ 22,126</u>
Net liabilities at end of year	\$ (3,975,542)	\$ (3,951,349)
Less teachers' pension obligation	3,804,658	3,783,184
Net liabilities excluding teachers' pension obligation	<u>\$ (170,884)</u>	<u>\$ (168,165)</u>
	<u>\$ (170,884)</u>	<u>\$ (168,165)</u>

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

DEPARTMENT OF LEARNING
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2000

Note 1 Authority and Purpose

The Department of Learning operates under the authority of the Government Organization Act, Statutes of Alberta. The purpose of the Department is to lead and work with partners to build a globally recognized lifelong learning community that enables Albertans to be responsible, caring, self-reliant and contributing members of a knowledge-based and prosperous society.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the Government for all departments. 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.

(a) Reporting entity

The reporting entity is the Department of Learning, which is part of the Ministry of Learning and for which the Minister of Learning is accountable. This entity includes the provision of scholarships to eligible students from the Alberta Heritage Scholarship Fund. The only other entity reporting to the Minister is the Alberta School Foundation Fund. The activities of this organization are not included in these financial statements. Activities of school boards, universities, technical institutes and public colleges, which are accountable organizations to the Minister, and the Banff Centre are reported in these statements to the extent of contributions from the Department under programs to cover the operations of these entities.

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 operate within the General Revenue Fund (the Fund). The Fund is administered by the Provincial Treasurer. All cash receipts of departments are deposited into the Fund and all cash disbursements made by the departments are paid from the Fund. Net transfer to/from general revenues is the difference between all cash receipts and all cash disbursements made.

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

(b) Basis of financial reporting

Revenues

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

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are 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 expense budget is reduced. Conversely, if actual dedicated revenues exceed budget, the Department may, with the approval of Treasury Board, use the excess revenue to fund additional program expenses. Schedule 8 discloses information about the Department's dedicated revenue initiatives.

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.

The Department receives a transfer of funds to pay for certain program expenses from the Lottery Fund. It also receives a transfer of funds to pay Alberta Heritage Scholarships from the Alberta Heritage Scholarship Fund. The financial statements of the Alberta Heritage Scholarship Fund are included in the Ministry of Treasury Annual Report.

Expenses

Expenses represent the costs of resources consumed during the year on the Department's operations and include amortization of capital assets.

Obligations under guarantees, remission of student loans, risk premiums and the estimated future interest costs on student loans are expensed as management determines that the Province will likely be called upon to make payment. This expense represents management's estimate of future payments less recoveries from defaulted student loans.

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

(b) Basis of financial reporting (continued)

Expenses (continued)

Pension costs included in these statements comprise the cost of employer contributions for the current service of employees during the year and additional employer contributions for service relating to prior years. Pension costs also include the Department's pension contributions under the Teachers' Pension Plans Act. Further information is contained in Note 7.

Certain expenses, primarily for office space, legal advice, and banking services, incurred on behalf of the Department by other Ministries are not reflected in the Statement of Operations. Schedule 9 discloses information on these related party transactions.

Valuation Adjustments

Valuation adjustments include changes in the valuation allowances 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 student loans, teachers' pensions and employee vacation pay.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventory held for resale. Inventory is valued at the lower of cost, determined on a weighted average basis, or estimated net realizable value. The fair values of the financial assets are estimated to approximate their book values. 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.

Capital assets of the Department are recorded at historical costs and amortized on a straight line basis over the estimated useful lives of the assets. All land is capitalized. The threshold for capitalizing new computer systems development is \$100,000 and the threshold for all other capital assets is \$15,000.

When physical assets 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.

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

(b) Basis of financial reporting (continued)

Liabilities

Liabilities include all financial claims payable by the Department at fiscal year end. They include the Department's obligations for future payments under the Student Loans Act for guarantees, remissions, risk premiums, interest and carrying charges. They also include the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements. Note 7 contains further information on the Teachers' Pension Plan.

The fair values of payables are estimated to approximate their book values. The fair value of the liability for student loans issued has not been determined as there is no established financial market for this type of liability and it is not cost effective to estimate the fair value with sufficient reliability.

Net Liabilities

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

Measurement Uncertainty

The liability for student loans issued amounting to \$162,800,000 (1999 - \$152,400,000) and the teachers' pension obligation amounting to \$3,804,658,000 (1999 - \$3,783,184,000) are subject to measurement uncertainty. Measurement uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount. The Department has made certain assumptions in the determination of the liability for student loans, such as the number of students applying for remissions, future interest, recovery and default rates. The effect on the teachers' pension obligation of actual experience compared to assumptions results in measurement uncertainty. Actual amounts paid may vary significantly from the estimates. Schedule 7 discloses information on the liability for student loans issued and Note 7 discloses information on the teachers' pension plan.

(c) Change in Accounting Policy

The Department has changed the way it accounts for the disposal of capital assets at a nominal amount. The fair value of capital assets sold for nominal amounts to parties external to the government reporting entity less any nominal proceeds is reported as grants in kind. The difference between the fair value and the carrying value of the capital assets disposed is recorded as gains/losses on disposal. Previously the difference between the carrying value of capital assets disposed and the nominal proceeds received were treated as gains/losses on disposal. This change in accounting policy has been applied prospectively.

Note 3 Reorganization

The Department was established as a result of a major reorganization announced by the government on May 25, 1999 and transfers of responsibility announced throughout the year. Comparatives for 1999 have been restated as if the Department had always been assigned its current responsibilities.

	(In thousands)
Net liabilities at March 31, 1998	
Transfer from Department of Education	\$ (3,816,306)
Transfer from Department of Advanced Education and Career Development	(163,616)
Net liabilities, as restated at March 31, 1998	<u>\$ (3,979,922)</u>

Note 4 Accounts Receivable

	(In thousands)	
	2000	1999
Government of Canada	\$ 18,687	\$ 2,838
School boards	1,466	1,024
Other	763	998
	<u>\$ 20,916</u>	<u>\$ 4,860</u>

Accounts receivable are non-interest bearing, unsecured and are reported at their net realizable value.

Note 5 Capital Assets

	(In thousands)			
		2000		1999
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value
Equipment (a)	3-10 years	\$ 1,196	\$ 1,064	\$ 132
Computer hardware & software	5 years	14,595	11,429	3,166
		<u>\$ 15,791</u>	<u>\$ 12,493</u>	<u>\$ 3,298</u>

(a) Equipment includes office equipment and furniture.

During the year the Department received certain land and buildings with a net book value of \$46,125 from the Department of Infrastructure, and transferred these assets to Portage, Northern Lakes, NorQuest, and Bow Valley Colleges for nominal consideration. The assets' approximate fair value of \$92,851 was recorded as a grant in kind, which resulted in a gain on disposal of \$46,726.

Note 6 Accounts Payable

	(In thousands)	
	2000	1999
Accounts payable	\$ 2,461	\$ 2,952
Accrued liabilities - vacation	5,508	5,019
- other	16,750	15,417
- school boards	2,257	2,252
Advances from Government of Canada	16,364	11,906
Unearned revenue	380	345
	<u>\$ 43,720</u>	<u>\$ 37,891</u>

Note 7 Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

Under the Teachers' Pension Plans Act, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 per cent by the Province and 32.65 per cent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 per cent of any current service costs and related actuarial adjustments, including certain cost-of-living benefits.

The Act provides that payment of all benefits prior to September 1, 1992 is guaranteed by the Province.

The teachers' pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on services. The assumptions used in the valuation are adopted after consultations between the pension plan board, the government and the actuaries, and represent best estimates of future events. The plan's future experience will inevitably vary, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

The valuation was based upon economic assumptions, including a long-term rate of return on pension plan fund assets of 4.5 per cent over the level of price inflation. The rate was based upon a long-term rate of return of 8.0 percent per annum and price inflation of 3.5 per cent. Demographic assumptions used in the valuation reflect the experience of the plan.

The latest actuarial valuation was performed on August 31, 1998. This valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability was extrapolated to March 31, 2000 and includes deferred adjustments.

Note 7 Teachers' Pension Plan (continued)

In the Statement of Operations, payments for current service of \$105,852,000 (1999 - \$106,420,000) are included in voted expenses while payments towards the unfunded liability of \$88,185,000 (1999 - \$63,824,000) are shown as statutory payments. In addition, a provision of \$21,473,000 (1999 - (\$21,316,000)) shown as a valuation adjustment has been recorded to recognize the estimated impact on the obligation as a result of estimated changes in the value of the plan's assets and the amortization of experience gains and losses.

Note 8 Commitments

As at March 31, 2000, the Department has \$2,596,000 (1999 - \$2,499,000) in commitments relating to service contracts.

Note 9 Trust Funds Under Administration

The Department administers trust funds which 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 purpose of various trusts, they are not included in the Department's financial statements.

At March 31, 2000, trust funds under administration were as follows:

	(In thousands)			
	2000		1999	
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities)
Department of Learning Endowment Fund	\$ 16	\$ -	\$ 16	\$ 16
Teachers' Pension Plan Funds	1,795,000	6,216,000	(4,421,000)	(4,145,000)
Mildred Rowe Weston Estate Trust	77	-	77	78
	<u>\$1,795,093</u>	<u>\$6,216,000</u>	<u>\$(4,420,907)</u>	<u>\$(4,144,906)</u>

Note 10 Payments Under Agreement

The Department has entered into several agreements to deliver programs on behalf of third parties, which include the Government of Canada. These programs and services are fully funded by these parties. Expenses incurred under these agreements are made by the Department under authority of the Financial Administration Act, Section 29.1 and are not included in these statements. Accounts receivable of \$3,790,000 (1999 - \$558,000) from these third parties and accounts payable of \$12,307,000 (1999 - \$10,995,000) to these third parties are reflected in the Statement of Financial Position.

Note 10 Payments Under Agreement (continued)

Amounts paid or payable under agreements for the year ended March 31, 2000 are as follows:

	(In thousands)	
	2000	1999
Canadian Millennium Scholarship Foundation		
Canadian Millennium Scholarships	\$ 25,496	\$ -
Government of Canada		
Canada Study Grants	7,442	5,357
Immigration Settlement Services	374	797
Faculte St. Jean Construction and Fellowships	1,601	762
French Minority Language Education and French Second Language Instruction	9,800	10,292
South Africa Teacher Development Program	64	108
Interprovincial Computerized Exam Management System	41	-
Other	31	5
Alberta School Board		
International Student Program	4	571
Western Provinces		
Collaboration in Aboriginal Education	45	74
Alberta Vocational Colleges (a)		
NorQuest	-	971
Bow Valley	-	1,336
	<u>\$ 44,898</u>	<u>\$ 20,273</u>

(a) Payments under agreement for the Alberta Vocational Colleges ceased effective June 30, 1998.

Note 11 Pensions

The Department participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers established by the government effective July 1, 1999. The expense for these pension plans is equivalent to the annual contributions of \$2,667,000 for the year ending March 31, 2000 (1999 - \$2,499,000).

Effective January 1, 1999, the Department's contribution to the Public Service Pension Plan was reduced by 0.3% of pensionable salaries.

At December 31, 1999, the Management Employees Pension Plan reported a surplus of \$46,019,000 (1998 - \$4,355,000) and the Public Service Pension Plan reported a surplus of \$517,020,000 (1998 - \$406,445,000). At December 31, 1999, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$33,000.

Note 12 Contingencies

As at March 31, 2000, the Department was named as defendant in legal claims that have specified amounts totaling approximately \$135,000 (1999 - \$110,000). The resulting loss, if any, from these claims cannot be determined. One claim is covered by Alberta Risk Management Fund.

Note 12 Contingencies (continued)

The Department may be required to pay the cost of transfers of pension entitlements for former non-teaching staff members of the Alberta School for the Deaf, who are now employees of the Edmonton Public School Board. The Department's maximum liability may be as much as \$250,000 (1999 - \$250,000) subject to conclusion of negotiations to have the employees grandfathered in the Public Service Pension Plan.

Note 13 Approval of Financial Statements

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

DEPARTMENT OF LEARNING
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

Schedule 1

Budget

	(In thousands)		
	2000		
	Estimates and Budget Restated (a)	Supple- mentary Estimates (b)	Authorized Budget
Revenues			
Internal government transfers	\$ 41,629	\$ -	\$ 41,629
Transfers from the Government of Canada	176,072	-	176,072
Fees, permits and licenses	3,489	-	3,489
Other revenue	20,080	-	20,080
	<u>241,270</u>	<u>-</u>	<u>241,270</u>
Expenses			
Voted (c):			
Department of Learning:			
Ministry support services	30,047	417	30,464
Financial assistance to schools	1,781,596	134,658	1,916,254
Support for adult learning	988,983	120	989,103
Support for adult learners	33,449	24	33,473
Development, monitoring and evaluation	24,733	163	24,896
	<u>2,858,808</u>	<u>135,382</u>	<u>2,994,190</u>
Statutory and valuation adjustments (d):			
Alberta Heritage Scholarships	17,000	-	17,000
Teachers' pension liability			
- statutory payments	85,555	-	85,555
- valuation adjustments	61,000	-	61,000
Provision for student loans			
- issued during year	67,900	-	67,900
- valuation adjustment for loans issued in prior years	-	-	-
Provision for doubtful accounts	5	-	5
Provision for vacation pay	-	-	-
	<u>231,460</u>	<u>-</u>	<u>231,460</u>
Total expenses	3,090,268	135,382	3,225,650
(Gain) loss on disposal of capital assets (d)	(32,735)	-	(32,735)
	<u>3,057,533</u>	<u>135,382</u>	<u>3,192,915</u>
Net operating results	\$ (2,816,263)	\$ (135,382)	\$ (2,951,645)

Schedule 1 (continued)

Budget

- (a) Effective April 1, 1999, the Department was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year.
- (b) Supplementary Estimates approved on December 9, 1999 included \$134,640,000 for financial assistance to schools to assist in the elimination of school boards' accumulated debt and other one-time local priorities. In addition, Supplementary Estimates approved on March 14, 2000 included \$16,600,000 for an achievement bonus program for government management and opted-out employees. These funds were placed temporarily in a central pool administered by Personnel Administration Office and then distributed to Departments. The amount distributed to the Department of Learning was \$742,000.
- (c) In the event actual voted expenses and capital investments exceed the authorized budget, the difference is known as an encumbrance and reduces the budgeted amount for these items in subsequent years.
- (d) In the event actual statutory expense, actual valuation adjustments and actual (gain) loss on disposal of capital assets exceed the authorized budget, there is no impact to budgeted amounts in the subsequent year.

Schedule 2

Revenues

	(In thousands)		
	2000		1999
	Budget	Actual	Actual
Internal government transfers			
Lottery Fund	\$ 24,629	\$ 24,629	\$ -
Alberta Heritage Scholarship Fund	17,000	17,234	12,480
	<u>41,629</u>	<u>41,863</u>	<u>12,480</u>
Transfers from the Government of Canada			
Canadian Health and Social Transfers	173,848	159,129	160,753
Bilingualism	1,180	-	1,278
Canada student loans administration	1,044	1,483	1,577
	<u>176,072</u>	<u>160,612</u>	<u>163,608</u>
Fees, permits and licences			
Marketing Apprenticeship	1,544	1,643	1,646
High school transcripts	600	760	741
Teacher certificate fees	600	664	728
Diploma exam rewrite fees	326	383	356
Other	419	488	408
	<u>3,489</u>	<u>3,938</u>	<u>3,879</u>
Other revenue			
Sales of learning resources	18,175	18,067	-
Refunds of expenditure	1,500	1,654	4,179
Funding from Telus learning connection project	400	400	225
Miscellaneous	5	80	68
	<u>20,080</u>	<u>20,201</u>	<u>4,472</u>
	<u>\$ 241,270</u>	<u>\$ 226,614</u>	<u>\$ 184,439</u>

Schedule 3

Comparison of Voted Expenses by Element to Authorized Budget

	(In thousands)				
	Estimates and Budget Restated (a)	Supple- mentary Estimates (b)	Authorized Budget (c)	Actual Expense	Unexpended (Over- expended)
Voted Expenses					
Ministry support services:					
Minister's office	\$ 312	\$ 7	\$ 319	\$ 303	\$ 16
Minister's committees	212	-	212	231	(19)
Deputy minister's office	330	9	339	329	10
Finance and administrative services	7,819	101	7,920	7,039	881
Educational grants to individuals, organizations and agencies	349	-	349	339	10
School operations	978	-	978	1,007	(29)
Communications	699	4	703	580	123
Human resource services	2,339	17	2,356	1,965	391
Information and policy services	11,631	279	11,910	11,231	679
Administrative systems support	4,240	-	4,240	3,495	745
Legislative services and freedom of information	238	-	238	250	(12)
School facilities services	50	-	50	-	50
Amortization of capital assets	757	-	757	843	(86)
Standing policy committee on education and training	93	-	93	82	11
	<u>30,047</u>	<u>417</u>	<u>30,464</u>	<u>27,694</u>	<u>2,770</u>
Financial Assistance to Schools					
Public and separate school board support:					
Operating support for basic education	1,475,327	134,640	1,609,967	1,584,801	25,166
Early childhood services	74,356	-	74,356	79,828	(5,472)
Teachers' pension - current service	108,424	-	108,424	105,852	2,572
School construction and renewal	509	-	509	484	25
School technology upgrading (d)	20,000	-	20,000	19,777	223
	<u>1,678,616</u>	<u>134,640</u>	<u>1,813,256</u>	<u>1,790,742</u>	<u>22,514</u>
Private school support:					
Instruction grants	36,860	-	36,860	36,352	508
Early childhood services	8,510	-	8,510	9,465	(955)
	<u>45,370</u>	<u>-</u>	<u>45,370</u>	<u>45,817</u>	<u>(447)</u>
Early childhood services - private operator support:					
Early childhood services	18,378	-	18,378	15,983	2,395
Learning resources:					
Learning resources subsidies	5,743	-	5,743	5,470	273
Learning resources distributing centre	18,519	18	18,537	16,619	1,918
	<u>24,262</u>	<u>18</u>	<u>24,280</u>	<u>22,089</u>	<u>2,191</u>
Student health services:					
Student health services	14,970	-	14,970	14,937	33
	<u>1,781,596</u>	<u>134,658</u>	<u>1,916,254</u>	<u>1,889,568</u>	<u>26,686</u>

(In thousands)

	Estimates and Budget Restated (a)	Supple- mentary Estimates (b)	Authorized Budget (c)	Actual Expense	Unexpended (Over- expended)
Support for Adult Learning					
Program support:					
Program delivery support	2,614	78	2,692	2,317	375
Community education	16,322	-	16,322	16,346	(24)
Learning television (d)	3,129	-	3,129	3,129	-
Inter-jurisdiction programs	3,644	-	3,644	2,393	1,251
Other program support	7,110	-	7,110	2,352	4,758
International qualifications assessment service	335	-	335	306	29
	<u>33,154</u>	<u>78</u>	<u>33,232</u>	<u>26,843</u>	<u>6,389</u>
Private colleges:					
Augustana University College	3,253	-	3,253	3,142	111
Canadian University College	1,049	-	1,049	1,018	31
Concordia University College of Alberta	4,551	-	4,551	4,525	26
The King's University College	1,499	-	1,499	1,450	49
	<u>10,352</u>	<u>-</u>	<u>10,352</u>	<u>10,135</u>	<u>217</u>
Technical institutes:					
Northern Alberta Institute of Technology	66,018	-	66,018	66,018	-
Southern Alberta Institute of Technology	57,362	-	57,362	57,318	44
	<u>123,380</u>	<u>-</u>	<u>123,380</u>	<u>123,336</u>	<u>44</u>
Public colleges:					
Alberta College of Art and Design	5,646	-	5,646	5,645	1
Bow Valley College	10,155	-	10,155	10,155	-
Fairview College	10,709	-	10,709	10,709	-
Grande Prairie Regional College	13,273	-	13,273	13,274	(1)
Grant MacEwan Community College	28,605	-	28,605	28,605	-
Keyano College	15,419	-	15,419	15,419	-
Lakeland College	15,981	-	15,981	15,981	-
Lethbridge Community College	15,691	-	15,691	15,725	(34)
Medicine Hat College	10,664	-	10,664	10,739	(75)
Mount Royal College	29,222	-	29,222	29,220	2
NorQuest College	12,277	-	12,277	12,278	(1)
Northern Lakes College	14,340	-	14,340	14,340	-
Olds College	11,851	-	11,851	11,851	-
Portage College	10,186	-	10,186	10,190	(4)
Red Deer College	17,519	-	17,519	17,508	11
Governance Assets Transfer	94,747	-	94,747	92,851	1,896
	<u>316,285</u>	<u>-</u>	<u>316,285</u>	<u>314,490</u>	<u>1,795</u>
Universities:					
Athabasca University	13,926	-	13,926	13,926	-
University of Alberta	232,787	-	232,787	232,787	-
University of Calgary	150,921	-	150,921	150,920	1
University of Lethbridge	32,860	-	32,860	32,892	(32)
	<u>430,494</u>	<u>-</u>	<u>430,494</u>	<u>430,525</u>	<u>(31)</u>
Banff Centre:					
Banff Centre	9,054	-	9,054	9,054	-

	(In thousands)				
	Estimates and Budget Restated (a)	Supple- mentary Estimates (b)	Authorized Budget (c)	Actual Expense	Unexpended (Over- expended)
Performance funding envelopes:					
Funding envelopes delivery support	402	-	402	298	104
Access fund	29,535	-	29,535	36,093	(6,558)
Learning enhancement	10,000	-	10,000	10,000	-
Infrastructure support	-	-	-	3,227	(3,227)
Performance	15,000	-	15,000	17,255	(2,255)
	<u>54,937</u>	<u>-</u>	<u>54,937</u>	<u>66,873</u>	<u>(11,936)</u>
Apprenticeship and industry training					
Program delivery and support	9,783	42	9,825	13,499	(3,674)
Marketing Apprenticeship	1,544	-	1,544	1,643	(99)
	<u>11,327</u>	<u>42</u>	<u>11,369</u>	<u>15,142</u>	<u>(3,773)</u>
	<u>988,983</u>	<u>120</u>	<u>989,103</u>	<u>996,398</u>	<u>(7,295)</u>
Support for Adult Learners					
Assistance for learners:					
Program delivery support	5,320	24	5,344	4,887	457
Amortization of capital assets	129	-	129	59	70
Maintenance grants	8,000	-	8,000	6,225	1,775
Special needs bursaries	1,300	-	1,300	1,099	201
Skills development training support	700	-	700	700	-
Alberta opportunity bursary	16,500	-	16,500	12,966	3,534
Athletic scholarships (d)	1,500	-	1,500	1,299	201
	<u>33,449</u>	<u>24</u>	<u>33,473</u>	<u>27,235</u>	<u>6,238</u>
Development, Monitoring and Evaluation of Education Programs					
Student programs and evaluation:					
Student programs and standards	4,838	163	5,001	4,941	60
Student evaluation services	9,243	-	9,243	9,441	(198)
Language services	1,666	-	1,666	1,646	20
Distance education materials development	2,336	-	2,336	2,356	(20)
	<u>18,083</u>	<u>163</u>	<u>18,246</u>	<u>18,384</u>	<u>(138)</u>
Regional services:					
Regional services	3,467	-	3,467	3,774	(307)
Native education	125	-	125	161	(36)
Special education	1,903	-	1,903	1,938	(35)
Teacher certification and development	1,155	-	1,155	1,116	39
	<u>6,650</u>	<u>-</u>	<u>6,650</u>	<u>6,989</u>	<u>(339)</u>
	<u>24,733</u>	<u>163</u>	<u>24,896</u>	<u>25,373</u>	<u>(477)</u>
Total Voted Expenses	<u>\$2,858,808</u>	<u>\$ 135,382</u>	<u>\$ 2,994,190</u>	<u>\$2,966,268</u>	<u>\$ 27,922</u>

- (a) Effective April 1, 1999, the Department was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year.
- (b) Supplementary Estimates approved on December 9, 1999 included \$134,640,000 for financial assistance to schools to assist in the elimination of school boards' accumulated debt and other one-time local priorities. In addition, Supplementary Estimates approved on March 14, 2000 included \$16,600,000 for an achievement bonus program for government management and opted-out employees. These funds were placed temporarily in a central pool administered by Personnel Administration Office and then distributed to Departments. The amount distributed to the Department of Learning was \$742,000.
- (c) The total authorized budget represents the Department's funding for operating purposes as approved by the Legislative Assembly.
- (d) Funding has been provided by the Lottery Fund.

