

elections.ab.ca

2006 Annual Report of the Chief Electoral Officer

*The Election Finances and Contributions Disclosure Act
For the Calendar Year 2006*

[SUBSTITUTE WITH ORIGINAL LETTER]

December, 2007

The Honourable Ken Kowalski
Speaker of the Legislative Assembly
325 Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Mr. Speaker:

It is an honour to submit to the Legislative Assembly through you, Mr. Speaker, Elections Alberta's 2006 Annual Report of the *Election Finances and Contributions Disclosure Act* for the calendar year 2006.

This Report is submitted pursuant to Section 4(2) of the *Election Finances and Contributions Disclosure Act*, Revised Statutes of Alberta 2000, Chapter E-2. The Report includes this Office's Financial Statements for the fiscal years ending March 31, 2006 and March 31, 2007.

Should you require clarification or additional information, I would be pleased to respond.

Sincerely,

Lorne R. Gibson
Chief Electoral Officer

Table of Contents

Message from the Chief Electoral Officer	1
--	---

Section One – The Calendar Year 2006

Overview	2
----------------	---

Registration Data	2
--------------------------------	---

Political Parties	2
-------------------------	---

Reserved Political Party Names	3
--------------------------------------	---

Constituency Associations	3
---------------------------------	---

Registration	3
--------------------	---

Deregistration	3
----------------------	---

Re-registration.....	3
----------------------	---

Summary.....	4
--------------	---

Financial Statements	4
-----------------------------------	---

Political Parties - 2006 Annual Financial Statements.....	4
---	---

Political Party Contributions	5
-------------------------------------	---

Alberta Alliance Party (AAP)	5
------------------------------------	---

Alberta Greens (AG)	5
---------------------------	---

Alberta Liberal Party (LIB).....	5
----------------------------------	---

Alberta New Democratic Party (NDP)	6
--	---

Alberta Party (AP)	6
--------------------------	---

Alberta Social Credit Party (SC).....	6
---------------------------------------	---

Communist Party - Alberta (CP-A)	6
--	---

Progressive Conservative Association of Alberta (PC)	7
--	---

Separation Party of Alberta (SPA)	7
---	---

Total Contributions to All Parties.....	7
---	---

Summary of 2006 Annual Financial Statements Filed by Registered Political Parties	8
---	---

Constituency Associations – 2006 Annual Financial Statements	9
--	---

Constituency Association Contributions.....	9
---	---

Alberta Alliance Party (AAP)	9
------------------------------------	---

Alberta Greens (AG)	10
---------------------------	----

Alberta Liberal Party (LIB).....	10
----------------------------------	----

Alberta New Democratic Party (NDP)	10
--	----

Alberta Party (AP)	10
--------------------------	----

Alberta Social Credit Party (SC).....	10
---------------------------------------	----

Communist Party - Alberta (CP-A)	10
--	----

Progressive Conservative Association of Alberta (PC)	11
--	----

Separation Party of Alberta (SPA)	11
---	----

Total Contributions to All Constituency Associations.....	11
---	----

Total Combined Contributions to Political Parties and Constituency Associations.....	12
--	----

Summaries

Status of Constituency Associations of Registered Political Parties at December 31, 2006.....	13
--	----

Section Two – General Information

Funds Held in Trust by the Office of the Chief Electoral Officer 15

Public Files 15

Events of Interest since March 31, 2006 15

Section Three – Recommendations

Recommendations to Amend the
Elections Finances and Contributions Disclosure (EFCD) Act 16

Section Four – Enforcement

Enforcement Actions..... 17

Section Five – Financial Statements

2006 Annual Financial Statements of the Office of the Chief Electoral Officer..... 18

2007 Annual Financial Statements of the Office of the Chief Electoral Officer..... 33

Message from the Chief Electoral Officer

The report on the 2006 calendar year contains current registration information for registered political parties and constituency associations. In addition, it includes summary information from the 2006 financial statements filed by registered political parties and constituency associations by March 31, 2007.

One area of focus during the 2006 calendar year has been the examination of internal validation procedures. Close review of financial statements filed with this Office has demonstrated that stakeholders interpret the legislation in different ways. Updating forms to make them easier to complete is one way we intend to achieve uniform interpretation and thus reduce the follow-up currently required by this Office. This proactive approach to stakeholder assistance will be extended to improve both online and printed resources.