Schedule 4

Voted Expenses by Object Detail

	(In thousands)		
	2000		1999
	Budget (a)	Actual	Actual
Grants:			
School boards	\$ 1,585,162	\$ 1,686,463	\$ 1,443,919
Post-secondary institutions	850,897	869,087	833,922
Individuals	28,105	21,693	21,005
Other	194,611	202,852	166,796
Grants in kind	94,747	92,851	-
	<u>2,753,522</u>	<u>2,872,946</u>	<u>2,465,642</u>
Salaries, wages and employee benefits	49,451	45,278	42,421
Supplies and services	54,986	47,151	34,376
Amortization of capital assets	1,081	1,137	1,557
Other	68	56	70
Total voted expenses before recoveries	<u>2,859,108</u>	<u>2,966,568</u>	<u>2,544,066</u>
Less: Recovery from support service arrangements with related parties (b)	<u>(300)</u>	<u>(300)</u>	<u>-</u>
Total voted expenses	<u>\$ 2,858,808</u>	<u>\$ 2,966,268</u>	<u>\$ 2,544,066</u>

(a) Effective April 1, 1999, the Department was established as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year. The breakdown of expenses by object is based on management's best estimate.

(b) The Department provides financial, payroll, human resource and administrative services to the Ministry of Innovation and Science and the Ministry of International and Intergovernmental Relations. Cost for these services are recovered from the respective ministries.

The Department also provides support services to the Ministry of Human Resources and Employment without charge.

Schedule 5

Purchase of Capital Assets

By Program

	(In thousands)			1999 Actual
	2000		(Over) Under	
	Authorized Budget (a)	Actual		
Ministry Support Services				
Information and policy services	\$ 380	\$ 95	\$ 285	\$ 270
Administrative systems support	622	103	519	395
	<u>1,002</u>	<u>198</u>	<u>804</u>	<u>665</u>
Financial Assistance to Schools				
Learning resources distribution centre	500	153	347	-
Support for Adult Learning				
Apprenticeship and industry training	2,000	-	2,000	-
Support for Adult Learners				
Program delivery support	837	800	37	314
	<u>4,339</u>	<u>1,151</u>	<u>3,188</u>	<u>979</u>

By Type

	(In thousands)		1999 Actual
	2000		
	Budget	Actual	
Equipment	-	16	36
Computer hardware and software	4,339	1,135	943
	<u>4,339</u>	<u>1,151</u>	<u>979</u>

- (a) The total authorized budget represents the Department's funding for capital purposes as approved by the Legislative Assembly.

Schedule 6

Non-Budgetary Disbursements by Program

	(In thousands)		
	Authorized Budget	Actual	(Over) Under
Financial Assistance to Schools			
Learning Resources:			
Changes in learning resources inventory during the year	\$ 8,000	\$ (18)	\$ 8,018
Support for Adult Learners			
Assistance for Learners:			
Interest, risk premium and guarantees	29,800	28,673	1,127
Remissions of loans	36,200	38,536	(2,336)
	<u>66,000</u>	<u>67,209</u>	<u>(1,209)</u>
Total - 2000	<u>\$ 74,000</u>	<u>\$ 67,191</u>	<u>\$ 6,809</u>
Total - 1999	<u>\$ 72,800</u>	<u>\$ 60,840</u>	<u>\$ 11,960</u>

Non-budgetary disbursements represents changes in learning resources inventory during the year and payments made during the year which are applied against the liability for student loans. The authorized budget is the amount approved by the Legislative Assembly. The expense for student loans issued during the year is included as a statutory expense on the Statement of Operations.

Schedule 7

Liability for Student Loans Issued

	(In thousands)	
	2000	1999
Remissions (a)	\$ 111,700	\$ 101,300
Interest (b)	32,900	33,900
Guarantees (net of estimated recoveries) (c)	5,700	8,900
Risk premium (d)	12,500	8,300
	<u>\$ 162,800</u>	<u>\$ 152,400</u>

As at March 31, 2000, the outstanding Alberta Student Loans issued by the financial institutions to Alberta students amounted to \$410 million (1999 - \$410 million). The Government fully guarantees \$57 million (1999 - \$74 million) of these outstanding loans. The authorized guarantee limit set by Order in Council for loans issued under the Student Loan Act is \$400 million.

The student loans result in a liability to the Government for remissions, interest, guarantees and risk premium. This liability is recognized in the year the financial institutions issue loans and is re-evaluated each year to reflect changes in assumptions or new information.

- a) Remissions are a debt control instrument payable on Alberta Student Loans, to students who apply and have completed their studies and have assumed a total combined indebtedness of Canada and Alberta Student Loans exceeding established debt limits. In determining the liability for remissions, assumptions were made regarding the percentage of students applying for remission and the maximum debt limit. Changes in these assumptions could materially impact the calculation of the liability for remissions.
- b) Interest is paid at a variable rate based on prime on Alberta Student Loans while the students are in school and for six months after completion of their studies. Interest relief and interest shielding are also provided to students who have completed their studies and who meet certain requirements whereby the Government pays all or a portion of the interest on the Alberta Student Loan. Changes in assumptions regarding future interest rates will impact the liability for interest. The impact of a 1% interest rate change on the interest liability is estimated to be \$4 million.
- c) The liability for guarantees is an estimate of the amount of guaranteed Alberta Student Loans which will go into default, less the amount that will subsequently be recovered from students. The key assumptions used to determine this liability are the default and recovery rates.
- d) A risk premium ranging from 5 to 8% on Alberta Student Loans is paid to financial institutions six months after students complete their studies. This premium eliminates the need for the Government to provide further loan guarantees on most student loans outstanding.

Schedule 8

Dedicated Revenue Initiatives

	(In thousands)		
	2000		1999
	Authorized Budget	Actual	Actual
Ministry Support Services			
Information and Policy Services (a)			
Dedicated revenue	\$ (1,000)	\$ (1,240)	\$ (1,034)
Expenses	8,880	11,231	11,616
Net expense	<u>\$ 7,880</u>	<u>\$ 9,991</u>	<u>\$ 10,582</u>
Support for Adult Learning			
Apprenticeship and Occupational Training			
Marketing Apprenticeship (b)			
Dedicated revenue	\$ (1,544)	\$ (1,643)	\$ (1,646)
Expenses	1,544	1,643	1,443
Net revenues	<u>-</u>	<u>-</u>	<u>(203)</u>
Support for Adult Learners			
Assistance for Learners			
Program delivery support (c)			
Dedicated revenue	\$ (1,044)	\$ (1,483)	\$ (1,577)
Expenses	6,044	4,887	5,867
Net expense	<u>\$ 5,000</u>	<u>\$ 3,404</u>	<u>\$ 4,290</u>
Development, Monitoring and Evaluation of Education programs			
Student Programs and Evaluation			
Diploma exam rewrites (d)			
Dedicated revenue	\$ (326)	\$ (383)	\$ (356)
Expenses	9,243	9,441	9,082
Net expense	<u>\$ 8,917</u>	<u>\$ 9,058</u>	<u>\$ 8,726</u>
Regional services			
Teacher certification and development (e)			
Dedicated revenue	\$ (600)	\$ (664)	\$ (728)
Expenses	1,155	1,116	1,114
Net expense	<u>\$ 555</u>	<u>\$ 452</u>	<u>\$ 386</u>
Total			
Dedicated revenue	\$ (4,514)	\$ (5,413)	\$ (5,341)
Expenses	26,866	28,318	29,122
Net expense (revenues)	<u>\$ 22,352</u>	<u>\$ 22,905</u>	<u>\$ 23,781</u>

Schedule 8 (continued)

Dedicated Revenue Initiatives

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are 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 expense budget is reduced. Conversely, if actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program.

The expense represents the total funding necessary to operate the program. The dedicated revenue portion represents the funds provided by fee payers, and the net expense represents the amount supported by general revenues. The revenues and expenses related to the dedicated revenue initiatives are included in the Ministry's revenues and expenses.

- (a) The Information and Policy Services dedicated revenue initiatives allow the costs associated with the delivery of high school transcripts and copyrights to be offset against the fees collected. Also included in this initiative is the Telus learning connection project which represents a partnership with the Department and several stakeholders to provide teachers and students with Internet access and computer training.
- (b) Marketing Apprenticeship dedicated revenue initiatives allow the costs of marketing the apprenticeship program outside Alberta to be offset with the fees collected from non-Albertans enrolled in apprenticeship courses sponsored by the Department.
- (c) The program delivery support dedicated revenue initiatives allow the costs associated with administering the Canada Student Loans, and the Millennium Scholarship program to be offset with revenues collected by the Government of Canada and the Foundation.
- (d) The diploma exam rewrites dedicated revenue initiatives allow the costs of high school diploma examination services associated with students writing the course exam to be offset by revenue collected from students writing for the second or subsequent time.
- (e) The teacher certification and development dedicated revenue initiatives allow the costs associated with various certification services for Alberta teachers and those applying to teach in Alberta to be offset by several fee items.

Schedule 9

Related Party Transactions

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, licenses 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 following transactions with related parties are recorded at the amount of consideration agreed upon between the related parties.

	(In thousands)	
	<u>2000</u>	<u>1999</u>
Revenue		
Internal government transfers		
Lottery Fund	\$ 24,629	\$ -
Alberta Heritage Scholarship Fund	17,234	12,480
	<u>\$ 41,863</u>	<u>\$ 12,480</u>
Expenses		
Grants - Education Revolving Fund	\$ -	\$ 5,937
Supplies and services from other ministries	2,537	2,521
	<u>\$ 2,537</u>	<u>\$ 8,458</u>
Capital assets transferred	<u>\$ 46,125</u>	<u>\$ 836</u>

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.

	(In thousands)	
	<u>2000</u>	<u>1999</u>
Expenses (notional)		
Accommodation	\$ 9,727	\$ 9,069
Legal services	318	133
	<u>\$ 10,045</u>	<u>\$ 9,202</u>

Schedule 10

Salary and Benefits Disclosure

	2000			1999
	^{(1) (2)} Salary	^{(1) (3)} Benefits and Allowances	Total	Total
Current Executives ⁽¹⁾				
Deputy Minister ⁽⁴⁾	\$ 151,680	\$ 29,715	\$ 181,395	\$ 159,714
Other Executives:				
Assistant Deputy Minister Basic Learning Division	111,266	19,489	130,755	119,716
Assistant Deputy Minister Adult Learning Division	105,812	19,305	125,117	122,131
Assistant Deputy Minister Information and Strategic Services Division	108,171	18,747	126,918	114,383
Assistant Deputy Minister Corporate Services Division ⁽⁵⁾	110,537	19,398	129,935	124,227
Assistant Deputy Minister System Improvement and Reporting Division ⁽⁶⁾	105,008	19,694	124,702	71,402
Executive Director Apprenticeship and Industry Training Division ⁽⁵⁾	91,868	20,402	112,270	111,039
	<u>\$ 784,342</u>	<u>\$ 146,750</u>	<u>\$ 931,092</u>	<u>\$ 822,612</u>
Former Executives ^{(1) (7)}				
Executive Director Project Management ⁽⁵⁾	\$ 39,475	\$ 31,332	\$ 70,807	\$ 105,558
Executive Director Finance and Administrative Services	51,415	8,058	59,473	109,064
Director - Human Resources ⁽⁵⁾	42,994	7,046	50,040	98,134
	<u>\$ 133,884</u>	<u>\$ 46,436</u>	<u>\$ 180,320</u>	<u>\$ 312,756</u>

(1) Prepared in accordance with Treasury Board Directive 12/98. The schedule includes the salary and benefits of:

Current Executives

This includes the salary and benefits of the last incumbent. Where the last incumbent has held the position for part of the year, his/her salary and benefits as an executive in previous positions within the government reporting entity are also included.

Former Executives

This includes the salary and benefits of former executives who left the government during the year or who no longer hold an executive position with the government.

(2) Salary includes regular base pay, bonuses, overtime and lump sum payments.

(3) 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.

(4) Automobile provided, no dollar amount included in benefits and allowances figures.

(5) Benefits and allowances includes vacation payouts to the Assistant Deputy Minister - Corporate Services (2000 - \$0; 1999 - \$2,975), Executive Director - Apprenticeship and Industry Training (2000 - \$5,044; 1999 - \$2090), Director - Human Resources (2000 - \$0; 1999 - \$5,510), and the former Executive Director - Project Management (2000 - \$25,084; 1999 - \$0).

(6) This position was filled for only part of the 1999 year.

(7) Includes salaries and benefits of members of the executive of the former ministries, Education and Advanced Education, prior to the date the reorganization structure for Learning was implemented.

ALBERTA SCHOOL FOUNDATION FUND

FINANCIAL STATEMENTS

MARCH 31, 2000

Auditor's Report

Statement of Operations

Statement of Changes in Financial Position

Statement of Financial Position

Notes to the Financial Statements



AUDITOR'S REPORT

To the Minister of Learning

I have audited the statement of financial position of the Alberta School Foundation Fund as at March 31, 2000 and the statement of operations and the changes in financial position for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with 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.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

[Original Signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

[The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.]

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2000

	(In thousands)		
	2000		1999
	<u>Budget</u> (Note 6)	<u>Actual</u>	<u>Actual</u>
Revenue:			
School property taxes	\$ 1,144,604	\$ 1,128,263	\$ 1,118,049
Investment income	1,000	1,172	1,420
	<u>1,145,604</u>	<u>1,129,435</u>	<u>1,119,469</u>
Expense:			
Payments to school boards	1,144,604	1,136,183	1,111,607
Interest on advances from General Revenues	1,000	3,992	1,025
	<u>1,145,604</u>	<u>1,140,175</u>	<u>1,112,632</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (10,740)</u>	<u>\$ 6,837</u>

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000

	(In thousands)	
	2000	1999
	<u>Actual</u>	<u>Actual</u>
Operating Transactions		
Net operating results	\$ (10,740)	\$ 6,837
(Increase) in requisitions receivable	(3,204)	(2,707)
(Decrease) in advances from General Revenues	-	(73,000)
Increase (decrease) in accounts payable	19,523	(5,646)
(Decrease) in unearned revenue	-	(2,528)
Increase (decrease) in interest payable	1,387	(74)
Increase in allowance for assessment adjustments and appeals	9,358	4,860
	<u>16,324</u>	<u>(72,258)</u>
Net cash provided (used)		
Cash at beginning of year	37,561	109,819
Cash at end of year	<u>\$ 53,885</u>	<u>\$ 37,561</u>

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000

	(In thousands)	
	2000	1999
Assets		
Cash (Note 3)	\$ 53,885	\$ 37,561
Requisitions receivable	8,573	5,369
	\$ 62,458	\$ 42,930
Liabilities		
Accounts payable and accrued liabilities	\$ 22,035	\$ 2,512
Interest payable on advances from General Revenues (Note 4)	1,455	68
Allowance for assessment adjustments and appeals	29,240	19,882
	52,730	22,462
Net Assets		
Net assets at beginning of the year	20,468	13,631
Net operating results	(10,740)	6,837
Net assets at end of the year	9,728	20,468
	\$ 62,458	\$ 42,930

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2000

Note 1 Authority and Purpose

The Alberta School Foundation Fund (the Fund) operates under the authority of the School Act, Statutes of Alberta 1988, chapter S-3.1. The Fund was established by section 51 of the School Amendment Act, 1994, Statutes of Alberta 1994, chapter 29.

The Fund makes requisitions to municipalities based on the equalized assessment of real property in Alberta and mill rates established by the Lieutenant Governor in Council. The purpose is to provide funding to school boards that is based on an equal amount per eligible student.

Note 2 Significant Accounting and Reporting Policies

These financial statements are prepared in accordance with the following accounting policies that have been established by the Government. 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.

(a) Reporting Entity

The reporting entity is the Alberta School Foundation Fund, which is part of the Ministry of Learning and for which the Minister of Learning is accountable. The other entity reporting to the Minister is the Department of Learning. The activities of this organization 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.

Opted out separate school boards, which have passed a resolution pursuant to section 157(2) of the School Act, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts are not reflected in these financial statements. However, these financial statements include payments of \$94,801,000 (1999 - \$116,845,000) to opted out separate school boards to increase their funding to a level the boards would otherwise receive if participating fully in the Alberta School Foundation Fund.

Note 2 Significant Accounting and Reporting Policies (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Expenses

Certain expenses, primarily for office space, manpower, legal advice, and banking services, incurred on behalf of the Fund by other ministries are not reflected in the Statement of Operations.

Assets

Financial assets of the Fund includes financial claims such as requisitions receivable. The fair values of the financial assets are estimated to approximate their book values. 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.

Liabilities

Liabilities include all financial claims payable by the Fund at fiscal year end. They include the Fund's estimate of future payments for property assessment appeals and adjustments.

The fair values of payables are estimated to approximate their book values. The fair value of the allowance for assessment adjustments and appeals has not been determined as there is no established financial market for this type of liability and it is not cost effective to estimate the fair value with sufficient reliability.

Measurement Uncertainty

The allowance for assessment adjustments amounting to \$29,240,000 (1999 - \$19,882,000) is subject to measurement uncertainty. Measurement uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount. The allowance represents management's best estimate of property assessment appeals and adjustments, based on discussions with the Ministry of Municipal Affairs, historical trends, and changes in the equalized assessment process. Actual events may vary materially from the amount of the allowance.

Net Assets

Net assets are restricted by section 159.1(1) of the School Act in that money in the Fund is payable only to school boards except when a payment to General Revenues is required to repay advances and make interest payments, or to refund municipalities for overpayments.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (the Trust Fund) of the Province of Alberta. The Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. Interest is earned on the daily cash balance at the average rate of earnings of the Trust Fund, which varies depending on prevailing market interest rates.

Note 4 Advances from General Revenues

Under the provisions of the Financial Administration Act, the Fund receives monthly advances from the General Revenues to make payments to school boards in accordance with section 159.1 of the School Act. The Fund repays the advances as monies are received from municipalities.

The Fund pays interest on the advances at the appropriate bankers' acceptance rate less 0.05%. Interest is calculated on a prorata basis for the number of days the advances are outstanding.

Note 5 Related Party Transactions

Operating costs incurred in the administration of the Fund have been borne by other ministries and are not reflected in these financial statements. The Fund is prohibited from paying administration costs under section 159.1(1.1) of the School Act.

The Fund incurred interest costs of \$3,992,000 (1999 - \$1,025,000) on funds borrowed from the General Revenues and has interest payable on advances from General Revenues of \$1,455,000 (1999 - \$68,000).

Note 6 Budget

The budget amounts shown in these financial statements are from the 1999-2000 Government and Lottery Fund Estimates approved April 29, 1999.

Note 7 Comparative Figures

Certain 1999 figures have been reclassified to conform to the 2000 presentation.

Note 8 Approval of Financial Statements

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

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS
FOR THE YEAR ENDED MARCH 31, 2000
(In thousands)

The following statement has been prepared pursuant to Section 28 of the Financial Administration Act. This statement includes all remissions, compromises and write-offs made or approved during the fiscal period.

Remissions under Section 26 of the Financial Administration Act:

Total remissions	\$ <u><u> -</u></u>
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Compromises under Section 27 of the Financial Administration Act:

Total compromises	\$ <u> -</u>
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Write-offs

Implemented Guarantees, Indemnities, Loans and Advances Student Loan Act	4,206
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Department Account Receivable	<u> 1</u>
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Total write-offs	\$ <u> 4,207</u>
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Total remissions, compromises and write-offs	\$ <u><u> 4,207</u></u>
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STATEMENT OF GUARANTEES AND INDEMNITIES
GIVEN BY THE CROWN AND PROVINCIAL CORPORATIONS
FOR THE YEAR ENDED MARCH 31, 2000
(In thousands)

The following has been prepared pursuant to section 76 of the Financial Administration Act. The statement summarizes the amounts of all guarantees given by the Crown through the Ministry of Learning under the Student Loan Act for the year ended March 31, 2000, the amounts paid as a result of liability under guarantees, and the amounts recovered on debts owing as a result of payments under guarantees.

	<u>Amount of Guarantee</u>	<u>Payments</u>	<u>Recoveries</u>
Crown Guarantees	<u>\$2,842</u>	<u>\$4,136</u>	<u>\$1,543</u>

UNAUDITED SUMMARY OF FINANCIAL STATEMENTS

Contents:

Summary of Colleges

Summary of Technical Institutes

Summary of Universities

Summary of The Banff Centre for Continuing
Education

Summary of School Jurisdictions and Charter
Schools

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 1999
(In thousands)

	Alberta College of Art and Design	Bow Valley College	Fairview College	Grande Prairie Regional College
Revenue:				
Grants	\$6,261	\$11,601	\$11,557	\$13,794
Sales, rentals, and services	55	-	2,461	1,916
Tuition and related fees	1,811	3,302	1,963	4,006
Education contracts and contract programs	-	4,816	405	1,384
Investment income	115	208	206	314
Donations and contributions	351	147	86	748
Amortization of deferred capital contributions	781	370	1,205	1,666
Ancillary services	626	406	-	-
Miscellaneous revenue	424	9	-	361
	<u>10,424</u>	<u>20,859</u>	<u>17,883</u>	<u>24,189</u>
Expense:				
Salaries, wages and benefits	6,042	14,341	10,710	14,805
Supplies and services	2,338	5,200	4,285	5,196
Amortization of capital assets	920	591	1,713	2,299
Maintenance, utilities and property tax	-	-	539	515
Facilities cost	-	-	-	-
Scholarships and bursaries	66	48	64	173
Other	727	458	728	571
Pension valuation adjustment	-	-	31	-
Loss (gain) on disposal of capital assets	(2)	-	-	(1)
	<u>10,091</u>	<u>20,638</u>	<u>18,070</u>	<u>23,558</u>
Excess of revenue over expense	<u>\$333</u>	<u>\$221</u>	<u>\$(187)</u>	<u>\$631</u>
Changes in Financial Position				
Cash generated by operations	\$652	\$(70)	\$716	\$335
Cash generated/(used by) investing activities	(923)	(1,157)	(1,870)	(1,164)
Cash generated by financing activities	360	783	727	479
Increase/(decrease) in cash and short-term investments	89	(444)	(427)	(350)
Cash and short-term investments at beginning of year, net of bank indebtedness	<u>159</u>	<u>2,128</u>	<u>1,636</u>	<u>1,528</u>
Cash and short-term investments at end of year, net of bank indebtedness	<u>\$248</u>	<u>\$1,684</u>	<u>\$1,209</u>	<u>\$1,178</u>

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 1999 - *Continued*
(In thousands)

Grant MacEwan Community College	Keyano College	Lakeland College	Lethbridge Community College	Medicine Hat College	Mount Royal College	NorQuest College	Northern Lakes College	Olds College
\$30,359	\$16,562	\$17,887	\$19,475	\$12,323	\$33,432	\$14,155	\$14,996	\$13,339
11,367	3,962	3,463	4,740	1,998	8,600	-	598	4,756
22,452	3,182	3,532	9,640	6,312	17,370	4,586	2,331	4,036
3,689	427	359	2,064	-	12,665	3,256	1,423	1,729
1,506	244	655	375	523	2,516	365	408	584
664	233	169	246	612	629	9	11	693
4,036	2,156	2,299	2,943	1,617	3,786	716	492	1,907
-	-	-	-	-	-	1,452	-	-
-	-	-	-	-	-	-	114	-
74,073	26,766	28,364	39,483	23,385	78,998	24,539	20,373	27,044
45,124	16,652	14,347	25,843	13,779	48,763	15,608	11,046	14,026
13,633	5,733	7,514	6,737	5,922	18,887	3,223	5,004	8,030
5,571	2,516	3,336	3,347	2,475	6,486	887	898	2,501
1,724	1,060	941	932	439	2,006	486	809	685
-	-	-	-	-	-	2,397	997	-
177	99	136	78	232	366	9	62	121
4,344	508	190	2,582	890	2,708	-	835	2,194
-	-	-	-	-	-	-	-	51
-	-	-	-	-	-	-	(84)	(130)
70,573	26,568	26,464	39,519	23,737	79,216	22,610	19,567	27,478
\$3,500	\$198	\$1,900	\$(36)	\$(352)	\$(218)	\$1,929	\$806	\$(434)
\$6,579	\$1,100	\$3,060	\$427	\$(118)	\$3,162	\$1,367	\$2,688	\$157
(2,757)	(1,253)	(3,385)	(1,625)	(4,084)	(3,715)	(1,671)	(1,976)	(3,271)
332	361	200	640	3,448	1,172	1,283	1,162	3,310
4,154	208	(125)	(558)	(754)	619	979	1,874	196
8,616	1,141	11,654	3,019	1,630	13,343	6,017	3,628	2,799
\$12,770	\$1,349	\$11,529	\$2,461	\$876	\$13,962	\$6,996	\$5,502	\$2,995

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 1999 - *Continued*
(In thousands)

	Portage College	Red Deer College	1999 Totals	1998 Totals	1999 Budget
Revenue:					
Grants	\$11,076	\$19,611	\$246,428	\$241,244	
Sales, rentals, and services	416	955	45,287	43,765	
Tuition and related fees	1,916	9,316	95,755	81,956	
Education contracts and contract programs	447	1,454	34,118	32,482	
Investment income	184	638	8,841	7,276	
Donations and contributions	148	681	5,427	4,894	
Amortization of deferred capital contributions	457	1,804	6,235	27,916	
Ancillary services	-	4,398	6,882	6,512	
Miscellaneous revenue	102	-	1,010	847	
	<u>14,746</u>	<u>38,857</u>	<u>469,983</u>	<u>446,892</u>	<u>425,825</u>
Expense:					
Salaries, wages and benefits	8,523	23,392	283,001	263,487	
Supplies and services	3,668	9,308	104,678	99,220	
Amortization of capital assets	558	2,650	36,748	38,341	
Maintenance, utilities and property tax	531	869	11,536	11,655	
Facilities cost	624	-	4,018	1,840	
Scholarships and bursaries	28	338	1,997	1,608	
Other	-	1,759	18,494	16,299	
Pension valuation adjustment	-	-	82	(272)	
Loss/(gain) on disposal of capital assets	-	-	(217)	-	
	<u>13,932</u>	<u>38,316</u>	<u>460,337</u>	<u>432,178</u>	<u>423,017</u>
Excess of revenue over expense	<u>\$814</u>	<u>\$541</u>	<u>\$9,646</u>	<u>\$14,714</u>	<u>\$2,808</u>
Changes in Financial Position					
Cash generated by operations	\$1,030	\$2,724	\$23,809	\$42,765	
Cash generated/(used by) investing activities	(591)	(1,869)	(31,311)	(34,056)	
Cash generated by financing activities	12	(58)	14,211	13,557	
Increase/(decrease) in cash and short-term investments	451	797	6,709	22,266	
Cash and short-term investments at beginning of year, net of bank indebtedness	<u>2,155</u>	<u>3,427</u>	<u>62,879</u>	<u>40,613</u>	
Cash and short-term investments at end of year, net of bank indebtedness	<u>\$2,606</u>	<u>\$4,224</u>	<u>\$69,588</u>	<u>\$62,879</u>	

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 1999
(In thousands)

	Alberta College of Art and Design	Bow Valley College	Fairview College	Grande Prairie Regional College
Assets				
Current:				
Cash and short-term investments	\$248	\$1,684	\$1,209	\$1,178
Accounts receivable	122	1,607	535	1,156
Inventories	381	166	444	166
Prepaid expenses and deposits	-	78	36	39
	<u>751</u>	<u>3,535</u>	<u>2,224</u>	<u>2,539</u>
Investments	2,117	-	8,636	3,982
Capital assets	8,194	1,719	20,001	36,910
Other assets	464	2,031	-	-
	<u>\$11,526</u>	<u>\$7,285</u>	<u>\$30,861</u>	<u>\$43,431</u>
Liabilities and Net Assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	11
Accounts payable and accrued liabilities	280	484	1,595	683
Accrued vacation pay	504	1,416	775	1,084
Unearned revenue	-	317	194	69
Deferred contributions	333	723	1,488	531
Other current liabilities	102	112	-	161
	<u>1,219</u>	<u>3,052</u>	<u>4,052</u>	<u>2,528</u>
Long-term:				
Pension obligations	86	536	148	235
Deferred contributions	910	-	-	-
Deferred capital contributions	-	833	-	591
Unamortized deferred capital contributions	7,590	934	13,723	33,843
Other long-term liabilities	-	42	447	698
	<u>9,805</u>	<u>5,397</u>	<u>18,370</u>	<u>37,895</u>
Net assets:				
Endowments	1,207	-	1,663	2,169
Investment in capital assets	604	632	6,279	2,209
Internally restricted	-	1,197	4,085	735
Unrestricted	(90)	59	464	423
	<u>1,721</u>	<u>1,888</u>	<u>12,491</u>	<u>5,536</u>
	<u>\$11,526</u>	<u>\$7,285</u>	<u>\$30,861</u>	<u>\$43,431</u>

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 1999 - *Continued*
(In thousands)

	Grant MacEwan Community College	Keyano College	Lakeland College
Assets			
Current:			
Cash and short-term investments	\$12,770	\$1,349	\$11,529
Accounts receivable	3,417	1,168	611
Inventories	1,074	198	575
Prepaid expenses and deposits	199	93	51
	17,460	2,808	12,766
Investments	17,346	4,490	2,253
Capital assets	131,104	51,127	59,105
Other assets	-	-	20
	\$165,910	\$58,425	\$74,144
Liabilities and Net Assets			
Current:			
Bank indebtedness	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	4,942	1,087	806
Accrued vacation pay	2,539	1,136	1,130
Unearned revenue	3,211	308	566
Deferred contributions	5,091	1,186	1,694
Other current liabilities	-	-	-
	15,783	3,717	4,196
Long-term:			
Pension obligations	419	262	219
Deferred contributions	-	-	-
Deferred capital contributions	926	-	-
Unamortized deferred capital contributions	100,470	30,840	48,949
Other long-term liabilities	-	-	-
	117,598	34,819	53,364
Net assets:			
Endowments	9,106	774	1,253
Investment in capital assets	30,634	20,286	10,156
Internally restricted	-	-	8,866
Unrestricted	8,572	2,546	505
	48,312	23,606	20,780
	\$165,910	\$58,425	\$74,144

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 1999 - *Continued*
(In thousands)

Lethbridge Community College	Medicine Hat College	Mount Royal College	NorQuest College	Northern Lakes Colleges	Olds College
\$5,623	\$876	\$13,962	\$6,996	\$5,502	\$ 2,995
2,357	519	2,420	901	971	1,526
590	254	537	123	145	381
183	91	536	170	79	-
8,753	1,740	17,455	8,190	6,697	4,902
4,267	5,834	15,918	-	278	5,567
37,627	24,165	70,692	2,918	4,170	29,910
272	-	497	661	1,014	-
\$50,919	\$31,739	\$104,562	\$11,769	\$12,159	\$40,379
\$3,162	\$ -	\$ -	\$ -	\$ -	\$ -
813	747	2,882	1,085	957	707
590	367	3,006	1,719	1,394	1,158
807	396	2,520	392	61	726
2,359	937	4,055	1,479	2,201	1,057
-	-	864	-	71	72
7,731	2,447	13,327	4,675	4,684	3,720
341	153	610	217	351	182
-	-	-	-	-	-
113	17,961	1,264	435	969	-
32,616	-	62,252	2,040	2,135	19,553
-	-	5,023	-	-	3,596
40,801	20,561	82,476	7,367	8,139	27,051
2,685	1,705	6,981	225	45	3,746
5,011	6,204	15,105	878	2,032	9,582
2,307	2,330	-	2,363	-	-
115	939	-	936	1,943	-
10,118	11,178	22,086	4,402	4,020	13,328
\$50,919	\$31,739	\$104,562	\$11,769	\$12,159	\$40,379

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 1999 - *Continued*
(In thousands)

	Portage College	Red Deer College	1999 Totals	1998 Totals
Assets				
Current:				
Cash and short-term investments	\$2,606	\$5,338	\$73,865	\$66,348
Accounts receivable	661	2,421	20,392	19,661
Inventories	68	669	5,771	5,730
Prepaid expenses and deposits	79	350	1,984	1,644
	3,414	8,778	102,012	93,383
Investments	-	5,042	75,730	71,292
Capital assets	2,123	41,915	521,680	532,147
Other assets	179	-	5,138	4,074
	\$5,716	\$55,735	\$704,560	\$700,896
Liabilities and Net Assets				
Current:				
Bank indebtedness	\$ -	\$1,114	\$4,276	\$3,470
Accounts payable and accrued liabilities	474	2,408	19,950	21,071
Accrued vacation pay	1,016	2,025	19,859	18,383
Unearned revenue	32	1,952	11,551	10,660
Deferred contributions	882	1,094	25,110	21,380
Other current liabilities	-	391	1,773	1,388
	2,404	8,984	82,519	76,352
Long-term:				
Pension obligations	217	363	4,339	4,384
Deferred contributions	-	-	910	5,720
Deferred capital contributions	129	-	23,221	21,881
Unamortized deferred capital contributions	1,376	26,470	382,791	400,118
Other long-term liabilities	-	690	10,496	3,462
	4,126	36,507	504,276	511,917
Net assets:				
Endowments	50	4,195	35,804	34,055
Investment in capital assets	747	14,364	124,723	96,268
Internally restricted	245	669	22,797	18,372
Unrestricted	548	-	16,960	40,284
	1,590	19,228	200,284	188,979
	\$5,716	\$55,735	\$704,560	\$700,896

SUMMARY OF TECHNICAL INSTITUTES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 1999
(In thousands)

	Northern Alberta Institute of Technology	Southern Alberta Institute of Technology	1999 Totals	1998 Totals	1999 Budget
Revenue:					
Grants	\$68,803	\$59,975	\$128,778	\$125,922	\$125,560
Sales, rentals, and services	1,787	3,847	5,634	5,049	4,733
Tuition	14,834	14,424	29,258	25,108	30,460
Education contracts and contract programs	16,255	26,315	42,570	40,239	35,807
Investment income	3,141	1,847	4,988	5,599	4,833
Donations	855	481	1,336	3,330	2,850
Amortization of deferred capital contributions	13,605	10,266	23,871	12,696	12,083
Ancillary services	11,650	10,764	22,414	19,303	20,220
Miscellaneous revenue	-	-	-	29	-
	<u>130,930</u>	<u>127,919</u>	<u>258,849</u>	<u>237,275</u>	<u>236,546</u>
Expense:					
Salaries, wages and benefits	79,936	81,297	161,233	147,266	159,098
Supplies and services	27,292	23,308	50,600	49,281	46,083
Amortization of capital assets	15,856	11,324	27,180	17,613	16,437
Maintenance and utilities	3,566	8,255	11,821	11,229	12,479
Facilities cost	391	-	391	-	-
Scholarships	483	481	964	2,200	496
Other	-	-	-	382	379
Pension valuation adjustment	-	176	176	(643)	-
Loss (gain) on disposal of capital assets	181	-	181	-	-
	<u>127,705</u>	<u>124,841</u>	<u>252,546</u>	<u>227,328</u>	<u>234,972</u>
Excess of revenue over expense	<u>\$3,225</u>	<u>\$3,078</u>	<u>\$6,303</u>	<u>\$9,947</u>	<u>\$1,574</u>
Changes in Financial Position:					
Cash generated by operations	\$8,973	\$(1,556)	\$7,417	\$22,768	
Cash used by investing activities	(19,320)	(19,203)	(38,523)	(32,372)	
Cash generated by financing activities	3,849	12,722	16,571	9,710	
Increase/(decrease) in cash and short-term investments	(6,498)	(8,037)	(14,535)	106	
Cash and short-term investments at beginning of year, net of bank indebtedness	<u>7,062</u>	<u>12,797</u>	<u>19,859</u>	<u>19,753</u>	
Cash and short-term investments at end of year, net of bank indebtedness	<u>\$564</u>	<u>\$4,760</u>	<u>\$5,324</u>	<u>\$19,859</u>	

SUMMARY OF TECHNICAL INSTITUTES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 1999
(In thousands)

	Northern Alberta Institute of Technology	Southern Alberta Institute of Technology	1999 Totals	1998 Totals
Assets				
Current:				
Cash and short-term investments	\$1,198	\$4,760	\$5,958	\$20,735
Accounts receivable	3,334	7,007	10,341	9,046
Inventories	3,376	1,408	4,784	3,951
Prepaid expenses and deposits	533	106	639	246
	8,441	13,281	21,722	33,978
Investments	36,387	47,329	83,716	80,565
Capital assets	142,006	95,869	237,875	229,864
Other assets	-	-	-	-
	\$186,834	\$156,479	\$343,313	\$344,407
Liabilities and Net Assets				
Current:				
Bank indebtedness	\$634	\$ -	\$634	\$876
Accounts payable and accrued liabilities	11,421	8,310	19,731	19,253
Accrued vacation pay	8,604	6,371	14,975	13,686
Unearned revenue	4,006	6,264	10,270	7,970
Deferred contributions	3,043	2,683	5,726	9,984
Other current liabilities	272	431	703	370
	27,980	24,059	52,039	52,139
Long-term:				
Pension obligations	1,420	984	2,404	2,087
Deferred capital contributions	2,577	9,508	12,085	5,654
Unamortized deferred capital contributions	73,503	46,590	120,093	137,167
Other long-term liabilities	829	442	1,271	344
	106,309	81,583	187,892	197,391
Net assets:				
Endowments	4,802	6,157	10,959	8,794
Investment in capital assets	67,402	48,555	115,957	92,113
Internally restricted	2,808	20,184	22,992	26,658
Unrestricted	5,513	-	5,513	19,451
	80,525	74,896	155,421	147,016
	\$186,834	\$156,479	\$343,313	\$344,407

SUMMARY OF UNIVERSITIES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000
(In thousands)

	Universities						
	Atha- basca	Alberta	Calgary	Leth- Bridge	2000 Totals	1999 Totals	2000 Budget
Revenue:							
Government grants	\$ 15,190	\$366,084	\$217,493	\$37,414	\$636,181	\$621,198	\$597,606
Tuition and related fees	18,569	106,811	91,421	21,120	237,921	221,538	236,361
Sales and services	3,603	90,317	57,139	7,523	158,582	154,260	64,060
Investment income	737	39,886	29,330	1,950	71,903	82,488	26,918
Donations	26	15,741	50,859	483	67,109	59,490	41,865
Amortization of deferred capital contributions	1,222	32,569	45,553	4,511	83,855	78,141	78,351
Other	8	1,664	-	2,297	3,969	5,796	172,737
	<u>39,355</u>	<u>653,072</u>	<u>491,795</u>	<u>75,298</u>	<u>1,259,520</u>	<u>1,222,911</u>	<u>1,217,898</u>
Expense:							
Salaries, wages and benefits	23,692	407,320	271,169	46,825	749,006	717,662	763,242
Supplies and services	9,087	103,101	45,925	7,315	165,428	155,061	218,855
Amortization of capital assets	2,526	57,663	57,993	7,792	125,974	114,507	115,121
Maintenance, utilities and property tax	735	37,242	27,398	1,741	67,116	63,276	29,674
Scholarships	130	28,769	16,168	1,443	46,510	40,697	15,236
Other	2,871	5,086	47,854	5,308	61,119	56,564	54,319
Pension valuation adjustment	-	-	(358)	-	(358)	14,327	-
	<u>39,041</u>	<u>639,181</u>	<u>466,149</u>	<u>70,424</u>	<u>1,214,795</u>	<u>1,162,094</u>	<u>1,196,447</u>
Excess of revenue over expense	<u>\$314</u>	<u>\$13,891</u>	<u>\$25,646</u>	<u>\$4,874</u>	<u>\$44,725</u>	<u>\$60,817</u>	<u>\$21,451</u>
Changes in Financial Position							
Cash generated by operations	\$2,761	\$56,401	\$53,845	\$6,388	\$119,395	\$136,502	
Cash used by investing activities	(2,253)	(181,346)	(65,388)	(23,381)	(272,368)	(435,347)	
Cash generated by financing activities	-	147,511	62,384	18,639	228,534	206,751	
Increase (decrease) in cash and short-term investments	508	22,566	50,841	1,646	75,561	(92,094)	
Cash and short-term investments at beginning of year, net of bank indebtedness	<u>8,259</u>	<u>79,418</u>	<u>97,946</u>	<u>3,862</u>	<u>189,485</u>	<u>281,579</u>	
Cash and short-term investments at end of year, net of bank indebtedness	<u>\$8,767</u>	<u>\$101,984</u>	<u>\$148,787</u>	<u>\$5,508</u>	<u>\$265,046</u>	<u>\$189,485</u>	