Another area of attention was the careful review of both pieces of legislation administered by this Office. Approximately one hundred recommendations for legislative change were submitted to the Standing Committee on Legislative Offices in 2006. Nineteen of these were recommendations for change to the *Election Finances and Contributions Disclosure Act* to strengthen reporting and disclosure requirements, and to clarify some ambiguities within the legislation. A summary of the recommended changes to this Act appear in the following pages.

Careful review of financial statements in the 2006 calendar year revealed several contributions which, in my opinion, contravened *the Act*. A summary of the action taken to date has also been included in this report.

I am interested in improving our service to those stakeholders with filing responsibilities under the Act. In addition, I am interested in improving the quality and timeliness of the information contained this report and on the website (www.elections.ab.ca). Suggestions to help achieve this goal are welcome.

Lorne R. Gibson
Chief Electoral Officer

Contact Information

Office of the Chief Electoral Officer
Suite 100, 11510 Kingsway NW
Edmonton, Alberta T5G 2Y5

Phone (Edmonton and local calling area): 427-7191
Toll-free Phone (outside local calling area): 310-0000 (780) 427-7191

Website: www.elections.ab.ca Email: info@elections.ab.ca

Section One – The Calendar Year 2006

Overview

The following are some of the major activities and events that occurred during the calendar year 2006:

- Annual financial statements for the calendar year 2006 were received and examined from nine registered parties;
- Annual financial statements for the calendar year 2006 were received and examined from 347 constituency associations;
- 357 registered constituency associations were included in the Register of Constituency Associations as of December 31, 2006.

Registration Data

Political Parties

As at December 31, 2006, there were nine political parties included in the Register of Political Parties maintained by Elections Alberta in accordance with Section 7(2) of the *Election Finances and Contributions Disclosure Act*. Registration information concerning these nine registered parties follows.

<u>Name (Abbreviation)</u>	<u>Date Registered</u>	<u>President</u>	<u>Chief Financial Officer</u>
Alberta Alliance Party (AAP)	October 25, 2002	Randy Thorsteinson	Jane Greydanus
Alberta Greens (AG)	April 6, 1990	Susan Stratton	David Crowe
Alberta Liberal Party (LIB)	February 3, 1978	Grant Dunlop	Karen Sevcik
Alberta New Democratic Party (NDP)	January 3, 1978	Steve Bradshaw	Sandra Houston
Alberta Party (AP)	October 30, 1990	Richard Kayler	Fred Schorning
Alberta Social Credit Party (SC)	January 6, 1978	Earl Solberg	Earl Solberg
Communist Party - Alberta (CP-A)	January 31, 1979	Naomi Rankin	Blyth Nuttal
Progressive Conservative Association of Alberta (PC)	January 3, 1978	Marg Mrazek	Ron Renaud
Separation Party of Alberta (SPA)	November 2, 1999	Mike Bennison	Judy Hutton

Reserved Political Party Names

This Office holds a file of three reserved political party names as of December 31, 2006. The applicants have indicated that they propose to form a registered political party in accordance with the provisions of the *Election Finances and Contributions Disclosure Act*. The current status of their activity is still unclear; however, they have been advised that one of the primary requirements for registration is the completion of a petition under Section 6(2)(d) of the *Election Finances and Contributions Disclosure Act*. The petition must contain a minimum of 6,004 signatures of eligible electors, which represents 0.3% of the number of electors eligible to vote at the 2004 General Election.

Constituency Associations – Registration

During the 2006 calendar year, two applications for registration were received and approved.

Alberta Greens

Drayton Valley-Calmar

Alberta Social Credit Party

Red Deer - South

Constituency Associations – Deregistration

During the 2006 calendar year, six constituency associations were deregistered, either by failure to report or by request.

Separation Party of Alberta

Highwood

Innisfail-Sylvan Lake

Leduc-Beaumont-Devon

Little Bow

Alberta Social Credit Party

Lethbridge-East

Medicine Hat

Constituency Associations – Re-registration

There were no requests for re-registration from deregistered constituency associations as of December 31, 2006.

Summary of Constituency Association Registrations at December 31, 2006

At December 31, 2006, the number of registered constituency associations of the registered parties was as follows:

	AAP	AG	LIB	NDP	AP	SC	CPA	PC	SPA	TOTAL
Total Registered Constituency Associations	83	3	83	83	2	10	0	83	10	357

A chart showing the status of registered constituency associations of each registered political party, by electoral division is presented on pages 12 and 13.