SUMMARY OF UNIVERSITIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000
(In thousands)

	Universities				2000 Totals	1999 Totals
	Atha- basca	Alberta	Calgary	Leth- Bridge		
Assets						
Current:						
Cash and short-term investments	\$8,767	\$111,667	\$148,787	\$5,508	\$274,729	\$206,128
Accounts receivable	2,362	56,882	29,423	3,614	92,281	62,879
Inventories	3,217	-	4,627	521	8,365	7,226
Prepaid expenses and other assets	529	10,221	1,575	396	12,721	11,512
	<u>14,875</u>	<u>178,770</u>	<u>184,412</u>	<u>10,039</u>	<u>388,096</u>	<u>287,745</u>
Investments	6,617	513,542	283,472	51,631	855,262	800,886
Capital assets	19,690	706,183	453,587	101,833	1,281,293	1,188,622
Other	925	-	-	30,005	30,930	28,443
	<u>\$42,107</u>	<u>\$1,398,495</u>	<u>\$921,471</u>	<u>\$193,508</u>	<u>\$2,555,581</u>	<u>\$2,305,696</u>
Liabilities and Net Assets						
Current:						
Bank indebtedness	\$ -	\$9,684	\$ -	\$ -	\$9,684	\$16,643
Accounts payable	1,444	52,552	46,733	3,234	103,963	77,898
Current portion of long-term debt	-	1,503	2,792	1,743	6,038	6,270
Deferred revenue	6,201	9,883	11,083	2,440	29,607	29,261
Deferred contributions	378	90,382	88,688	10,485	189,933	178,157
Salaries and benefits payable	3,366	32,118	-	1,327	36,811	35,076
	<u>11,389</u>	<u>196,122</u>	<u>149,296</u>	<u>19,229</u>	<u>376,036</u>	<u>343,305</u>
Long-term:						
Long-term debt	-	35,762	10,493	165	46,420	65,307
Staff benefit liabilities	2,411	57,021	30,591	4,864	94,887	77,209
Deferred contributions	-	40,000	-	-	40,000	-
Deferred capital contributions	13,790	32,078	59,362	12,736	117,966	39,665
Unamortized deferred capital contributions	-	415,046	318,806	72,008	805,860	788,911
	<u>27,590</u>	<u>776,029</u>	<u>568,548</u>	<u>109,002</u>	<u>1,481,169</u>	<u>1,314,397</u>
Net assets:						
Endowments	1,089	418,900	222,379	9,064	651,432	610,189
Investment in capital assets	6,825	250,040	121,496	59,461	437,822	386,474
Internally restricted	5,528	-	9,048	9,476	24,052	34,170
Unrestricted	1,075	(46,474)	-	6,505	(38,894)	(39,534)
	<u>14,517</u>	<u>622,466</u>	<u>352,923</u>	<u>84,506</u>	<u>1,074,412</u>	<u>991,299</u>
	<u>\$42,107</u>	<u>\$1,398,495</u>	<u>\$921,471</u>	<u>\$193,508</u>	<u>\$2,555,581</u>	<u>\$2,305,696</u>

THE BANFF CENTRE FOR CONTINUING EDUCATION
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 1999
(In thousands)

	1999 Actuals	1998 Actuals	1999 Budget
Revenue			
Accommodation	\$12,264	\$10,843	
Grants	9,899	9,642	
Sales, rentals, and services	4,887	4,199	
Tuition and related fees	5,010	5,257	
Donations and other contributions	1,553	1,855	
Investment income	646	428	
Amortization of deferred expended capital contributions	1,817	2,011	
	<u>36,076</u>	<u>34,235</u>	<u>39,039</u>
Expense			
Salaries, wages and benefits	17,215	16,608	
Scholarships and financial assistance	2,370	2,685	
Supplies and materials	3,534	3,463	
Facility operating	2,363	2,459	
Purchased services	2,666	2,700	
Travel and related expenses	1,452	1,418	
Financial costs	854	768	
Marketing and promotion	1,324	1,240	
Vehicle and equipment	905	660	
Amortization of capital assets	2,557	2,617	
Loss (gain) on disposal of capital assets	36	21	
	<u>35,276</u>	<u>34,639</u>	<u>39,210</u>
Net income (loss)	<u>\$800</u>	<u>\$(404)</u>	<u>\$(171)</u>
Changes in Financial Position			
Cash generated from (applied to) operations	\$1,852	\$1,883	
Cash applied to investing activities	(2,404)	(1,122)	
Cash generated from financing activities	1,786	638	
Decrease in cash and short-term investments	1,234	1,399	
Cash and short-term investments at beginning of year, net of bank indebtedness	<u>(774)</u>	<u>(2,173)</u>	
Cash and short-term investments at end of year, net of bank indebtedness	<u>\$460</u>	<u>\$(774)</u>	

THE BANFF CENTRE FOR CONTINUING EDUCATION
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 1999
(In thousands)

	1999	1998
	Actuals	Actuals
Assets		
Current:		
Cash and short-term investments	\$460	\$784
Accounts receivable	3,880	3,900
Inventories	403	517
Prepaid expenses	291	380
	5,034	5,581
Long-term pledges receivable	799	1,045
Long-term investments	6,163	4,725
Capital assets	49,083	50,710
	\$61,079	\$62,061
Liabilities and Net Assets		
Current:		
Bank loan advances	\$ -	\$ 1,557
Accounts payable	2,139	2,262
Accrued vacation pay	574	518
Unearned revenue	623	1,205
Deferred contributions	1,740	804
Long-term debt due within one year	341	341
	5,417	6,687
Deferred contributions	1,707	991
Long-term debt	5,415	5,756
Deferred expended capital contributions	35,546	36,920
	48,085	50,354
Net assets:		
Endowments	5,313	4,725
Investment in capital assets	7,781	7,693
Unrestricted	(100)	(711)
	12,994	11,707
	\$61,079	\$62,061

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	ABC (Action for Bright Children)	Almadina School Society	Aspen View Reg. Div. #19	Aurora School Ltd.
Revenue:				
Alberta Learning Block allocation entitlement				
Instruction block	\$1,150	\$1,338	\$15,758	\$1,267
Support block	342	377	5,902	351
Capital block	-	-	1,124	-
Other	160	-	-	-
	<u>1,652</u>	<u>1,715</u>	<u>22,784</u>	<u>1,618</u>
Other - province of Alberta	11	-	112	-
Federal government/first nations	-	-	364	-
Other	-	-	-	-
Instruction fees	28	-	238	41
Transportation fees	58	8	-	18
Other sales and services	-	-	341	-
Interest on investments	3	17	34	19
Gifts and donations	34	1	222	-
Rentals of facilities	22	-	2	2
School generated funds	32	-	1,017	-
Gains on disposals of capital assets	-	-	-	-
Amortization of capital allocations	-	-	742	-
	<u>1,840</u>	<u>1,741</u>	<u>25,856</u>	<u>1,698</u>
Expense:				
Salaries, wages and benefits	1,055	1,161	17,071	1,069
Services, contracts and supplies	793	790	5,483	346
School generated funds	32	-	1,017	57
Amortization	-	-	954	-
Debt servicing	-	-	790	-
Excess of revenue over expense before extraordinary item	(40)	(210)	541	226
Extraordinary item - Restricted Contribution		93	327	
Excess of revenue over expense	<u>(\$40)</u>	<u>(\$117)</u>	<u>\$868</u>	<u>\$226</u>
Changes in Financial Position:				
Cash generated by operations	(\$54)	(\$224)	\$915	\$218
Cash generated/(used by) investing activities	-	-	157	-
Cash generated by financing activities	-	-	179	-
Net sources (uses) of cash equivalents during year	(54)	(224)	1,251	218
Cash Equivalents, at the beginning of the year, net of bank indebtedness	106	454	(908)	279
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$52</u>	<u>\$230</u>	<u>\$343</u>	<u>\$497</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Battle River Reg. Div. #31	Black Gold Reg. Div. #18	Boyle Street Service Society	Buffalo Trail Reg. Div. #28
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$33,324	\$35,193	\$866	\$22,267
Support block	9,863	8,065	145	7,914
Capital block	2,601	3,361	-	2,115
Other	7	193	-	-
	<u>45,795</u>	<u>46,812</u>	<u>1,011</u>	<u>32,296</u>
Other - province of Alberta	-	14	-	8
Federal government/first nations	14	79	-	36
Other	-	141	-	-
Instruction fees	549	529	-	313
Transportation fees	20	76	-	34
Other sales and services	822	106	-	524
Interest on investments	279	4	-	310
Gifts and donations	24	21	-	22
Rentals of facilities	22	94	-	9
School generated funds	2,083	2,313	2	471
Gains on disposals of capital assets	9	-	-	-
Amortization of capital allocations	1,258	2,069	-	1,311
	<u>50,875</u>	<u>52,258</u>	<u>1,013</u>	<u>35,334</u>
Expense:				
Salaries, wages and benefits	34,627	35,278	511	22,884
Services, contracts and supplies	10,076	9,609	280	9,581
School generated funds	2,083	2,313	2	471
Amortization	2,574	2,421	-	1,451
Debt servicing	1,836	2,772	-	1,854
Excess of revenue over expense before extraordinary item	(321)	(135)	220	(907)
Extraordinary item - Restricted Contribution	-	1,540	-	-
Excess of revenue over expense	<u>(\$321)</u>	<u>\$1,405</u>	<u>\$220</u>	<u>(\$907)</u>
Changes in Financial Position:				
Cash generated by operations	\$462	\$903	\$ -	\$940
Cash generated/(used by) investing activities	(1,056)	(1,131)	-	(1,692)
Cash generated by financing activities	710	910	-	1,327
Net sources (uses) of cash equivalents during year	116	682	-	575
Cash Equivalents, at the beginning of the year, net of bank indebtedness	2,178	(3,256)	-	4,582
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$2,294</u>	<u>(\$2,574)</u>	<u>\$ -</u>	<u>\$5,157</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999

(In thousands)

	C.A.P.E	Calgary RCSSD #1	Calgary School Dist. #19	Canadian Rockies Reg. Div. #12
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$465	\$164,740	\$397,376	\$9,988
Support block	95	35,298	84,931	2,768
Capital block	-	8,639	17,649	2,123
Other	-	5	303	-
	<u>560</u>	<u>208,682</u>	<u>500,259</u>	<u>14,879</u>
Province of Alberta	-	93	535	33
Federal government/first nations	-	714	1,829	1,322
Other	-	-	1,258	-
Instruction fees	-	242	7,184	375
Transportation fees	-	1,380	2,773	80
Other sales and services	83	676	8,640	9
Interest on investments	-	227	323	42
Gifts and donations	35	-	27	3
Rentals of facilities	-	1,063	1,360	18
School generated funds	-	10,943	23,649	881
Gains on disposals of capital assets	-	-	2,031	-
Amortization of capital allocations	-	6,510	11,795	814
	<u>678</u>	<u>230,530</u>	<u>561,663</u>	<u>18,456</u>
Expense:				
Salaries, wages and benefits	413	170,090	440,063	12,210
Services, contracts and supplies	181	38,123	87,994	2,781
School generated funds	-	10,943	23,649	881
Amortization	13	7,482	13,804	1,283
Debt servicing	36	6,177	13,875	1,925
Excess of revenue over expense before extraordinary item	35	(2,285)	(17,722)	(624)
Extraordinary item - Restricted Contribution	13	-	28,280	-
Excess of revenue over expense	<u>\$48</u>	<u>(\$2,285)</u>	<u>\$10,558</u>	<u>(\$624)</u>
Changes in Financial Position:				
Cash generated by operations	\$27	(\$1,519)	(\$1,944)	(\$173)
Cash generated/(used by) investing activities	(11)	(27,321)	(26,474)	(278)
Cash generated by financing activities	(23)	17,361	15,770	54
Net sources (uses) of cash equivalents during year	(7)	(11,479)	(12,648)	(397)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	21	18,222	(30,398)	116
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$14</u>	<u>\$6,743</u>	<u>(\$43,046)</u>	<u>(\$281)</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Chinook's Edge School Div. #73	Christ the Redeemer CSRD #3	Clearview School Div. #71	East Central Alberta CS Schools Reg. Div. #16
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$45,435	\$11,584	\$12,466	\$12,077
Support block	12,383	3,549	4,675	2,074
Capital block	2,143	888	799	409
Other	-	-	-	-
	<u>59,961</u>	<u>16,021</u>	<u>17,940</u>	<u>14,560</u>
Province of Alberta	272	10	135	24
Federal government/first nations	81	4	6	7
Other	113	6	44	-
Instruction fees	890	151	27	90
Transportation fees	2	20	105	3
Other sales and services	195	5	235	14
Interest on investments	258	37	210	45
Gifts and donations	96	16	83	102
Rentals of facilities	31	8	209	-
School generated funds	1,960	324	788	378
Gains on disposals of capital assets	8	-	20	-
Amortization of capital allocations	1,705	781	928	304
	<u>65,572</u>	<u>17,383</u>	<u>20,730</u>	<u>15,527</u>
Expense:				
Salaries, wages and benefits	45,408	10,740	14,091	9,301
Services, contracts and supplies	13,155	4,681	3,561	5,042
School generated funds	1,960	324	789	378
Amortization	2,512	1,304	1,327	343
Debt servicing	1,248	861	784	296
Excess of revenue over expense before extraordinary item	1,289	(527)	178	167
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>\$1,289</u>	<u>(\$527)</u>	<u>\$178</u>	<u>\$167</u>
Changes in Financial Position:				
Cash generated by operations	\$3,903	(\$547)	(\$667)	(\$121)
Cash generated/(used by) investing activities	(4,781)	(7,357)	(3,841)	(610)
Cash generated by financing activities	4,533	6,452	2,292	212
Net sources (uses) of cash equivalents during year	3,655	(1,452)	(2,216)	(519)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	4,197	2,420	3,175	580
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$7,852</u>	<u>\$968</u>	<u>\$959</u>	<u>\$61</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	East Central Francophone Educ. Reg. #3	Edmonton Catholic Reg. Div. #40	Edmonton School Dist. #7	Elk Island CSRD #41
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$2,111	\$127,601	\$331,490	\$20,231
Support block	828	28,414	66,017	5,112
Capital block	61	6,169	10,770	2,016
Other	-	-	496	16
	<u>3,000</u>	<u>162,184</u>	<u>408,773</u>	<u>27,375</u>
Province of Alberta	70	230	2,318	33
Federal government/first nations	556	1,180	1,053	74
Other	7	-	1,487	-
Instruction fees	20	4,490	1,242	279
Transportation fees	5	1,627	2,972	63
Other sales and services	14	1,396	9,928	610
Interest on investments	24	443	70	92
Gifts and donations	-	-	3,585	2
Rentals of facilities	-	1,875	2,007	41
School generated funds	147	6,688	17,780	958
Gains on disposals of capital assets	-	808	11	2
Amortization of capital allocations	217	4,025	13,127	1,344
	<u>4,060</u>	<u>184,946</u>	<u>464,353</u>	<u>30,873</u>
Expense:				
Salaries, wages and benefits	2,446	140,746	348,077	22,003
Services, contracts and supplies	1,086	35,127	69,389	4,532
School generated funds	147	6,688	17,780	958
Amortization	229	5,042	25,127	1,764
Debt servicing	28	3,518	11,453	1,659
Excess of revenue over expense before extraordinary item	124	(6,175)	(7,473)	(43)
Extraordinary item - Restricted Contribution	-	4,019	15,995	-
Excess of revenue over expense	<u>\$124</u>	<u>(\$2,156)</u>	<u>\$8,522</u>	<u>(\$43)</u>
Changes in Financial Position:				
Cash generated by operations	\$156	(\$14,280)	\$7,247	(\$68)
Cash generated/(used by) investing activities	(174)	(11,454)	(31,232)	(1,355)
Cash generated by financing activities	124	6,397	22,471	924
Net sources (uses) of cash equivalents during year	106	(19,337)	(1,514)	(499)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	555	8,435	(35,633)	(544)
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$661</u>	<u>(\$10,902)</u>	<u>(\$37,147)</u>	<u>(\$1,043)</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Elk Island Public Schools Reg. Div. #14	Evergreen CSRD #2	Foothills School Div. #38	Fort McMurray RCSSD #32
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$65,133	\$8,595	\$27,127	\$16,366
Support block	16,269	1,614	7,594	3,310
Capital block	3,664	1,040	2,092	1,414
Other	-	23	-	-
	<u>85,066</u>	<u>11,272</u>	<u>36,813</u>	<u>21,090</u>
Province of Alberta	175	-	146	5
Federal government/first nations	113	36	114	156
Other	128	-	87	108
Instruction fees	1,364	122	592	133
Transportation fees	148	-	-	108
Other sales and services	31	67	330	13
Interest on investments	303	31	46	408
Gifts and donations	-	-	-	-
Rentals of facilities	157	-	36	57
School generated funds	5,285	101	-	538
Gains on disposals of capital assets	-	3	37	1
Amortization of capital allocations	2,034	529	1,892	935
	<u>94,804</u>	<u>12,161</u>	<u>40,093</u>	<u>23,552</u>
Expense:				
Salaries, wages and benefits	65,925	8,609	29,530	16,220
Services, contracts and supplies	19,627	2,025	6,595	3,740
School generated funds	5,285	101	-	538
Amortization	2,199	652	2,729	1,896
Debt servicing	2,746	811	1,832	1,300
Excess of revenue over expense before extraordinary item	(978)	(37)	(593)	(142)
Extraordinary item - Restricted Contribution	-	619	467	-
Excess of revenue over expense	<u>(\$978)</u>	<u>\$582</u>	<u>(\$126)</u>	<u>(\$142)</u>
Changes in Financial Position:				
Cash generated by operations	(\$102)	\$529	(\$1,598)	\$545
Cash generated/(used by) investing activities	(3,098)	(741)	(1,982)	(111)
Cash generated by financing activities	1,717	454	2,293	463
Net sources (uses) of cash equivalents during year	(1,483)	242	(1,287)	897
Cash Equivalents, at the beginning of the year, net of bank indebtedness	5,025	66	3,735	3,030
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$3,542</u>	<u>\$308</u>	<u>\$2,448</u>	<u>\$3,927</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Fort McMurray School Dist. #2833	Fort Vermilion School Div. #52	Foundations for the Future	Golden Hills Reg. Div. #15
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$21,707	\$14,864	\$916	\$25,058
Support block	4,267	4,090	284	7,418
Capital block	1,635	1,765	112	1,496
Other	-	-	-	-
	<u>27,609</u>	<u>20,719</u>	<u>1,312</u>	<u>33,972</u>
Province of Alberta	89	90	-	229
Federal government/first nations	313	1,255	-	929
Other	30	72	-	145
Instruction fees	189	44	-	414
Transportation fees	147	92	77	-
Other sales and services	5	26	3	325
Interest on investments	82	25	4	25
Gifts and donations	58	73	9	165
Rentals of facilities	9	185	1	28
School generated funds	1,224	605	12	1,558
Gains on disposals of capital assets	-	-	-	8
Amortization of capital allocations	1,387	1,585	-	1,415
	<u>31,142</u>	<u>24,771</u>	<u>1,418</u>	<u>39,213</u>
Expense:				
Salaries, wages and benefits	22,181	16,048	737	27,613
Services, contracts and supplies	5,961	4,176	586	7,366
School generated funds	1,224	605	20	1,558
Amortization	1,625	2,065	4	1,754
Debt servicing	1,109	1,851	1	1,163
Excess of revenue over expense before extraordinary item	(957)	26	70	(241)
Extraordinary item - Restricted Contribution	-	-	-	1,780
Excess of revenue over expense	<u>(\$957)</u>	<u>\$26</u>	<u>\$70</u>	<u>\$1,539</u>
Changes in Financial Position:				
Cash generated by operations	\$182	\$1,003	\$120	(\$70)
Cash generated/(used by) investing activities	(990)	(1,673)	(126)	(2,072)
Cash generated by financing activities	877	853	(4)	1,056
Net sources (uses) of cash equivalents during year	69	183	(10)	(1,086)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	956	(1,235)	147	(2,776)
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$1,025</u>	<u>(\$1,052)</u>	<u>\$137</u>	<u>(\$3,862)</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Grande Prairie RCSSD #28	Grande Prairie School Dist. #2357	Grande Yellowhead Reg. Div. #35	Grasslands Reg. Div. #6
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$12,745	\$22,022	\$27,144	\$15,779
Support block	2,757	4,384	6,774	4,238
Capital block	1,492	2,304	1,653	1,371
Other	50	-	-	-
	<u>17,044</u>	<u>28,710</u>	<u>35,571</u>	<u>21,388</u>
Province of Alberta	94	161	20	55
Federal government/first nations	15	31	67	432
Other	4	241	133	9
Instruction fees	112	409	585	330
Transportation fees	4	-	110	-
Other sales and services	38	236	3	69
Interest on investments	37	59	40	124
Gifts and donations	-	63	2	1
Rentals of facilities	30	52	10	88
School generated funds	545	889	1,436	938
Gains on disposals of capital assets	-	-	17	17
Amortization of capital allocations	994	1,732	1,356	827
	<u>18,917</u>	<u>32,583</u>	<u>39,350</u>	<u>24,278</u>
Expense:				
Salaries, wages and benefits	12,370	22,958	26,568	16,703
Services, contracts and supplies	3,494	5,035	6,971	3,858
School generated funds	545	889	1,437	938
Amortization	1,029	1,868	2,195	1,112
Debt servicing	1,279	2,056	1,344	1,029
Excess of revenue over expense before extraordinary item	200	(223)	835	638
Extraordinary item - Restricted Contribution	171	-	1,086	-
Excess of revenue over expense	<u>\$371</u>	<u>(\$223)</u>	<u>\$1,921</u>	<u>\$638</u>
Changes in Financial Position:				
Cash generated by operations	(\$326)	(\$351)	\$3,161	\$1,365
Cash generated/(used by) investing activities	(923)	(1,435)	(1,283)	12
Cash generated by financing activities	2,300	622	1,266	(54)
Net sources (uses) of cash equivalents during year	1,051	(1,164)	3,144	1,323
Cash Equivalents at the beginning of the year, net of bank indebtedness	(276)	(179)	(2,401)	1,021
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$775</u>	<u>(\$1,343)</u>	<u>\$743</u>	<u>\$2,344</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Greater St. Albert CRD #29	High Prairie School Div. #48	Holy Family CSR D #37	Holy Spirit RCS Reg. Div. #4
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$30,191	\$15,714	\$10,696	\$17,313
Support block	6,009	5,187	2,097	3,946
Capital block	3,373	943	1,337	1,383
Other	225	-	-	-
	<u>39,798</u>	<u>21,844</u>	<u>14,130</u>	<u>22,642</u>
Province of Alberta	-	7	36	-
Federal government/first nations	366	1,222	1,077	993
Other	-	66	25	5
Instruction fees	127	64	99	208
Transportation fees	112	125	-	-
Other sales and services	493	470	26	5
Interest on investments	53	95	100	91
Gifts and donations	-	-	2	-
Rentals of facilities	-	49	31	4
School generated funds	311	970	524	1,376
Gains on disposals of capital assets	-	37	-	-
Amortization of capital allocations	1,480	560	766	538
	<u>42,740</u>	<u>25,509</u>	<u>16,816</u>	<u>25,862</u>
Expense:				
Salaries, wages and benefits	29,142	17,422	10,226	18,559
Services, contracts and supplies	9,290	4,700	3,615	4,531
School generated funds	311	970	524	1,376
Amortization	2,024	939	809	597
Debt servicing	2,243	680	1,070	774
Excess of revenue over expense before extraordinary item	(270)	798	570	25
Extraordinary item - Restricted Contribution	288	-	-	-
Excess of revenue over expense	<u>\$18</u>	<u>\$798</u>	<u>\$570</u>	<u>\$25</u>
Changes in Financial Position:				
Cash generated by operations	\$432	\$1,683	\$787	(\$1,713)
Cash generated/(used by) investing activities	(1,036)	(1,717)	(1,181)	(2,274)
Cash generated by financing activities	488	178	176	2,618
Net sources (uses) of cash equivalents during year	(116)	144	(218)	(1,369)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	(2,072)	365	1,739	1,614
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>(\$2,188)</u>	<u>\$509</u>	<u>\$1,521</u>	<u>\$245</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999

(In thousands)

	Horizon School Div. #67	Lakeland RCSSD #150	Lethbridge School Dist. #51	Living Waters CRD #42
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$15,258	\$9,300	\$31,886	\$8,869
Support block	4,891	1,651	6,667	1,808
Capital block	707	518	2,986	937
Other	-	-	-	-
	<u>20,856</u>	<u>11,469</u>	<u>41,539</u>	<u>11,614</u>
Province of Alberta	96	58	255	8
Federal government/first nations	1	553	355	5
Other	-	1	45	-
Instruction fees	46	59	361	2
Transportation fees	-	-	-	19
Other sales and services	8	25	55	-
Interest on investments	268	125	130	90
Gifts and donations	499	23	-	-
Rentals of facilities	16	-	16	-
School generated funds	594	462	559	415
Gains on disposals of capital assets	33	2	-	-
Amortization of capital allocations	261	491	993	617
	<u>22,678</u>	<u>13,268</u>	<u>44,308</u>	<u>12,770</u>
Expense:				
Salaries, wages and benefits	15,236	9,343	33,597	8,636
Services, contracts and supplies	5,685	2,274	8,064	2,119
School generated funds	594	463	559	415
Amortization	580	591	1,151	731
Debt servicing	297	491	1,690	785
Excess of revenue over expense before extraordinary item	286	106	(753)	84
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>\$286</u>	<u>\$106</u>	<u>(\$753)</u>	<u>\$84</u>
Changes in Financial Position:				
Cash generated by operations	\$142	\$772	(\$26)	(\$836)
Cash generated/(used by) investing activities	(1,005)	(1,841)	(63)	(483)
Cash generated by financing activities	306	1,143	(125)	402
Net sources (uses) of cash equivalents during year	(557)	74	(214)	(917)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	4,549	2,417	(352)	2,293
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$3,992</u>	<u>\$2,491</u>	<u>(\$566)</u>	<u>\$1,376</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Livingstone Range School Div. #68	Medicine Hat CSRD #20	Medicine Hat School Dist. #76	Moberly Hall School Society
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$19,416	\$9,872	\$26,449	\$334
Support block	6,305	2,285	5,853	157
Capital block	1,158	666	1,878	-
Other	-	3	-	-
	<u>26,879</u>	<u>12,826</u>	<u>34,180</u>	<u>491</u>
Province of Alberta	4	-	183	-
Federal government/first nations	2,263	17	60	-
Other	45	-	57	-
Instruction fees	249	137	368	-
Transportation fees	65	-	-	-
Other sales and services	421	27	545	22
Interest on investments	64	25	153	-
Gifts and donations	-	-	6	1
Rentals of facilities	60	-	30	5
School generated funds	1,311	346	2,167	-
Gains on disposals of capital assets	46	-	-	-
Amortization of capital allocations	1,091	296	1,106	-
	<u>32,498</u>	<u>13,674</u>	<u>38,855</u>	<u>519</u>
Expense:				
Salaries, wages and benefits	22,784	10,550	28,190	275
Services, contracts and supplies	6,190	2,008	5,284	164
School generated funds	1,311	346	2,167	-
Amortization	1,340	298	1,426	3
Debt servicing	714	361	1,450	1
Excess of revenue over expense before extraordinary item	159	111	338	76
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>\$159</u>	<u>\$111</u>	<u>\$338</u>	<u>\$76</u>
Changes in Financial Position:				
Cash generated by operations	\$792	(\$34)	\$644	\$75
Cash generated/(used by) investing activities	(1,514)	(504)	(235)	(1)
Cash generated by financing activities	924	691	461	-
Net sources (uses) of cash equivalents during year	202	153	870	74
Cash Equivalents, at the beginning of the year, net of bank indebtedness	1,114	(310)	424	30
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$1,316</u>	<u>(\$157)</u>	<u>\$1,294</u>	<u>\$104</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	New Horizon Charter School	North Central Francophon e Educ. #4	Northern Gateway Reg. Div. #10	Northern Lights School Div. #69
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$437	\$5,290	\$23,674	\$29,159
Support block	163	2,785	7,700	8,434
Capital block	-	99	1,635	2,162
Other	-	432	-	49
	<u>600</u>	<u>8,606</u>	<u>33,009</u>	<u>39,804</u>
Province of Alberta	-	34	12	309
Federal government/first nations	-	985	629	1,267
Other	-	14	45	-
Instruction fees	24	167	201	235
Transportation fees	-	-	32	80
Other sales and services	20	30	140	459
Interest on investments	2	13	113	183
Gifts and donations	34	5	-	-
Rentals of facilities	8	8	150	20
School generated funds	6	259	990	1,567
Gains on disposals of capital assets	-	-	25	35
Amortization of capital allocations		787	1,483	1,295
	<u>694</u>	<u>10,908</u>	<u>36,829</u>	<u>45,254</u>
Expense:				
Salaries, wages and benefits	453	5,976	23,280	28,612
Services, contracts and supplies	198	3,329	8,471	11,486
School generated funds	6	259	990	1,567
Amortization	23	815	1,840	1,785
Debt servicing	1	40	1,568	1,862
Excess of revenue over expense before extraordinary item	13	489	680	(58)
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>\$13</u>	<u>\$489</u>	<u>\$680</u>	<u>(\$58)</u>
Changes in Financial Position:				
Cash generated by operations	\$38	(\$47)	\$836	(\$28)
Cash generated/(used by) investing activities	(7)	(336)	(2,559)	(1,451)
Cash generated by financing activities	(18)	652	1,798	1,009
Net sources (uses) of cash equivalents during year	13	269	75	(470)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	94	223	525	2,554
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$107</u>	<u>\$492</u>	<u>\$600</u>	<u>\$2,084</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999

(In thousands)

	Northland School Div. #61	Northwest Francophone Educ. Reg. #1	Palliser Reg. Div. #26	Parkland School Div. #70
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$15,086	\$1,350	\$17,350	\$38,162
Support block	3,690	716	5,381	11,154
Capital block	3,085	47	1,257	2,688
Other	-	-	18	-
	<u>21,861</u>	<u>2,113</u>	<u>24,006</u>	<u>52,004</u>
Province of Alberta	1,266	40	193	99
Federal government/first nations	12,165	488	621	1,058
Other	-	-	21	144
Instruction fees	-	11	321	574
Transportation fees	-	-	56	98
Other sales and services	197	7	37	360
Interest on investments	263	15	166	74
Gifts and donations	32	-	117	-
Rentals of facilities	566	-	327	-
School generated funds	576	37	658	2,419
Gains on disposals of capital assets	36	-	89	-
Amortization of capital allocations	2,265	181	740	1,952
	<u>39,227</u>	<u>2,892</u>	<u>27,352</u>	<u>58,782</u>
Expense:				
Salaries, wages and benefits	23,427	1,744	19,231	38,484
Services, contracts and supplies	9,555	749	5,446	12,589
School generated funds	576	37	658	2,419
Amortization	3,112	240	1,263	2,402
Debt servicing	2,801	40	856	2,109
Excess of revenue over expense before extraordinary item	(244)	82	(102)	779
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>(\$244)</u>	<u>\$82</u>	<u>(\$102)</u>	<u>\$779</u>
Changes in Financial Position:				
Cash generated by operations	\$3,946	\$134	(\$100)	\$3,149
Cash generated/(used by) investing activities	(2,200)	(396)	(550)	(6,423)
Cash generated by financing activities	1,103	264	522	1,087
Net sources (uses) of cash equivalents during year	2,849	2	(128)	(2,187)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	4,763	357	3,504	3,291
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$7,612</u>	<u>\$359</u>	<u>\$3,376</u>	<u>\$1,104</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Peace River School Div. #10	Peace Wapiti Reg. Div. #33	Pembina Hills Reg. Div. #7	Prairie Land Reg. Div. #25
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$17,025	\$26,364	\$21,621	\$11,315
Support block	6,260	9,296	7,331	4,392
Capital block	1,791	2,488	1,771	933
Other	-	-	-	-
	<u>25,076</u>	<u>38,148</u>	<u>30,723</u>	<u>16,640</u>
Province of Alberta	412	10	144	-
Federal government/first nations	28	652	34	5
Other	74	253	49	192
Instruction fees	381	323	376	133
Transportation fees	42	-	68	-
Other sales and services	375	524	608	19
Interest on investments	129	372	164	228
Gifts and donations	12	81	-	18
Rentals of facilities	56	42	10	117
School generated funds	339	773	1,315	563
Gains on disposals of capital assets	15	90	2	-
Amortization of capital allocations	1,397	1,306	841	764
	<u>28,336</u>	<u>42,574</u>	<u>34,334</u>	<u>18,679</u>
Expense:				
Salaries, wages and benefits	18,591	28,223	22,993	12,067
Services, contracts and supplies	5,926	9,118	7,335	3,412
School generated funds	339	750	1,315	563
Amortization	1,692	2,191	1,177	1,234
Debt servicing	1,415	1,896	1,426	642
Excess of revenue over expense before extraordinary item	373	396	88	761
Extraordinary item - Restricted Contribution	-	-	-	-
Excess of revenue over expense	<u>\$373</u>	<u>\$396</u>	<u>\$88</u>	<u>\$761</u>
Changes in Financial Position:				
Cash generated by operations	\$1,859	\$1,666	\$1,704	\$1,561
Cash generated/(used by) investing activities	(1,004)	(1,363)	(1,199)	(813)
Cash generated by financing activities	526	875	447	-
Net sources (uses) of cash equivalents during year	1,381	1,178	952	748
Cash Equivalents, at the beginning of the year, net of bank indebtedness	1,162	5,472	(602)	3,344
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$2,543</u>	<u>\$6,650</u>	<u>\$350</u>	<u>\$4,092</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999

(In thousands)

	Prairie Rose Reg. Div. #8	Red Deer CRD #39	Red Deer School Dist. #104	Rocky View School Div. #41
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$19,230	\$17,848	\$38,052	\$52,034
Support block	7,964	3,918	8,055	15,057
Capital block	939	1,266	2,684	4,455
Other	-	-	-	-
	<u>28,133</u>	<u>23,032</u>	<u>48,791</u>	<u>71,546</u>
Province of Alberta	14	-	473	85
Federal government/first nations	165	42	89	871
Other	166	-	72	-
Instruction fees	168	238	662	1,225
Transportation fees	17	39	231	377
Other sales and services	42	397	1,331	606
Interest on investments	94	70	81	380
Gifts and donations	85	-	51	-
Rentals of facilities	144	20	90	135
School generated funds	996	539	-	3,577
Gains on disposals of capital assets	1	-	651	5
Amortization of capital allocations	881	1,483	2,853	4,506
	<u>30,906</u>	<u>25,860</u>	<u>55,375</u>	<u>83,313</u>
Expense:				
Salaries, wages and benefits	19,964	17,636	38,381	51,417
Services, contracts and supplies	8,171	4,816	10,814	17,376
School generated funds	996	539	-	3,577
Amortization	1,472	1,780	3,060	4,754
Debt servicing	529	1,044	2,882	4,471
Excess of revenue over expense before extraordinary item	(227)	45	238	1,718
Extraordinary item - Restricted Contribution	-	-	2,627	-
Excess of revenue over expense	<u>(\$227)</u>	<u>\$45</u>	<u>\$2,865</u>	<u>\$1,718</u>
Changes in Financial Position:				
Cash generated by operations	\$635	(\$75)	\$594	\$2,433
Cash generated/(used by) investing activities	(3,023)	(925)	(2,106)	(5,072)
Cash generated by financing activities	1,943	1,166	1,145	6,867
Net sources (uses) of cash equivalents during year	(445)	166	(367)	4,228
Cash Equivalents, at the beginning of the year, net of bank indebtedness	<u>1,020</u>	<u>258</u>	<u>(612)</u>	<u>11,882</u>
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$575</u>	<u>\$424</u>	<u>(\$979)</u>	<u>\$16,110</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999

(In thousands)

	St. Albert PSSD #6	St. Paul Educ. Reg. Div. #1	St. Thomas RCSR #38	Sturgeon School Div. #24
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$25,955	\$14,297	\$8,034	\$20,647
Support block	4,866	4,664	1,807	5,921
Capital block	2,127	1,510	1,031	1,303
Other	-	55	-	-
	<u>32,948</u>	<u>20,526</u>	<u>10,872</u>	<u>27,871</u>
Province of Alberta	171	18	33	231
Federal government/first nations	129	5,317	750	300
Other	-	5	23	-
Instruction fees	585	262	129	328
Transportation fees	192	35	15	4
Other sales and services	439	137	9	289
Interest on investments	55	98	58	9
Gifts and donations	6	14	15	15
Rentals of facilities	83	60	15	
School generated funds	1,245	721	601	500
Gains on disposals of capital assets	-	-	-	-
Amortization of capital allocations	1,440	596	538	1,107
	<u>37,293</u>	<u>27,789</u>	<u>13,058</u>	<u>30,654</u>
Expense:				
Salaries, wages and benefits	26,737	19,717	8,935	21,743
Services, contracts and supplies	5,468	5,525	2,259	5,531
School generated funds	1,245	721	601	500
Amortization	1,727	839	625	1,127
Debt servicing	1,896	803	938	1,089
Excess of revenue over expense before extraordinary item	220	184	(300)	664
Extraordinary item - Restricted Contribution	117	-	-	1,342
Excess of revenue over expense	<u>\$337</u>	<u>\$184</u>	<u>(\$300)</u>	<u>\$2,006</u>
Changes in Financial Position:				
Cash generated by operations	\$741	\$882	\$32	(\$139)
Cash generated/(used by) investing activities	(308)	(317)	(35)	(828)
Cash generated by financing activities	484	(36)	169	888
Net sources (uses) of cash equivalents during year	917	529	166	(79)
Cash Equivalents, at the beginning of the year,				
net of bank indebtedness	(812)	848	714	(2,413)
Cash Equivalents, at the end of the year,				
net of bank indebtedness	<u>\$105</u>	<u>\$1,377</u>	<u>\$880</u>	<u>(\$2,492)</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

	Suzuki Elementary Charter School	Westwind School Div. #74	Wetaskiwin Reg. Div. #11	Wild Rose School Div. #66
Revenue:				
Alberta Learning				
Block allocation entitlement				
Instruction block	\$354	\$16,693	\$18,976	\$23,643
Support block	107	4,546	5,418	6,873
Capital block	-	1,422	1,604	1,741
Other	3	114	2	-
	<u>464</u>	<u>22,775</u>	<u>26,000</u>	<u>32,257</u>
Province of Alberta	-	76	10	85
Federal government/first nations	-	3,035	1,696	78
Other	-	163	-	3
Instruction fees	4	196	320	36
Transportation fees	-	72	7	-
Other sales and services	2	140	213	265
Interest on investments	2	164	169	215
Gifts and donations	10	-	-	57
Rentals of facilities	-	4	16	7
School generated funds	32	569	1,269	1,032
Gains on disposals of capital assets	-	-	31	12
Amortization of capital allocations	-	807	1,029	1,559
	<u>514</u>	<u>28,001</u>	<u>30,760</u>	<u>35,606</u>
Expense:				
Salaries, wages and benefits	310	19,767	22,279	25,063
Services, contracts and supplies	173	4,675	5,994	6,277
School generated funds	31	569	1,269	1,010
Amortization	-	975	1,092	2,654
Debt servicing	4	1,128	1,429	1,423
Excess of revenue over expense before extraordinary item	(4)	887	(1,303)	(821)
Extraordinary item - Restricted Contribution	26	-	1,097	-
Excess of revenue over expense	<u>\$22</u>	<u>\$887</u>	<u>(\$206)</u>	<u>(\$821)</u>
Changes in Financial Position:				
Cash generated by operations	\$12	\$423	\$497	(\$2,017)
Cash generated/(used by) investing activities	(162)	(207)	(4,897)	(3,312)
Cash generated by financing activities	133	31	1,111	1,601
Net sources (uses) of cash equivalents during year	(17)	247	(3,289)	(3,728)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	67	2,469	1,729	5,537
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$50</u>	<u>\$2,716</u>	<u>(\$1,560)</u>	<u>\$1,809</u>

**SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999**

(In thousands)