Financial Statements

In accordance with Section 42 of the *Election Finances and Contributions Disclosure Act*, political parties and constituency associations registered prior to September 1, 2006 were required to file annual financial statements for 2006 with this Office on or before March 31, 2007.

Political Parties - 2006 Annual Financial Statements

Nine political parties were registered with the Office of the Chief Electoral Officer as of December 31, 2006 and all were required to submit an audited 2006 Political Party Annual Financial Statement by March 31, 2007. Eight of the nine registered parties filed on time; the Separation Party of Alberta filed late. Following a review by this Office, the Separation Party of Alberta was allowed to maintain their registration. The nine registered parties are as follows:

- Alberta Alliance Party
- Alberta Greens
- Alberta Liberal Party
- Alberta New Democratic Party
- Alberta Party
- Alberta Social Credit Party
- Communist Party - Alberta
- Progressive Conservative Association of Alberta
- Separation Party of Alberta

Political Party Contributions

The following presents the number, monetary amount, and category of contributions received by registered political parties in the 2006 calendar year. Figures in this report are rounded to the nearest dollar.

Alberta Alliance Party

	Total Contributions	Average Contributions
Amounts to \$375.00:		
80 contributions from individuals	\$ 8,541	\$ 107
4 contributions from corporations	\$ 835	\$ 209
Amounts of \$375.01 and greater:		
16 contributions from individuals	\$ 24,290	\$ 1,518
6 contributions from corporations	\$ 19,478	\$ 3,246
Total	\$ 53,144	

Alberta Greens

	Total Contributions	Average Contributions
Amounts to \$375.00:		
44 contributions from individuals	\$ 5,665	\$ 129
2 contributions from corporations	\$ 320	\$ 160
Amounts of \$375.01 and greater:		
8 contributions from individuals	\$ 9,080	\$ 1,135
1 contribution from a corporation	\$ 2,000	\$ 2,000
Total	\$ 17,065	

Alberta Liberal Party

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2,117 contributions from individuals	\$ 179,798	\$ 85
445 contributions from corporations	\$ 46,183	\$ 104
Amounts of \$375.01 and greater:		
990 contributions from individuals	\$ 435,145	\$ 440
155 contributions from corporations	\$ 254,526	\$ 1,642
Total	\$ 915,651	

Alberta New Democratic Party

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2,011 contributions from individuals	\$ 279,808	\$ 139
10 contributions from corporations	\$ 1,852	\$ 185
5 contributions from trade unions	\$ 880	\$ 176
Amounts of \$375.01 and greater:		
324 contributions from individuals	\$ 223,101	\$ 689
4 contributions from corporations	\$ 8,070	\$ 2,018
7 contributions from trade unions	\$ 18,369	\$ 2,624
Total	<u>\$ 532,080</u>	

Alberta Party

	Total Contributions	Average Contributions
Amounts to \$375.00:		
12 contributions from individuals	\$ 695	\$ 58
Amounts of \$375.01 and greater:		
8 contributions from individuals	\$ 15,756	\$ 1,969
Total	<u>\$ 16,451</u>	

Alberta Social Credit Party

	Total Contributions	Average Contributions
Amounts to \$375.00:		
38 contributions from individuals	\$ 2,955	\$ 78
Amounts of \$375.01 and greater:		
7 contributions from individuals	\$ 11,530	\$ 1,647
1 contribution from a corporation	\$ 2,300	\$ 2,300
Total	<u>\$ 16,785</u>	

Communist Party – Alberta

	Total Contributions	Average Contributions
Amounts to \$375.00 or of \$375.01 and greater		
0 contributions	\$ 0	\$ 0
Total	<u>\$ 0</u>	

Progressive Conservative Association of Alberta

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2,136 contributions from individuals	\$ 180,174	\$ 84
305 contributions from corporations	\$ 33,292	\$ 109
Amounts of \$375.01 and greater:		
549 contributions from individuals	\$ 458,265	\$ 835
643 contributions from corporations	\$ 1,239,659	\$ 1,928
Total	\$ 1,911,390	

Separation Party of Alberta

	Total Contributions	Average Contributions
Amounts to \$375.00:		
18 contributions from individuals	\$ 1,775	\$ 98
Amounts of \$375.01 and greater:		
12 contributions from individuals	\$ 33,050	\$ 2,754
1 contributions from corporations	\$ 510	\$ 510
Total	\$ 35,335	