Wolf Creek School Div. #72	1999 Totals	1998 Totals	1999 Budget
Revenue:			
Alberta Learning			
Block allocation entitlement			
Instruction block	\$32,812	\$2,194,889	\$2,023,548
Support block	8,773	534,229	504,154
Capital block	902	135,731	153,896
Other	-	2,154	3,030
	<u>42,487</u>	<u>2,867,003</u>	<u>2,684,628</u>
Province of Alberta	64	9,388	9,227
Federal government/first nations	1,304	49,400	48,845
Other	229	5,710	5,566
Instruction fees	649	30,251	23,904
Transportation fees	90	11,706	12,580
Other sales and services	378	33,866	31,198
Interest on investments	315	8,247	7,762
Gifts and donations	20	5,745	4,667
Rentals of facilities	30	9,535	8,778
School generated funds	1,257	114,420	117,520
Gains on disposals of capital assets	9	4,091	2,211
Amortization of capital allocations	1,474	101,099	103,317
	<u>48,306</u>	<u>3,250,461</u>	<u>3,060,203</u>
Expense:			
Salaries, wages and benefits	35,176	2,328,872	2,152,795
Services, contracts and supplies	8,721	589,382	579,629
School generated funds	1,257	114,442	108,150
Amortization	2,047	137,175	133,634
Debt servicing	817	109,298	124,553
Excess of revenue over expense before extraordinary item	288	(28,708)	(38,558)
Extraordinary item - Restricted Contribution	-	59,887	-
Excess of revenue over expense	<u>\$288</u>	<u>\$31,179</u>	<u>(\$38,558)</u>
Changes in Financial Position:			
Cash generated by operations	\$1,402	\$22,487	(\$13,012)
Cash generated/(used by) investing activities	(2,930)	(187,308)	(205,853)
Cash generated by financing activities	<u>2,191</u>	<u>124,758</u>	<u>195,945</u>
Net sources (uses) of cash equivalents during year	663	(40,063)	(22,920)
Cash Equivalents, at the beginning of the year, net of bank indebtedness	<u>4,136</u>	<u>43,016</u>	<u>65,936</u>
Cash Equivalents, at the end of the year, net of bank indebtedness	<u>\$4,799</u>	<u>\$2,953</u>	<u>\$43,016</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	ABC (Action for Bright Children)	Almadina School Society	Aspen View Reg. Div. #19	Aurora School Ltd.
Assets				
Current:				
Cash and temporary investments	\$52	\$230	\$344	\$498
Accounts receivable (net after allowances)	114	106	3,450	13
Prepaid expenses	18	33	133	-
Other current assets	-	-	357	-
	<u>184</u>	<u>369</u>	<u>4,284</u>	<u>511</u>
School generated assets	-	-	260	-
Trust assets	-	-	-	-
Capital assets	-	-	12,607	-
	<u>\$184</u>	<u>\$369</u>	<u>\$17,151</u>	<u>\$511</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	5	39	1,762	26
Deferred revenue	103	-	1,326	62
Deferred capital allocations	-	-	-	-
Current portion of long term debt	-	-	779	-
	<u>108</u>	<u>39</u>	<u>3,867</u>	<u>88</u>
School generated funds	-	-	260	-
Trust liabilities	-	-	-	-
Unfunded pension liability - Local Authorities Pension Plan	-	-	51	-
Long term debt	-	-	6,644	-
Unamortized capital allocations	-	-	4,119	-
Net Assets:				
Unrestricted net assets	76	26	167	84
Operating Reserves	-	211	183	-
Accumulated Operating Surplus (Deficit)	76	237	350	84
Investment in capital assets	-	-	1,065	-
Capital Reserves	-	93	795	339
Total Capital Funds	<u>-</u>	<u>93</u>	<u>1,860</u>	<u>339</u>
	<u>76</u>	<u>330</u>	<u>2,210</u>	<u>423</u>
	<u>\$184</u>	<u>\$369</u>	<u>\$17,151</u>	<u>\$511</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Battle River Reg. Div. #31	Black Gold Reg. Div. #18	Boyle Street Service Society	Buffalo Trail Reg. Div. #28
Assets				
Current:				
Cash and temporary investments	\$2,294	\$6	\$ -	\$5,157
Accounts receivable (net after allowances)	7,035	8,139	40	4,877
Prepaid expenses	557	177	-	156
Other current assets	2,642	173	254	71
	<u>12,528</u>	<u>8,495</u>	<u>294</u>	<u>10,261</u>
School generated assets	666	852	28	489
Trust assets	271	63	-	59
Capital assets	40,023	50,436	-	33,157
	<u>\$53,488</u>	<u>\$59,846</u>	<u>\$322</u>	<u>\$43,966</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$2,580	\$ -	\$ -
Accounts payable and accrued liabilities	2,083	4,073	-	3,082
Deferred revenue	2,813	1,215	32	1,573
Deferred capital allocations	2,196	559	-	-
Current portion of long term debt	1,483	2,759	-	-
	<u>8,575</u>	<u>11,186</u>	<u>32</u>	<u>4,655</u>
School generated funds	667	854	28	490
Trust liabilities	271	63	-	59
Unfunded pension liability - Local Authorities Pension Plan	58	68	-	-
Long term debt	15,583	21,627	-	18,674
Unamortized capital allocations	6,711	19,946	-	13,812
Net Assets:				
Unrestricted net assets	984	-	262	2,959
Operating Reserves	4,014	-	-	2,640
Accumulated Operating Surplus (Deficit)	4,998	-	262	5,599
Investment in capital assets	16,205	6,104	-	670
Capital Reserves	420	-	-	7
Total Capital Funds	16,625	6,104	-	677
	<u>21,623</u>	<u>6,104</u>	<u>262</u>	<u>6,276</u>
	<u>\$53,488</u>	<u>\$59,846</u>	<u>\$322</u>	<u>\$43,966</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	C.A.P.E.	Calgary RCSSD #1	Calgary School Dist. #19	Canadian Rockies Reg. Div. #12
Assets				
Current:				
Cash and temporary investments	\$14	\$6,743	\$ -	\$8
Accounts receivable (net after allowances)	43	43,050	81,419	2,450
Prepaid expenses	11	874	1,450	290
Other current assets	-	641	502	88
	<u>68</u>	<u>51,308</u>	<u>83,371</u>	<u>2,836</u>
School generated assets	-	2,382	9,389	236
Trust assets	-	-	-	76
Capital assets	<u>520</u>	<u>179,795</u>	<u>299,549</u>	<u>26,219</u>
	<u>\$588</u>	<u>\$233,485</u>	<u>\$392,309</u>	<u>\$29,367</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$43,046	\$289
Accounts payable and accrued liabilities	43	21,808	44,410	934
Deferred revenue	23	12,793	13,269	853
Deferred capital allocations	-	6,275	(1,238)	219
Current portion of long term debt	<u>38</u>	<u>7,825</u>	<u>10,876</u>	<u>911</u>
	<u>104</u>	<u>48,701</u>	<u>110,363</u>	<u>3,206</u>
School generated funds	-	2,382	9,389	237
Trust liabilities	-	-	776	76
Unfunded pension liability - Local Authorities Pension Plan	-	-	1,427	-
Long term debt	<u>354</u>	<u>53,172</u>	<u>109,097</u>	<u>12,699</u>
Unamortized capital allocations	-	89,643	159,783	10,401
Net Assets:				
Unrestricted net assets	-	4,102	(20,166)	(55)
Operating Reserves	-	6,100	-	596
Accumulated Operating Surplus (Deficit)	-	10,202	(20,166)	541
Investment in capital assets	<u>130</u>	<u>28,968</u>	<u>19,610</u>	<u>2,208</u>
Capital Reserves	-	417	2,030	-
Total Capital Funds	<u>130</u>	<u>29,385</u>	<u>21,640</u>	<u>2,208</u>
	<u>130</u>	<u>39,587</u>	<u>1,474</u>	<u>2,748</u>
	<u>\$588</u>	<u>\$233,485</u>	<u>\$392,309</u>	<u>\$29,367</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Chinook's Edge School Div. #73	Christ the Redeemer CSR #3	Clearview School Div. #71	East Central Alberta CS Schools Reg. Div. #16
Assets				
Current:				
Cash and temporary investments	\$7,852	\$968	\$959	\$62
Accounts receivable (net after allowances)	10,570	3,383	4,473	3,228
Prepaid expenses	874	136	107	72
Other current assets	2	-	172	-
	<u>19,298</u>	<u>4,487</u>	<u>5,711</u>	<u>3,362</u>
School generated assets	815	34	222	119
Trust assets	197	16	196	-
Capital assets	<u>46,660</u>	<u>23,284</u>	<u>25,243</u>	<u>7,626</u>
	<u>\$66,970</u>	<u>\$27,821</u>	<u>\$31,372</u>	<u>\$11,107</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	6,622	1,162	856	784
Deferred revenue	3,334	869	1,177	1,010
Deferred capital allocations	3,145	2,244	256	-
Current portion of long term debt	<u>1,668</u>	<u>482</u>	<u>617</u>	<u>340</u>
	<u>14,769</u>	<u>4,757</u>	<u>2,906</u>	<u>2,134</u>
School generated funds	815	35	222	120
Trust liabilities	197	16	196	-
Unfunded pension liability-Local Authorities Pension Plan	-	27	-	-
Long term debt	11,764	8,418	6,942	2,227
Unamortized capital allocations	<u>25,033</u>	<u>12,840</u>	<u>13,143</u>	<u>3,958</u>
Net Assets:				
Unrestricted net assets	1,153	150	2,187	532
Operating Reserves	4,823	95	716	533
Accumulated Operating Surplus (Deficit)	5,976	245	2,903	1,065
Investment in capital assets	8,194	1,483	4,541	1,101
Capital Reserves	222	-	519	502
Total Capital Funds	<u>8,416</u>	<u>1,483</u>	<u>5,060</u>	<u>1,603</u>
	<u>14,392</u>	<u>1,728</u>	<u>7,963</u>	<u>2,668</u>
	<u>\$66,970</u>	<u>\$27,821</u>	<u>\$31,372</u>	<u>\$11,107</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	East Central Francophone Educ. Reg. #3	Edmonton Catholic Reg. Div. #40	Edmonton School Dist. #7	Elk Island CSRD #41
Assets				
Current:				
Cash and temporary investments	\$661	\$45	\$ -	\$8
Accounts receivable (net after allowances)	459	28,495	65,393	5,467
Prepaid expenses	22	1,166	516	446
Other current assets	-	451	3,389	9
	<u>1,142</u>	<u>30,157</u>	<u>69,298</u>	<u>5,930</u>
School generated assets	32	-	5,909	296
Trust assets	-	-	386	73
Capital assets	4,012	81,600	282,780	24,110
	<u>\$5,186</u>	<u>\$111,757</u>	<u>\$358,373</u>	<u>\$30,409</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$10,948	\$37,147	\$1,052
Accounts payable and accrued liabilities	224	11,905	28,001	2,155
Deferred revenue	227	7,349	8,944	1,454
Deferred capital allocations	114	-	5,550	132
Current portion of long term debt	53	4,431	13,812	1,426
	<u>618</u>	<u>34,633</u>	<u>93,454</u>	<u>6,219</u>
School generated funds	33	-	5,909	296
Trust liabilities	-	-	385	72
Unfunded pension liability - Local Authorities Pension Plan	-	482	1,275	52
Long term debt	242	26,551	79,065	12,603
Unamortized capital allocations	3,643	39,158	123,779	6,757
Net Assets:				
Unrestricted net assets	50	-	-	10
Operating Reserves	276	-	-	691
Accumulated Operating Surplus (Deficit)	326	-	-	701
Investment in capital assets	74	9,550	54,506	3,240
Capital Reserves	250	1,383	-	469
Total Capital Funds	324	10,933	54,506	3,709
	<u>650</u>	<u>10,933</u>	<u>54,506</u>	<u>4,410</u>
	<u>\$5,186</u>	<u>\$111,757</u>	<u>\$358,373</u>	<u>\$30,409</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Elk Island Public Schools Reg. Div. #14	Evergreen CSRD #2	Foothills School Div. #38	Fort McMurray RCSSD #32
Assets				
Current:				
Cash and temporary investments	\$3,542	\$309	\$2,448	\$3,950
Accounts receivable (net after allowances)	13,900	2,463	5,570	3,561
Prepaid expenses	177	149	229	59
Other current assets	183	-	-	546
	<u>17,802</u>	<u>2,921</u>	<u>8,247</u>	<u>8,116</u>
School generated assets	1,794	257	978	197
Trust assets	-	54	257	174
Capital assets	41,352	15,010	44,724	30,285
	<u>\$60,948</u>	<u>\$18,242</u>	<u>\$54,206</u>	<u>\$38,772</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$23
Accounts payable and accrued liabilities	7,182	913	1,587	1,654
Deferred revenue	5,052	8	151	1,028
Deferred capital allocations	-	96	5,156	649
Current portion of long term debt	2,842	568	2,455	947
	<u>15,076</u>	<u>1,585</u>	<u>9,349</u>	<u>4,301</u>
School generated funds	1,794	257	978	197
Trust liabilities	48	54	257	174
Unfunded pension liability - Local Authorities Pension Plan	185	8	-	43
Long term debt	19,701	7,166	13,894	5,969
Unamortized capital allocations	17,511	6,238	21,100	7,231
Net Assets:				
Unrestricted net assets	86	488	(293)	2,813
Operating Reserves	5,495	547	293	586
Accumulated Operating Surplus (Deficit)	5,581	1,035	-	3,399
Investment in capital assets	973	1,102	6,694	16,138
Capital Reserves	79	797	1,934	1,320
Total Capital Funds	1,052	1,899	8,628	17,458
	<u>6,633</u>	<u>2,934</u>	<u>8,628</u>	<u>20,857</u>
	<u>\$60,948</u>	<u>\$18,242</u>	<u>\$54,206</u>	<u>\$38,772</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Fort McMurray School Dist. #2833	Fort Vermilion School Div. #52	Foundations for the Future	Golden Hills Reg. Div. #15
Assets				
Current:				
Cash and temporary investments	\$1,025	\$ -	\$137	\$11
Accounts receivable (net after allowances)	4,658	4,473	563	5,804
Prepaid expenses	312	339	4	376
Other current assets	-	74	-	191
	<u>5,995</u>	<u>4,886</u>	<u>704</u>	<u>6,382</u>
School generated assets	460	98	-	574
Trust assets	152	35	-	329
Capital assets	37,035	43,309	138	25,286
	<u>\$43,642</u>	<u>\$48,328</u>	<u>\$842</u>	<u>\$32,571</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$1,052	\$ -	\$3,873
Accounts payable and accrued liabilities	2,527	1,653	518	1,705
Deferred revenue	1,587	933	120	185
Deferred capital allocations	-	238	-	-
Current portion of long term debt	1,759	1,947	5	1,213
	<u>5,873</u>	<u>5,823</u>	<u>643</u>	<u>6,976</u>
School generated funds	460	98	-	574
Trust liabilities	152	35	-	328
Unfunded pension liability - Local Authorities Pension Plan	-	-	-	83
Long term debt	7,852	12,932	7	9,347
Unamortized capital allocations	20,290	21,335	-	12,866
Net Assets:				
Unrestricted net assets	1,521	274	65	(29)
Operating Reserves	409	734	-	338
Accumulated Operating Surplus (Deficit)	1,930	1,008	65	309
Investment in capital assets	6,992	7,081	127	1,945
Capital Reserves	93	16	-	143
Total Capital Funds	<u>7,085</u>	<u>7,097</u>	<u>127</u>	<u>2,088</u>
	<u>9,015</u>	<u>8,105</u>	<u>192</u>	<u>2,397</u>
	<u>\$43,642</u>	<u>\$48,328</u>	<u>\$842</u>	<u>\$32,571</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Grande Prairie RCSSD #28	Grande Prairie School Dist. #2357	Grande Yellowhead Reg. Div. #35	Grasslands Reg. Div. #6
Assets				
Current:				
Cash and temporary investments	\$1,005	\$13	\$743	\$2,345
Accounts receivable (net after allowances)	3,015	5,536	5,727	3,373
Prepaid expenses	171	804	365	29
Other current assets	45	112	31	81
	<u>4,236</u>	<u>6,465</u>	<u>6,866</u>	<u>5,828</u>
School generated assets	128	200	457	286
Trust assets	53	-	113	381
Capital assets	<u>20,613</u>	<u>35,860</u>	<u>28,933</u>	<u>16,101</u>
	<u>\$25,030</u>	<u>\$42,525</u>	<u>\$36,369</u>	<u>\$22,596</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$230	\$1,357	\$ -	\$ -
Accounts payable and accrued liabilities	1,346	1,788	2,360	1,043
Deferred revenue	734	1,625	1,045	1,527
Deferred capital allocations	1,406	1,422	464	-
Current portion of long term debt	973	1,705	1,291	762
	<u>4,689</u>	<u>7,897</u>	<u>5,160</u>	<u>3,332</u>
School generated funds	129	201	457	286
Trust liabilities	53	-	1,714	381
Unfunded pension liability - Local Authorities Pension Plan	-	-	-	33
Long term debt	10,641	18,049	10,699	9,741
Unamortized capital allocations	8,548	14,339	12,068	3,482
Net Assets:				
Unrestricted net assets	-	-	-	754
Operating Reserves	77	296	-	2,232
Accumulated Operating Surplus (Deficit)	77	296	-	2,986
Investment in capital assets	406	1,714	4,876	2,139
Capital Reserves	488	29	1,395	216
Total Capital Funds	<u>894</u>	<u>1,743</u>	<u>6,271</u>	<u>2,355</u>
	<u>971</u>	<u>2,039</u>	<u>6,271</u>	<u>5,341</u>
	<u>\$25,030</u>	<u>\$42,525</u>	<u>\$36,369</u>	<u>\$22,596</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Greater St. Albert CRD #29	High Prairie School Div. #48	Holy Family CSR #37	Holy Spirit RCS Reg. Div. #4
Assets				
Current:				
Cash and temporary investments	\$188	\$509	\$1,521	\$245
Accounts receivable (net after allowances)	7,413	3,640	2,621	4,168
Prepaid expenses	534	356	143	111
Other current assets	-	-	1	21
	<u>8,135</u>	<u>4,505</u>	<u>4,286</u>	<u>4,545</u>
School generated assets	747	455	158	426
Trust assets	169	-	6	243
Capital assets	<u>41,784</u>	<u>14,141</u>	<u>15,684</u>	<u>16,632</u>
	<u>\$50,835</u>	<u>\$19,101</u>	<u>\$20,134</u>	<u>\$21,846</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$2,376	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	2,541	1,251	724	1,402
Deferred revenue	2,160	1,089	830	1,363
Deferred capital allocations	4	-	-	352
Current portion of long term debt	1,743	712	818	743
	<u>8,824</u>	<u>3,052</u>	<u>2,372</u>	<u>3,860</u>
School generated funds	747	455	158	426
Trust liabilities	169	-	7	243
Unfunded pension liability - Local Authorities Pension Plan	65	22	-	52
Long term debt	20,265	4,926	8,179	6,531
Unamortized capital allocations	15,449	6,064	5,009	8,072
Net Assets:				
Unrestricted net assets	-	18	217	406
Operating Reserves	-	981	2,143	837
Accumulated Operating Surplus (Deficit)	-	999	2,360	1,243
Investment in capital assets	4,327	2,923	1,598	1,314
Capital Reserves	989	660	451	104
Total Capital Funds	<u>5,316</u>	<u>3,583</u>	<u>2,049</u>	<u>1,418</u>
	<u>5,316</u>	<u>4,582</u>	<u>4,409</u>	<u>2,661</u>
	<u>\$50,835</u>	<u>\$19,101</u>	<u>\$20,134</u>	<u>\$21,846</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Horizon School Div. #67	Lakeland RCSSD #150	Lethbridge School Dist. #51	Living Waters CRD #42
Assets				
Current:				
Cash and temporary investments	\$3,992	\$2,491	\$1,020	\$1,377
Accounts receivable (net after allowances)	2,866	2,049	7,750	2,160
Prepaid expenses	4	13	204	82
Other current assets	-	59	35	-
	<u>6,862</u>	<u>4,612</u>	<u>9,009</u>	<u>3,619</u>
School generated assets	575	110	496	246
Trust assets	-	11	430	-
Capital assets	<u>10,632</u>	<u>9,736</u>	<u>26,131</u>	<u>13,917</u>
	<u>\$18,069</u>	<u>\$14,469</u>	<u>\$36,066</u>	<u>\$17,782</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$1,586	\$ -
Accounts payable and accrued liabilities	222	671	2,886	820
Deferred revenue	1,229	739	3,028	697
Deferred capital allocations	-	28	-	-
Current portion of long term debt	392	369	1,375	584
	<u>1,843</u>	<u>1,807</u>	<u>8,875</u>	<u>2,101</u>
School generated funds	575	109	496	246
Trust liabilities	-	11	430	-
Unfunded pension liability - Local Authorities Pension Plan	-	-	107	-
Long term debt	2,164	4,140	13,947	6,564
Unamortized capital allocations	5,547	4,404	8,522	5,270
Net Assets:				
Unrestricted net assets	2,795	1,225	227	829
Operating Reserves	1,333	1,547	1,176	950
Accumulated Operating Surplus (Deficit)	4,128	2,772	1,403	1,779
Investment in capital assets	2,529	633	2,286	1,499
Capital Reserves	1,283	593	-	323
Total Capital Funds	<u>3,812</u>	<u>1,226</u>	<u>2,286</u>	<u>1,822</u>
	<u>7,940</u>	<u>3,998</u>	<u>3,689</u>	<u>3,601</u>
	<u>\$18,069</u>	<u>\$14,469</u>	<u>\$36,066</u>	<u>\$17,782</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Livingstone Range School Div. #68	Medicine Hat CSRD #20	Medicine Hat School Dist. #76	Moberly Hall School Society
Assets				
Current:				
Cash and temporary investments	\$1,316	\$2	\$1,294	\$104
Accounts receivable (net after allowances)	4,427	2,612	5,293	28
Prepaid expenses	165	116	166	-
Other current assets	208	45	820	-
	<u>6,116</u>	<u>2,775</u>	<u>7,573</u>	<u>132</u>
School generated assets	591	81	726	-
Trust assets	34	12	1,298	-
Capital assets	<u>18,783</u>	<u>8,296</u>	<u>23,062</u>	<u>11</u>
	<u>\$25,524</u>	<u>\$11,164</u>	<u>\$32,659</u>	<u>\$143</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$159	\$ -	\$ -
Accounts payable and accrued liabilities	1,672	817	821	14
Deferred revenue	1,340	750	2,336	23
Deferred capital allocations	88	195	520	-
Current portion of long term debt	685	344	1,090	-
	<u>3,785</u>	<u>2,265</u>	<u>4,767</u>	<u>37</u>
School generated funds	591	80	726	-
Trust liabilities	34	12	1,298	-
Unfunded pension liability - Local Authorities Pension Plan	-	19	60	-
Long term debt	5,585	2,576	9,297	-
Unamortized capital allocations	8,859	5,331	9,752	-
Net Assets:				
Unrestricted net assets	1,775	576	576	95
Operating Reserves	1,154	189	2,092	-
Accumulated Operating Surplus (Deficit)	2,929	765	2,668	95
Investment in capital assets	3,654	46	2,923	11
Capital Reserves	87	70	1,168	-
Total Capital Funds	<u>3,741</u>	<u>116</u>	<u>4,091</u>	<u>11</u>
	<u>6,670</u>	<u>881</u>	<u>6,759</u>	<u>106</u>
	<u>\$25,524</u>	<u>\$11,164</u>	<u>\$32,659</u>	<u>\$143</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	New Horizon Charter School	North Central Francophone Educ. #4	Northern Gateway Reg. Div. #10	Northern Lights School Div. #69
Assets				
Current:				
Cash and temporary investments	\$107	\$492	\$601	\$2,084
Accounts receivable (net after allowances)	37	1,242	5,816	5,869
Prepaid expenses	6	246	280	614
Other current assets	-	-	-	-
	<u>150</u>	<u>1,980</u>	<u>6,697</u>	<u>8,567</u>
School generated assets	-	169	593	504
Trust assets	-	-	289	28
Capital assets	52	11,279	58,898	27,740
	<u>\$202</u>	<u>\$13,428</u>	<u>\$66,477</u>	<u>\$36,839</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	5	369	1,800	2,589
Deferred revenue	32	160	1,846	2,013
Deferred capital allocations	-	356	-	230
Current portion of long term debt	-	58	1,489	1,517
	<u>37</u>	<u>943</u>	<u>5,135</u>	<u>6,349</u>
School generated funds	-	169	593	504
Trust liabilities	-	-	289	28
Unfunded pension liability - Local Authorities Pension Plan	-	5	53	31
Long term debt	-	289	14,015	14,970
Unamortized capital allocations	-	7,084	36,839	7,724
Net Assets:				
Unrestricted net assets	55	864	529	-
Operating Reserves	-	26	1,852	3,703
Accumulated Operating Surplus				
(Deficit)	55	890	2,381	3,703
Investment in capital assets	52	3,848	6,555	3,530
Capital Reserves	58	200	617	
Total Capital Funds	<u>110</u>	<u>4,048</u>	<u>7,172</u>	<u>3,530</u>
	<u>165</u>	<u>4,938</u>	<u>9,553</u>	<u>7,233</u>
	<u>\$202</u>	<u>\$13,428</u>	<u>\$66,477</u>	<u>\$36,839</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Northland School Div. #61	Northwest Francophone Educ. Reg. #1	Palliser Reg. Div. #26	Parkland School Div. #70
Assets				
Current:				
Cash and temporary investments	\$7,612	\$359	\$3,831	\$1,103
Accounts receivable (net after allowances)	7,068	440	3,833	7,806
Prepaid expenses	182	25	88	118
Other current assets	455	23	33	-
	<u>15,317</u>	<u>847</u>	<u>7,785</u>	<u>9,027</u>
School generated assets	186	20	289	930
Trust assets	-	-	161	150
Capital assets	41,364	4,671	16,194	52,146
	<u>\$56,867</u>	<u>\$5,538</u>	<u>\$24,429</u>	<u>\$62,253</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$456	\$ -
Accounts payable and accrued liabilities	3,333	118	641	3,257
Deferred revenue	903	228	1,463	2,945
Deferred capital allocations	28	-	-	-
Current portion of long term debt	2,448	27	531	2,251
	<u>6,712</u>	<u>373</u>	<u>3,091</u>	<u>8,453</u>
School generated funds	186	20	289	931
Trust liabilities	-	-	161	150
Unfunded pension liability - Local Authorities Pension Plan	93	-	-	72
Long term debt	21,260	239	7,565	15,815
Unamortized capital allocations	13,116	3,878	3,784	28,997
Net Assets:				
Unrestricted net assets	7,180	96	5	6
Operating Reserves	312	169	2,339	834
Accumulated Operating Surplus (Deficit)	7,492	265	2,344	840
Investment in capital assets	4,665	528	3,836	5,083
Capital Reserves	3,343	235	3,359	1,912
Total Capital Funds	8,008	763	7,195	6,995
	<u>15,500</u>	<u>1,028</u>	<u>9,539</u>	<u>7,835</u>
	<u>\$56,867</u>	<u>\$5,538</u>	<u>\$24,429</u>	<u>\$62,253</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Peace River School Div. #10	Peace Wapiti Reg. Div. #33	Pembina Hills Reg. Div. #7	Prairie Land Reg. Div. #25
Assets				
Current:				
Cash and temporary investments	\$2,543	\$6,651	\$351	\$4,092
Accounts receivable (net after allowances)	3,975	5,927	5,100	2,037
Prepaid expenses	126	153	107	108
Other current assets	270	305	319	74
	<u>6,914</u>	<u>13,036</u>	<u>5,877</u>	<u>6,311</u>
School generated assets	395	627	375	194
Trust assets	123	18	97	407
Capital assets	<u>26,081</u>	<u>27,773</u>	<u>21,175</u>	<u>25,523</u>
	<u>\$33,513</u>	<u>\$41,454</u>	<u>\$27,524</u>	<u>\$32,435</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	2,123	4,796	1,477	499
Deferred revenue	1,695	1,854	1,553	665
Deferred capital allocations	-	-	5	-
Current portion of long term debt	<u>1,151</u>	<u>1,355</u>	<u>1,118</u>	<u>691</u>
	<u>4,969</u>	<u>8,005</u>	<u>4,153</u>	<u>1,855</u>
School generated funds	395	627	376	193
Trust liabilities	123	18	97	407
Unfunded pension liability - Local Authorities Pension Plan	-	-	-	32
Long term debt	12,750	16,423	11,623	6,298
Unamortized capital allocations	7,782	3,755	5,765	14,595
Net Assets:				
Unrestricted net assets	2,729	1,303	903	4,272
Operating Reserves	97	4,506	1,173	317
Accumulated Operating Surplus (Deficit)	2,826	5,809	2,076	4,589
Investment in capital assets	4,398	6,241	2,668	3,939
Capital Reserves	270	576	766	527
Total Capital Funds	<u>4,668</u>	<u>6,817</u>	<u>3,434</u>	<u>4,466</u>
	<u>7,494</u>	<u>12,626</u>	<u>5,510</u>	<u>9,055</u>
	<u>\$33,513</u>	<u>\$41,454</u>	<u>\$27,524</u>	<u>\$32,435</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Prairie Rose Reg. Div. #8	Red Deer CRD #39	Red Deer School Dist. #104	Rocky View School Div. #41
Assets				
Current:				
Cash and temporary investments	\$575	\$424	\$11	\$16,942
Accounts receivable (net after allowances)	3,803	3,845	9,051	10,178
Prepaid expenses	513	494	225	707
Other current assets	3	25	280	86
	<u>4,894</u>	<u>4,788</u>	<u>9,567</u>	<u>27,913</u>
School generated assets	322	321	1,201	1,957
Trust assets	81	195	561	290
Capital assets	26,696	31,432	42,696	93,433
	<u>\$31,993</u>	<u>\$36,736</u>	<u>\$54,025</u>	<u>\$123,593</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$989	\$833
Accounts payable and accrued liabilities	2,019	1,263	3,212	3,995
Deferred revenue	1,271	1,262	216	3,981
Deferred capital allocations	130	638	1,158	11,860
Current portion of long term debt	482	959	2,368	4,456
	<u>3,902</u>	<u>4,122</u>	<u>7,943</u>	<u>25,125</u>
School generated funds	322	322	1,201	1,957
Trust liabilities	81	195	561	290
Unfunded pension liability - Local Authorities Pension Plan	37	-	-	160
Long term debt	4,485	8,311	25,078	35,555
Unamortized capital allocations	15,317	20,358	12,156	50,083
Net Assets:				
Unrestricted net assets	627	-	3,166	850
Operating Reserves	448	655	84	4,529
Accumulated Operating Surplus				
(Deficit)	1,075	655	3,250	5,379
Investment in capital assets	6,418	1,802	3,094	3,339
Capital Reserves	356	971	743	1,705
Total Capital Funds	6,774	2,773	3,837	5,044
	<u>7,849</u>	<u>3,428</u>	<u>7,086</u>	<u>10,423</u>
	<u>\$31,993</u>	<u>\$36,736</u>	<u>\$54,025</u>	<u>\$123,593</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	St. Albert PSSD #6	St. Paul Educ. Reg. Div. #1	St. Thomas RCSR #38	Sturgeon School Div. #24
Assets				
Current:				
Cash and temporary investments	\$105	\$1,377	\$880	\$50
Accounts receivable (net after allowances)	5,655	3,448	2,171	5,566
Prepaid expenses	84	209	15	416
Other current assets	-	-	164	-
	<u>5,844</u>	<u>5,034</u>	<u>3,230</u>	<u>6,032</u>
School generated assets	414	485	151	312
Trust assets	144	-	52	137
Capital assets	29,758	15,197	15,274	22,878
	<u>\$36,160</u>	<u>\$20,716</u>	<u>\$18,707</u>	<u>\$29,359</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$ -	\$2,542
Accounts payable and accrued liabilities	2,413	1,847	1,069	971
Deferred revenue	2,255	1,210	815	389
Deferred capital allocations	504	-	169	-
Current portion of long term debt	1,604	750	646	1,322
	<u>6,777</u>	<u>3,807</u>	<u>2,699</u>	<u>5,224</u>
School generated funds	414	485	151	312
Trust liabilities	144	-	52	137
Unfunded pension liability - Local Authorities Pension Plan	53	-	-	-
Long term debt	16,407	6,001	7,784	7,988
Unamortized capital allocations	8,068	7,291	5,826	11,858
Net Assets:				
Unrestricted net assets	-	294	542	18
Operating Reserves	441	1,580	532	710
Accumulated Operating Surplus (Deficit)	441	1,874	1,074	728
Investment in capital assets	3,678	1,155	1,017	1,710
Capital Reserves	178	103	104	1,402
Total Capital Funds	<u>3,856</u>	<u>1,258</u>	<u>1,121</u>	<u>3,112</u>
	<u>4,297</u>	<u>3,132</u>	<u>2,195</u>	<u>3,840</u>
	<u>\$36,160</u>	<u>\$20,716</u>	<u>\$18,707</u>	<u>\$29,359</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Suzuki Elementary Charter School	Westwind School Div. #74	Wetaskiwin Reg. Div. #11	Wild Rose School Div. #66
Assets				
Current:				
Cash and temporary investments	\$50	\$2,716	\$406	\$1,809
Accounts receivable (net after allowances)	35	4,447	5,546	5,917
Prepaid expenses	2	45	102	85
Other current assets	-	-	343	160
	<u>87</u>	<u>7,208</u>	<u>6,397</u>	<u>7,971</u>
School generated assets	5	391	409	654
Trust assets	-	88	79	71
Capital assets	163	17,242	25,203	42,829
	<u>\$255</u>	<u>\$24,929</u>	<u>\$32,088</u>	<u>\$51,525</u>
Liabilities and net assets				
Current:				
Bank indebtedness	\$ -	\$ -	\$1,966	\$ -
Accounts payable and accrued liabilities	22	1,740	3,726	2,122
Deferred revenue	5	1,460	242	1,798
Deferred capital allocations	-	-	336	426
Current portion of long term debt	-	803	1,014	1,879
	<u>27</u>	<u>4,003</u>	<u>7,284</u>	<u>6,225</u>
School generated funds	6	391	409	654
Trust liabilities	-	88	79	71
Unfunded pension liability - Local Authorities Pension Plan	-	67	70	74
Long term debt	128	9,255	11,753	11,435
Unamortized capital allocations	-	6,356	11,414	21,006
Net Assets:				
Unrestricted net assets	94	2,372	-	1,314
Operating Reserves	-	1,254	-	1,444
Accumulated Operating Surplus (Deficit)	94	3,626	-	2,758
Investment in capital assets	-	735	1,004	8,496
Capital Reserves	-	408	75	806
Total Capital Funds	-	1,143	1,079	9,302
	<u>94</u>	<u>4,769</u>	<u>1,079</u>	<u>12,060</u>
	<u>\$255</u>	<u>\$24,929</u>	<u>\$32,088</u>	<u>\$51,525</u>