Total Contributions to All Parties

	Total Contributions	Average Contributions
Amounts to \$375.00:		
6,456 contributions from individuals	\$ 659,410	\$ 102
766 contributions from corporations	\$ 82,482	\$ 108
5 contributions from trade unions	\$ 880	\$ 176
Amounts of \$375.01 and greater:		
1,914 contributions from individuals	\$ 1,210,217	\$ 632
811 contributions from corporations	\$ 1,526,542	\$ 1,882
7 contributions from trade unions	\$ 18,369	\$ 2,624
Total	\$ 3,497,901	

**Summary of 2006 Annual Financial Statements
Filed by
Registered Political Parties**

Registered Political Parties	Amounts to \$375.00	Amounts of \$375.01 and greater	Other Revenue	Total Annual Revenue	Funds Transferred	Annual Expenses	Total Annual Expenses	Surplus (Deficit)
AAP	9,376	43,768	5,905	59,049	Nil	66,738	66,738	(7,690)
AG	5,985	11,080	867	17,932	Nil	8,866	8,866	9,066
AP	695	15,756	363	16,814	Nil	13,814	13,814	3,000
CP-A	Nil	Nil	Nil	Nil	Nil	118	118	(118)
LIB	216,803	695,031	112,885	1,024,719	155,261	637,657	792,918	231,801
NDP	282,541	249,539	93,309	625,389	91,899	544,555	636,454	(11,065)
PC	213,366	1,698,024	1,275,579	3,186,969	Nil	2,528,379	2,528,379	658,590
SC	3,175	13,610	5,473	22,258	3,455	17,048	20,503	1,755
SPA	1,775	33,560	528	35,863	Nil	41,257	41,257	(5,394)

Note: The information presented above represents financial data as filed by Registered Political Parties as at December 31, 2006 in capsule form rounded to the nearest dollar. For information on prior years, reference should be made to the Public Files maintained in this Office. (See page 15)

Constituency Associations – 2006 Annual Financial Statements

All three hundred and fifty-seven (357) constituency associations registered on December 31, 2006 were required to file annual financial statements on or prior to March 31, 2007, for the period January 1, 2006 to December 31, 2006.

Financial statements were received from three hundred and forty-seven (347) constituency associations by the due date. One constituency association of the Alberta Greens, two constituency associations of the Alberta Social Credit Party, and six constituency associations of the Separation Party of Alberta failed to file the required financial statements by the due date.

Constituency Association Contributions

Administrative and financial procedures differ significantly between parties, and each party is required to advise this Office of its routine relating to certain procedures. The following information reflects these procedures as it affects the constituency associations' authority to accept contributions and to issue official receipts for the period January 1, 2006 to December 31, 2006.

Alberta Alliance Party

All of the eighty-three registered constituency associations were authorized to accept contributions; four reported the receipt of contributions:

	Total Contributions	Average Contributions
Amounts to \$375.00:		
14 contributions from individuals	\$ 895	\$ 64
1 contribution from a corporation	\$ 350	\$ 350
Amounts of \$375.01 and greater:		
1 contributions from individuals	\$ 400	\$ 400
Total	<u>\$ 1,645</u>	

Alberta Greens

Three registered constituency associations were authorized to accept contributions; one reported the receipt of contributions:

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2 contributions from individuals	\$ 600	\$ 300
Amounts of \$375.01 and greater:		
2 contributions from individuals	\$ 1,500	\$ 750
Total	<u>\$ 2,100</u>	

Alberta Liberal Party

None of the eighty-three registered constituency associations were authorized to accept contributions.

Alberta New Democratic Party

None of the eighty-three registered constituency associations were authorized to accept contributions.

Alberta Party

Both registered constituency associations were authorized to accept contributions but no contributions were reported.

Alberta Social Credit Party

All of the nine registered constituency associations were authorized to accept contributions; two reported the receipt of contributions:

	Total Contributions	Average Contributions
Amounts to \$375.00:		
31 contributions from individuals	\$ 3,150	\$ 102
Amounts of \$375.01 and greater:		
2 contributions from individuals	\$ 1,750	\$ 875
Total	<u>\$ 4,900</u>	

Communist Party - Alberta

The Communist Party had no constituency associations registered in the 2006 calendar year.