SUMMARY OF SCHOOL JURISDICTIONS AND CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 1999
(In thousands)

	Wolf Creek School Div. #72	1999 Totals	1998 Totals
Assets			
Current:			
Cash and temporary investments	\$4,800	\$115,460	\$135,179
Accounts receivable (net after allowances)	6,457	491,143	338,087
Prepaid expenses	245	17,140	16,391
Other current assets	407	14,150	13,103
	<u>11,909</u>	<u>637,893</u>	<u>502,760</u>
School generated assets	694	43,367	39,016
Trust assets	276	8,335	8,073
Capital assets	31,874	2,382,647	2,328,972
	<u>\$44,753</u>	<u>\$3,072,242</u>	<u>\$2,878,821</u>
Liabilities and net assets			
Current:			
Bank indebtedness	\$ -	\$112,504	\$92,164
Accounts payable and accrued liabilities	3,153	216,650	202,560
Deferred revenue	2,335	120,601	24,520
Deferred capital allocations	88	45,998	69,737
Current portion of long term debt	969	102,710	105,163
	<u>6,545</u>	<u>598,463</u>	<u>494,144</u>
School generated funds	694	43,378	39,016
Trust liabilities	276	10,758	9,993
Unfunded pension liability - Local Authorities Pension Plan	-	4,864	3,123
Long term debt	6,757	868,017	969,096
Unamortized capital allocations	20,281	1,083,344	932,698
Net Assets:			
Unrestricted net assets	1,793	35,951	19,979
Operating Reserves	-	71,292	71,113
Accumulated Operating Surplus (Deficit)	1,793	107,243	91,092
Investment in capital assets	3,867	313,237	300,476
Capital Reserves	4,540	42,938	39,183
Total Capital Funds	8,407	356,175	339,659
	<u>10,200</u>	<u>463,418</u>	<u>430,751</u>
	<u>\$44,753</u>	<u>\$3,072,242</u>	<u>\$2,878,821</u>

Summary of Significant Accounting Policies

Post-secondary institutions and school jurisdictions prepare their financial statements in accordance with generally accepted accounting principles for not-for-profit organizations. The following are significant accounting policies followed by these entities:

- Revenues and expenses are recognized on an accrual basis.
- Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.
- Unrestricted contributions are recognized as revenues when received.
- Capital grants are recorded as deferred contributions until the amounts are invested in capital assets.
- Once capital grants are invested in capital assets, the amounts are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.
- Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.
- Endowment contributions are recognized as direct increases in net assets in the period in which they are received.
- Contributions for capital assets that will not be amortized, such as land and art collections, are recorded as direct increases in net assets in the period the assets are acquired.
- Capital assets are recorded at cost when acquired. Capital assets are amortized based on amortization policies set by post-secondary institutions and school jurisdictions.
- Donated assets are recorded at fair value where fair value is reasonably determined.
- Inventories of merchandise for resale are valued at the lower of cost and net realizable value. Inventories of supplies for consumption are valued at the lower of cost and replacement value.
- Investments are recorded at cost or amortized cost where applicable. Gains or losses are recognized in the year of disposal or when there is other than temporary impairment in the value of the investment.

**Disclosure of Salaries and Benefits for Superintendent Positions
for the 1998-1999 Fiscal Year**

School Authority	Remuneration	Benefits & Allowances	Other	Total
Aspen View Regional Division No. 19	\$80,667	\$7,488	\$0	\$88,155
Battle River Regional Division No. 31	\$97,900	\$5,269	\$0	\$103,169
Black Gold Regional Division No. 18	\$93,600	\$4,426	\$0	\$98,026
Buffalo Trail Regional Division No. 28	\$92,847	\$5,086	\$0	\$97,933
Calgary R.C. Separate School District No. 1	\$115,716	\$22,550	\$0	\$138,266
Calgary School District No. 19	\$130,000	\$15,213	\$0	\$145,213
Canadian Rockies Regional Division No. 12	\$110,242	\$14,564	\$0	\$124,806
Chinook's Edge School Division No. 73	\$95,649	\$8,464	\$1,094	\$105,207
Christ the Redeemer CS Regional Division No. 3	\$105,006	\$14,597	\$0	\$119,603
Clearview School Division No. 71	\$87,305	\$5,440	\$0	\$92,745
East Central Alberta CS Schools Regional Division No. 16	\$96,033	\$11,254	\$67,223	\$174,510*
East Central Francophone Education Region No. 3	\$80,000	\$7,733	\$0	\$87,733
Edmonton Catholic Regional Division No. 40	\$113,541	\$5,918	\$0	\$119,459
Edmonton School District No. 7	\$132,840	\$6,679	\$0	\$139,519
Elk Island Catholic Separate Regional Division No. 41	\$101,674	\$4,682	\$50,837	\$157,193*
Elk Island Public Schools Regional Division No. 14	\$108,812	\$12,875	\$0	\$121,687
Evergreen CS Regional Division No. 2	\$90,404	\$8,253	\$0	\$98,657
Foothills School Division No. 38	\$95,000	\$6,686	\$0	\$101,686
Fort McMurray R.C. Separate School District No. 32	\$100,400	\$7,078	\$2,100	\$109,578
Fort McMurray School District No. 2833	\$99,100	\$19,924	\$0	\$119,024
Fort Vermilion School Division No. 52	\$95,000	\$12,204	\$0	\$107,204
Golden Hills Regional Division No. 15	\$100,865	\$13,638	\$0	\$114,503
Grande Prairie R.C.S.S.D. No. 28	\$92,000	\$9,527	\$0	\$101,527
Grande Prairie School District No. 2357	\$97,316	\$7,973	\$0	\$105,289
Grande Yellowhead Regional Division No. 35	\$107,529	\$20,112	\$0	\$127,641
Grasslands Regional Division No. 6	\$93,383	\$8,791	\$0	\$102,174
Greater St. Albert Catholic Regional Division No. 29	\$95,769	\$11,444	\$0	\$107,213
High Prairie School Division No. 48	\$95,660	\$7,585	\$0	\$103,245
Holy Family CS Regional Division No. 37	\$85,247	\$8,825	\$0	\$94,072
Holy Spirit RCS Regional Division No. 4	\$96,009	\$10,260	\$0	\$106,269
Horizon School Division No. 67	\$94,554	\$9,570	\$0	\$104,124
Lakeland R.C.S.S.D. No. 150	\$84,000	\$6,334	\$0	\$90,334
Lethbridge School District No. 51	\$105,166	\$9,988	\$0	\$115,154
Living Waters Catholic Regional Division No. 42	\$93,681	\$6,951	\$0	\$100,631
Livingstone Range School Division No. 68	\$104,860	\$7,814	\$0	\$112,674
Medicine Hat CS Regional Division No. 20	\$90,000	\$7,534	\$0	\$97,534
Medicine Hat School District No. 76	\$101,507	\$9,771	\$0	\$111,278

* Included in superintendent's total is a retiring allowance paid during the year.

School Authority	Remuneration	Benefits & Allowances	Other	Total
North Central Francophone Education Region No. 4	\$95,432	\$7,022	\$0	\$102,454
Northern Gateway Regional Division No. 10	\$90,748	\$8,016	\$0	\$98,763
Northern Lights School Division No. 69	\$105,671	\$7,355	\$0	\$113,026
Northland School Division No. 61	\$99,559	\$18,371	\$0	\$117,930
Northwest Francophone Education Region No. 1	\$84,978	\$6,896	\$0	\$91,874
Palliser Regional Division No. 26	\$91,000	\$6,792	\$0	\$97,792
Parkland School Division No. 70	\$92,633	\$7,130	\$0	\$99,763
Peace River School Division No. 10	\$95,622	\$7,024	\$0	\$102,646
Peace Wapiti Regional Division No. 33	\$95,279	\$7,363	\$0	\$102,642
Pembina Hills Regional Division No. 7	\$97,183	\$6,814	\$0	\$103,997
Prairie Land Regional Division No. 25	\$98,944	\$7,459	\$0	\$106,402
Prairie Rose Regional Division No. 8	\$93,524	\$5,747	\$0	\$99,271
Red Deer Catholic Regional Division No. 39	\$95,000	\$6,796	\$0	\$101,796
Red Deer School District No. 104	\$98,631	\$7,065	\$0	\$105,696
Rocky View School Division No. 41	\$107,487	\$6,070	\$0	\$113,557
St. Albert P.S.S.D. No. 6	\$94,556	\$6,964	\$0	\$101,520
St. Paul Education Regional Division No. 1	\$89,748	\$6,741	\$0	\$96,489
St. Thomas Aquinas RCS Regional Division No. 38	\$89,760	\$5,225	\$0	\$94,985
Sturgeon School Division No. 24	\$86,166	\$10,106	\$0	\$96,272
Westwind School Division No. 74	\$92,884	\$6,642	\$0	\$99,526
Wetaskiwin Regional Division No. 11	\$91,373	\$6,664	\$0	\$98,037
Wolf Creek School Division No. 72	\$94,500	\$12,511	\$0	\$107,011
Wild Rose School Division No. 66	\$100,679	\$7,168	\$0	\$107,847
Wolf Creek School Division No. 72	\$94,500	\$12,511	\$0	\$107,011

Footnotes:

1. This information is taken from the Audited Financial Statements submitted to Alberta Learning by the School Authority.
2. *Remuneration* includes regular base salaries, administrative allowances, overtime, lump sum payments, honoraria, deferred salary leave accruals and any other direct cash remuneration.
3. *Benefits* include the employer's share of all employee benefits and contributions or payments made on behalf of employees. This includes retirement pension, Canada Pension Plan (CPP), Employment Insurance (EI), health care, dental coverage, vision coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.
4. *Allowances* include all monies paid to an employee as miscellaneous negotiated allowances. This category will include care or travel allowance, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships.
5. *Other* includes payments made for such things as performance bonuses, accrued vacations and termination benefits (severance pay, retiring allowances, sick leave and other settlement costs due to loss of employment).