Progressive Conservative Association of Alberta

All of the eighty-three registered constituency associations were authorized to accept contributions; seventy-three reported the receipt of contributions:

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2,737 contributions from individuals	\$ 331,005	\$ 121
972 contribution from a corporation	\$ 118,894	\$ 122
Amounts of \$375.01 and greater:		
485 contributions from individuals	\$ 284,644	\$ 587
379 contributions from corporations	\$ 227,179	\$ 599
Total	<u>\$ 961,722</u>	

Separation Party of Alberta

None of the ten registered constituency associations received contributions in the 2006 calendar year.

Total Contributions to All Constituency Associations

	Total Contributions	Average Contributions
Amounts to \$375.00:		
2,784 contributions from individuals	\$ 335,649	\$ 121
973 contribution from a corporation	\$ 119,244	\$ 123
Amounts of \$375.01 and greater:		
490 contributions from individuals	\$ 288,294	\$ 588
379 contributions from corporations	\$ 227,179	\$ 599
Total	<u>\$ 970,366</u>	

Total Combined Contributions to Political Parties and Constituency Associations

Total contributions received by registered parties and constituency associations during 2006 were:

	Party	Constituency Associations	Total
Alberta Alliance Party	\$ 53,144	\$ 1,645	\$ 54,789
Alberta Greens	\$ 17,065	\$ 2,100	\$ 19,165
Alberta Liberal Party	\$ 915,651	\$ Nil	\$ 915,651
Alberta New Democratic Party	\$ 532,080	\$ Nil	\$ 532,080
Alberta Party	\$ 16,451	\$ Nil	\$ 16,451
Alberta Social Credit Party	\$ 16,785	\$ 4,900	\$ 21,685
Communist Party - Alberta	\$ Nil	\$ Nil	\$ Nil
Progressive Conservative Association of Alberta	\$ 1,911,389	\$ 961,722	\$ 2,873,111
Separation Party of Alberta	\$ 35,335	\$ Nil	\$ 35,335
Total	\$ 3,497,021	\$ 970,366	\$ 4,468,267

**Status of Constituency Associations
of Registered Political Parties
at December 31, 2006**

("R" = registered, "-" = not registered, "X" = deregistered in reporting year)

Constituency Association		AAP	AG	LIB	NDP	AP	SC	PC	SPA
01	Dunvegan-Central Peace	R	-	R	R	-	-	R	-
02	Calgary-Bow	R	-	R	R	-	R	R	-
03	Calgary-Buffalo	R	-	R	R	-	-	R	-
04	Calgary-Cross	R	-	R	R	-	-	R	-
05	Calgary-Currie	R	-	R	R	-	-	R	-
06	Calgary-East	R	-	R	R	-	-	R	-
07	Calgary-Egmont	R	-	R	R	-	-	R	-
08	Calgary-Elbow	R	-	R	R	-	-	R	-
09	Calgary-Fish Creek	R	-	R	R	-	-	R	-
10	Calgary-Foothills	R	-	R	R	-	-	R	-
11	Calgary-Fort	R	-	R	R	-	-	R	-
12	Calgary-Glenmore	R	-	R	R	-	-	R	-
13	Calgary-Hays	R	-	R	R	-	-	R	-
14	Calgary-Lougheed	R	-	R	R	-	-	R	-
15	Calgary-Mackay	R	-	R	R	-	-	R	-
16	Calgary-McCall	R	-	R	R	-	-	R	-
17	Calgary-Montrose	R	-	R	R	-	-	R	-
18	Calgary-Mountain View	R	R	R	R	-	-	R	-
19	Calgary-North Hill	R	-	R	R	-	-	R	-
20	Calgary-North West	R	-	R	R	-	-	R	-
21	Calgary-Nose Hill	R	-	R	R	-	-	R	-
22	Calgary-Shaw	R	-	R	R	-	-	R	-
23	Calgary-Varsity	R	-	R	R	-	-	R	-
24	Calgary-West	R	-	R	R	-	-	R	-
25	Edmonton-Beverly-Clareview	R	-	R	R	-	R	R	-
26	Edmonton-Calder	R	-	R	R	-	-	R	-
27	Edmonton-Castle Downs	R	-	R	R	-	-	R	-
28	Edmonton-Centre	R	-	R	R	-	-	R	-
29	Edmonton-Decore	R	-	R	R	-	-	R	R
30	Edmonton-Ellerslie	R	-	R	R	-	-	R	-
31	Edmonton-Glenora	R	-	R	R	-	R	R	R
32	Edmonton-Gold Bar	R	-	R	R	-	-	R	R
33	Edmonton-Highlands-Norwood	R	-	R	R	-	-	R	-
34	Edmonton-Manning	R	-	R	R	-	-	R	-
35	Edmonton-McClung	R	-	R	R	-	-	R	-
36	Edmonton-Meadowlark	R	-	R	R	-	R	R	-
37	Edmonton-Mill Creek	R	-	R	R	-	-	R	-
38	Edmonton-Mill Woods	R	-	R	R	-	-	R	-
39	Edmonton-Riverview	R	-	R	R	-	-	R	-
40	Edmonton-Rutherford	R	-	R	R	-	-	R	-
41	Edmonton-Strathcona	R	R	R	R	-	-	R	-
42	Edmonton-Whitemud	R	-	R	R	-	-	R	-