ALBERTA TEACHERS' RETIREMENT FUND BOARD
FINANCIAL STATEMENTS
AUGUST 31, 1999

Auditor's Report

Statement of Net Assets Available for Benefits
and Accrued Pension Benefits and Deficiency

Statement of Changes in Net Assets Available for Benefits

Statement of Changes in Accrued Pension Benefits

Notes to the Financial Statements



AUDITOR'S REPORT

To the Alberta Teachers' Retirement Fund Board

I have audited the statement of net assets available for benefits and accrued pension benefits and deficiency of the Alberta Teachers' Retirement Fund Board as at August 31, 1999 and the statements of changes in net assets available for benefits and changes in accrued pension benefits for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with 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.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at August 31, 1999 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

[Original Signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
December 17, 1999

[The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.]

**Statement of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency
For the Year Ended August 31, 1999**

	(In thousands)	
	1999	1998
Net Assets Available For Benefits		
Assets		
Cash	\$ 5,204	\$ 7,906
Investments (Note 4)	1,813,963	1,522,782
Receivables (Note 5)	27,404	34,557
Capital assets (Note 6)	1,748	1,963
	<u>1,848,319</u>	<u>1,567,208</u>
Liabilities		
Accounts payable (Note 7)	6,188	13,216
	<u>6,188</u>	<u>13,216</u>
Net assets available for benefits	1,842,131	1,553,992
Provision for fluctuation in market value of assets	(155,631)	(45,992)
	<u>(155,631)</u>	<u>(45,992)</u>
Actuarial Value of Net Assets Available for Benefits	1,686,500	1,508,000
Actuarial Value of Accrued Pension Benefits	6,007,000	5,551,000
	<u>6,007,000</u>	<u>5,551,000</u>
Deficiency (Note 11)	<u>\$ 4,320,500</u>	<u>\$ 4,043,000</u>

The accompanying notes are part of these financial statements.

**Statement of Changes in Net Assets Available for Benefits
For the Year Ended August 31, 1999**

	(in thousands)	
	1999	1998
Increase in Net Assets		
Investment income (Note 8)	\$ 64,809	\$ 66,219
Change in fair value of investments (Note 8)	171,873	(77,510)
Contributions		
Current: (Note 9)		
Teachers	152,063	143,842
Province of Alberta	173,063	164,052
Employers	126	314
Past service purchases	1,260	1,789
Transfers from other plans	458	1,908
	326,970	311,905
Total increase in net assets	563,652	300,614
Decrease in Net Assets		
Pension benefits	259,165	237,808
Termination benefits	8,819	6,855
Transfers to other plans	1,303	2,372
Administrative expenses (Note 10)	6,226	5,879
	275,513	252,914
Change in Net Assets for the Year	288,139	47,700
Net Assets Available for Benefits at Beginning of Year	1,553,992	1,506,292
Net Assets Available for Benefits at End of Year	\$ 1,842,131	\$ 1,553,992

**Statement of Changes in Accrued Pension Benefits
For the Year Ended August 31, 1999**

	(in thousands)	
	1999	1998
Accrued Pension Benefits at Beginning of Period	\$ 5,551,000	\$ 5,215,000
Increase in Accrued Pension Benefits		
Interest on accrued benefits	440,000	439,000
Benefits accrued	207,000	178,000
Purchases/transfers	-	1,000
Miscellaneous net actuarial losses	77,000	36,000
	<u>724,000</u>	<u>654,000</u>
Decrease in Accrued Pension Benefits		
Benefits paid	(268,000)	(245,000)
Changes in actuarial assumptions - economic	-	(87,000)
Changes in actuarial assumptions - demographics	-	14,000
	<u>(268,000)</u>	<u>(318,000)</u>
Accrued Pension Benefits at End of Period	<u>\$ 6,007,000</u>	<u>\$ 5,551,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended August 31, 1999

Note 1

Authority and Nature of Operations

The Alberta Teachers' Retirement Fund Board is the trustee and administrator of the Teachers' Pension Plan and the Private School Teachers' Pension Plan (the "Plans"). The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act, Chapter T-1.5.

Note 2

Description of the Alberta Teachers' Retirement Fund Board Pension Plans

The following description of the Plans is a summary only.

a) General

The Plans are contributory defined-benefit pension plans for the teachers of Alberta.

b) Guarantee

The payment of all benefits for service prior to September 1, 1992 under the Teachers' Pension Plan is guaranteed by the Province of Alberta (the "Province").

c) Funding

All teachers under contract with school jurisdictions and charter schools in Alberta are required to contribute to the Teachers' Pension Plan. Current service costs and related actuarial losses are funded by equal contributions from the Province and the teachers. The additional 10 percent cost-of-living adjustment for service earned after 1992, as described in Note 2(i), is funded entirely by the teachers. The unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 percent by the Province and 32.65 percent by the teachers over the period ending August 31, 2060. The determination of the value of the benefits and the required contributions is made on the basis of periodic actuarial valuations (Note 11).

Certain public colleges and other designated organizations in Alberta also participate in the Teachers' Pension Plan under the same funding arrangements, except these organizations make the employer contributions in lieu of the Province.

Certain private schools participate in the Private School Teachers' Pension Plan. Plan costs are funded by contributions from the employers and the teachers.

d) Retirement Pensions

Retirement pensions are based on the number of years of pensionable service and the highest consecutive five-year average salary. Pensions are payable to teachers who retire after completion of at least five years of pensionable service, with certain restrictions, and who have attained age 65. Unreduced pensions are also payable to teachers who have reached at least age 55 and the sum of their age and service equals 85. With certain restrictions, reduced early retirement pensions are payable to teachers who retire on or after age 55 with a minimum of five years of pensionable service.

e) Disability Benefits

Teachers who are disabled after August 31, 1992 may be credited with pensionable service while disabled. Teachers do not contribute to the pension plans while disabled.

f) Termination Benefits

Subject to lock-in provisions, refunds and commuted value transfers are available when a teacher ceases employment.

g) Death Benefits

Death benefits are available upon the death of a teacher and may be available upon the death of a pensioner. The benefit may take the form of a lump sum payment or a survivor pension.

h) Other Provisions

Purchase of past service and reinstatement of refunded service is allowed on a basis that is cost neutral to the Plans.

i) Cost-of-Living Adjustments

Pensions payable are increased each year by an amount equal to 60 percent of the increase in the Alberta Consumer Price Index. The portion of pension earned after 1992 is increased by an additional 10 percent of the increase in the Alberta Consumer Price Index.

j) Income Taxes

The Plans are Registered Pension Plans as defined in the Income Tax Act and are not subject to income taxes. The income tax registration number is 0359125.

Note 3

Summary of Significant Accounting Policies and Reporting Practices

a) **Basis of Presentation**

The financial statements are prepared on a going-concern basis in accordance with generally accepted accounting principles and present the aggregate financial position of the Plans. The statements account for the net assets available to meet future benefit payments, and are prepared to assist participants and others in reviewing the activities of the Plans for the fiscal year. They do not reflect the benefit security of individual participants.

b) **Investments**

Investments are recorded as of the trade date and are stated at market value, which approximates fair value. The methods used to determine year-end fair value are explained in the following paragraphs.

- Short-term deposits are recorded at cost which approximates fair value.
- The fair value of publicly traded securities is based on market prices quoted by an independent supplier of securities related data.
- The fair value of mortgages is based on the present value of future cash flows. These cash flows are discounted using the year-end mortgage rates offered by Canadian banks.
- Fair value of real estate, oil and gas properties, and private placements, not publicly traded, is based on estimates as determined by management in conjunction with industry specialists.

Premiums and discounts arising on acquisitions are amortized using the effective interest rate method and included in investment income. Changes in fair value subsequent to acquisition are included in change in fair value of investments (Note 8).

c) **Actuarial Value of Net Assets Available for Benefits**

Net assets available for benefits are adjusted by a provision for market value fluctuations to moderate the effects of market volatility on investment value. The provision is based on the difference between historical rates of return on fund assets in the five-year period (1998: three-year period) ending on the valuation date, and the rates of return predicted by the economic assumptions for the period. A constraint on this calculation limits the actuarial value of net assets available for benefits to be no less than 90% and no greater than 110% of the fair value of the investments.

d) **Foreign Exchange**

Foreign currency transactions are translated into Canadian dollars at rates of exchange prevailing at the dates of the transactions. At year end, the fair value of

investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Gains or losses resulting from exchange differences are included in the determination of the change in fair value of investments.

e) Derivative Financial Instruments

Gains or losses on forward foreign exchange contracts are recognized with changes in market value, and are included in the determination of current period change in market value.

f) Capital Assets

Capital assets are recorded at cost. Amortization is calculated using the straight-line method at the following annual rates so as to expense the cost of the assets over their estimated useful lives. Software under development is not amortized until implemented.

Furniture and equipment	10-25%
Computer hardware and software	20-33.3%

g) Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Note 4

Investments

(In thousands)

	1999		1998	
	Fair Value	Cost	Fair Value	Cost
Fixed Income				
Short terms	\$ 43,144	\$ 43,033	\$ 42,045	\$ 42,045
Bonds and debentures	764,937	759,241	682,425	668,672
Non-Canadian bonds	68,201	72,431	82,816	80,523
Mortgages	1,911	1,687	3,499	3,223
	<u>878,193</u>	<u>876,392</u>	<u>810,785</u>	<u>794,463</u>
Equities				
Canadian equities	649,715	540,593	472,742	472,348
International equities	184,753	158,523	146,917	143,973
US equities	98,613	38,106	89,395	46,082
Real estate and other assets	2,689	3,842	2,943	1,959
	<u>935,770</u>	<u>741,064</u>	<u>711,997</u>	<u>664,362</u>
	<u>\$ 1,813,963</u>	<u>\$ 1,617,456</u>	<u>\$ 1,522,782</u>	<u>\$ 1,458,825</u>

a) **Interest Rate Risk**

Interest rate risk relates to the impact of interest rate changes on the Plans' cash flows and financial position. This risk arises from differences in the timing and amount of cash flows related to the Plans' assets and liabilities.

As at August 31, 1999, a 1% increase in nominal interest rates would result in a decline in the fair value of fixed income investments of 4.8% (1998: 5.3%).

Based on fair values at August 31, 1999, Bonds and debentures and Non-Canadian bonds have the following average effective yields and term structures:

	1999			1998	
	Under 5 Years	5 to 10 Years	Over 10 Years	Total	Total
Bonds and debentures					
% of portfolio	52	28	20	100	100
Average effective yield (%)	5.81	5.97	6.1	5.99	5.94
Non-Canadian bonds					
% of portfolio	37	45	18	100	100
Average effective yield (%)	4.78	5.26	5.71	5.16	5.25

Short-term fixed income investments mature in less than 180 days and have yields of 4.7% to 5.0% (1998: 4.6% to 5.9%).

b) **Investments with the Province of Alberta**

Investments include bonds issued by the Province of Alberta of \$10,620,000 (1998: \$10,906,000).

c) **Credit Risk**

Credit risk arises from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract.

The Plans limit their credit risk by dealing with counter parties that are considered to be of high quality, setting and monitoring compliance with portfolio guidelines, diversification and obtaining collateral where appropriate.

The Plans record all investments at fair value. Consequently, investment values reflected in Note 4 of these financial statements represent the maximum credit risk exposure of the Plans as at August 31, 1999.

d) **Currency Risk**

Currency risk arises from the Plans' holdings of equities and bonds that are denominated in foreign currencies. To manage this risk, a portion of the currency exposure is hedged by foreign currency forwards.

Foreign currency forwards are contractual obligations either to buy or sell a specified amount of foreign currencies at predetermined future dates and exchange rates. A portion of the foreign currency exposure arising from the holdings within the non-Canadian bond and international equity portfolios is hedged by foreign currency forwards.

The Plans' foreign currency exposure is as follows:

	(In thousands)			
	1999		1998	
	Foreign Currency Exposure	Foreign Currency Hedge	Net Foreign Currency Exposure	Net Foreign Currency Exposure
United States	\$ 145,274	\$ 31,878	\$ 113,396	\$ 99,348
Euro	110,342	31,272	79,070	58,803
Australia	13,506	1,989	11,517	2,159
United Kingdom	47,613	31,088	16,525	16,012
Switzerland	10,127	-	10,127	7,082
Other	52,721	7,327	45,394	35,390
	<u>\$ 379,583</u>	<u>\$ 103,554</u>	<u>\$ 276,029</u>	<u>\$ 218,794</u>

Note 5

Receivables

	(In thousands)	
	1999	1998
Accrued income	\$ 18,914	\$ 16,338
Amounts due from pending trades	342	10,680
Contributions - teachers	7,686	6,914
Contributions - Province of Alberta	-	173
Other	462	452
	<u>\$ 27,404</u>	<u>\$ 34,557</u>

Note 6

Capital Assets

	(In thousands)			
	1999		1998	
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	\$ 391	\$ 232	\$ 159	\$ 186
Computer hardware and software	4,178	2,589	1,589	667
Software under development	-	-	-	1,110
	<u>\$ 4,569</u>	<u>\$ 2,821</u>	<u>\$ 1,748</u>	<u>\$ 1,963</u>

Note 7

Accounts Payable

	(In thousands)	
	1999	1998
Amounts payable from pending trades	\$ 1,416	\$ 9,088
Tax withholdings	3,849	3,520
Other investment transactions	367	295
Miscellaneous	556	313
	<u>\$ 6,188</u>	<u>\$ 13,216</u>

Note 8

Investment Income

	(In thousands)	
	1999	1998
Interest income		
Cash and short terms	\$ 1,785	\$ 1,983
Bonds and debentures	43,437	40,928
Non-Canadian bonds	4,173	4,715
Mortgages	176	228
Dividend income		
Canadian equities	11,374	10,196
International equities	3,736	2,959
Real estate and other assets	128	5,210
	<u>\$ 64,809</u>	<u>\$ 66,219</u>

Investment income includes interest of \$950,000 (1998: \$950,000) earned on bonds issued by the Province of Alberta.

The change in fair value of investments includes a realized net gain on disposal of investments of \$39,324,000 (1998: \$68,744,000) and an unrealized net gain of \$132,549,000 (1998: unrealized net loss of \$146,254,000).

Note 9

Current Contributions

	(In thousands)	
	1999	1998
Teachers		
Current service	\$ 109,531	\$ 103,628
Unfunded liability	31,551	29,818
Additional COLA	10,981	10,396
	<u>\$ 152,063</u>	<u>\$ 143,842</u>
Province of Alberta		
Current service	\$ 107,994	\$ 102,551
Unfunded liability	65,069	61,501
	<u>\$ 173,063</u>	<u>\$ 164,052</u>
Employers (Note 2c)		
Current service	\$ 82	\$ 279
Unfunded liability	44	35
	<u>\$ 126</u>	<u>\$ 314</u>

Note 10

Administrative Expenses

	(In thousands)		
	1999	1998	
	Budget	Actual	Actual
Salaries and benefits (Note 13)	\$ 2,393	\$ 2,225	\$ 2,187
Investment management	2,269	1,852	1,657
Premises and equipment	929	852	742
Consultant fees	519	414	385
Custodial and banking charges	447	404	464
Communications	432	338	333
Board and Investment Committee	50	70	34
Audit fees	70	50	60
Miscellaneous	29	21	17
	<u>\$ 7,138</u>	<u>\$ 6,226</u>	<u>\$ 5,879</u>

Note 11

Obligations for Benefits

Actuarial valuations of the Plans were done as at August 31, 1998 by Buck Consultants Limited, a firm of consulting actuaries, and were then projected to August 31, 1999. The present value of accrued benefits was determined using the projected benefit method prorated on service. The assumptions used in the valuations and projections are based on the Board's best estimate of future events.

The major long-term economic assumptions used in the current year actuarial projection and prior year actuarial valuation are:

	1999 Projection	1998 Valuation
Rate of return on invested assets	8.00%	8.00%
Rate of inflation	3.50%	3.50%
Real wage increases	1.00%	1.00%
Population growth	0.75%	0.75%

Future experience will differ from those assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future actuarial valuations.

As at August 31, 1999, a 0.25% decrease in population growth rate under the Teachers' Pension Plan, holding all other assumptions constant, would increase the amount of contributions required to finance the unfunded liability by 0.53% of total teacher salaries. No change would occur to the value of accrued pension benefits.

As at August 31, 1999, a 0.50% decrease in the rate of return on invested assets under the Teachers' Pension Plan, holding all other assumptions constant, would increase the amount of contributions required to finance current service costs by 1.30% of total teacher salaries. The change would not have a material impact on the amount of contributions required to finance the unfunded liability. The accrued pension benefits would increase approximately \$415 million.

The projection of the Teachers' Pension Plan to August 31, 1999 determined an unfunded liability of \$4.329 million, attributable to service credited prior to September 1992 and a \$7 million surplus attributable to service after August 1992.

The projection of the Private School Teachers' Pension Plan to August 31, 1999 determined a surplus of \$1.5 million.

	(in thousands)				
	1999			1998	
	Teachers' Pension Plan		Private School Teachers' Pension Plan	Total	Total
	Pre-Sept 1992	Post-August 1992			
Net assets at beginning of year	\$ 334,461	\$ 1,200,935	\$ 18,596	\$ 1,553,991	\$ 1,506,292
Net contributions	92,571	224,293	(17)	316,847	302,678
Benefits	(240,962)	(17,564)	(639)	(259,165)	(237,808)
Investment earnings	45,755	188,113	2,815	236,684	(11,291)
Administrative expenses	(486)	(5,669)	(71)	(6,226)	(5,879)
Net assets available for benefits	231,339	1,590,108	20,684	1,842,131	1,553,992
Provision for fluctuation in asset value	(23,339)	(130,108)	(2,184)	(155,631)	(45,992)
Actuarial value of accrued benefits	(4,537,000)	(1,453,000)	(17,000)	(6,007,000)	(5,551,000)
(Deficiency)/surplus	\$ (4,329,000)	\$ 7,000	\$ 1,500	\$ (4,320,500)	\$ (4,043,000)

Note 12

Investment Performance

The following is a summary of the investment performance results attained by the Alberta Teachers' Retirement Fund Board:

	One-Year Return	Five-Year Average Annual Compound Rate
Alberta Teachers' Retirement Fund Board	15.2%	11.1%
Benchmark ⁽¹⁾	15.7%	11.8%

⁽¹⁾ The benchmark return is a weighted average of certain market index returns, approved by the Board, based on the fund's policy asset mix.

The Board adopts a long-term real rate of return assumption for actuarial valuations. This long-term rate of return target was set at 3.5 percent over inflation for the year ended August 31, 1993, 4 percent over inflation for the four years ended August 31, 1997 and 4.5 percent over inflation since September 1, 1997. Over the seven-year period since September 1, 1992, the Fund's average annual compound rate of return was 10.5 percent, compared to the long-term target of 5.9 percent.

Note 13

Salaries and Benefits

	1999		1998	
	Salary ⁽¹⁾	Benefits & Allowances ⁽³⁾	Total	Total
Board Chair	\$ -	\$ -	\$ -	\$ -
Board Members	5,000 ⁽²⁾	-	5,000	4,000
Executive Director	126,000	21,000	147,000	141,000
Director of Investments	125,000	20,000	145,000	145,000
Portfolio Manager, Equities	93,000	13,000	106,000	102,000
Coordinator, Information Services	93,000	12,000	105,000	85,000
Portfolio Manager, Fixed Income	92,000	12,000	104,000	92,000

(1) Salary includes regular base pay, overtime, bonuses, lump sum payments, retiring allowances, honoraria for Board members and any other direct cash remuneration.

(2) Honoraria for Board members is paid to Board members who are not employed by the Province of Alberta or by an employer participating in the Plans.

(3) Benefits and Allowances includes the employer's share of all employee benefits and contributions or payments made on behalf of employees, including CPP, EI, pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional memberships and tuitions, and car allowances.

Note 14

Uncertainty Due to Year 2000

The year 2000 issue is the result of some computer programs being written using two digits rather than four to define the applicable year. Programs that have date sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000, which could result in miscalculations or systems failures. In addition, similar problems may arise in some systems if certain dates in 1999 are not recognized as a valid date or are recognized to represent something other than a date. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000. If not addressed, the effect on operations and financial reporting may range from minor errors to significant systems failures that could affect the ability to conduct some operations.

The Alberta Teachers' Retirement Fund Board has completed the work it considers necessary to resolve the potential effect of the year 2000 on the processing of date sensitive information by its computerized information systems. Despite efforts to address this issue, it is not possible to be certain that all aspects of the year 2000 problem, including those related to the efforts of suppliers and other third parties, have been resolved.

Note 15

Comparative Figures

Comparative figures have been reclassified, where necessary, to conform to the 1999 presentation.

Note 16

Budget Information

The accrued pension benefits are based on management's best estimates of future events after consultation with the Plans' actuary. Differences between actual results and management's expectations are disclosed as net experience gains in the statement of changes in accrued pension benefits. Accordingly, a budget is not included in these financial statements, with the exception of administrative expenses (Note 10).