**Status of Constituency Associations
of Registered Political Parties
at December 31, 2006**

("R" = registered, "-" = not registered, "X" = deregistered in reporting year)

Constituency Association	AAP	AG	LIB	NDP	AP	SC	PC	SPA
43 Airdrie-Chestermere	R	-	R	R	R	-	R	R
44 Athabasca-Redwater	R	-	R	R		-	R	-
45 Banff-Cochrane	R	-	R	R	-	-	R	-
46 Barrhead-Morinville-Westlock	R	-	R	R	-	-	R	-
47 Battle River-Wainwright	R	-	R	R		R	R	-
48 Bonnyville-Cold Lake	R	-	R	R	-	-	R	-
49 Cardston-Taber-Warner	R	-	R	R	-	-	R	-
50 Cypress-Medicine Hat	R	-	R	R	-	-	R	-
51 Drayton Valley-Calmar	R	R	R	R	-	-	R	-
52 Drumheller-Stettler	R	-	R	R	R	-	R	-
53 Foothills-Rocky View	R	-	R	R	-	-	R	-
54 Fort McMurray-Wood Buffalo	R	-	R	R	-	-	R	-
55 Fort Saskatchewan-Vegreville	R	-	R	R	-	-	R	-
56 Grande Prairie-Smoky	R	-	R	R	-	-	R	-
57 Grande Prairie-Wapiti	R	-	R	R	-	-	R	-
58 Highwood	R	-	R	R	-	-	R	X
59 Innisfail-Sylvan Lake	R	-	R	R	-	-	R	X
60 Lac La Biche-St. Paul	R	-	R	R	-	-	R	-
61 Lacombe-Ponoka	R	-	R	R	-	-	R	-
62 Leduc-Beaumont-Devon	R	-	R	R	-	R	R	X
63 Lesser Slave Lake	R	-	R	R	-	-	R	-
64 Lethbridge-East	R	-	R	R	-	X	R	R
65 Lethbridge-West	R	-	R	R	-	R	R	-
66 Little Bow	R	-	R	R	-	-	R	X
67 Livingstone-Macleod	R	-	R	R	-	-	R	R
68 Medicine Hat	R	-	R	R	-	X	R	-
69 Olds-Didsbury-Three Hills	R	-	R	R	-		R	R
70 Peace River	R	-	R	R	-	-	R	-
71 Red Deer-North	R	-	R	R	-	-	R	-
72 Red Deer-South	R	-	R	R	-	R	R	R
73 Rocky Mountain House	R	-	R	R	-	R	R	R
74 Sherwood Park	R	-	R	R	-	-	R	-
75 Spruce Grove-Sturgeon-St. Albert	R	-	R	R	-	-	R	-
76 St. Albert	R	-	R	R	-	-	R	-
77 Stony Plain	R	-	R	R	-	-	R	-
78 Strathcona	R	-	R	R	-	-	R	-
79 Strathmore-Brooks	R	-	R	R	-	R	R	R
80 Vermilion-Lloydminster	R	-	R	R	-	-	R	-
81 West Yellowhead	R	-	R	R	-	-	R	-
82 Wetaskiwin-Camrose	R	-	R	R	-	-	R	-
83 Whitecourt-Ste. Anne	R	-	R	R	-	-	R	-

Section Two – General Information

Funds Held in Trust by the Office of the Chief Electoral Officer

At the date of this report, the Chief Electoral Officer is not holding any funds in trust for any party, constituency association, or candidate whose registration has been cancelled, or for any other reason.

Public Files

The Public Files contain information concerning political financing of registered political organizations in Alberta. The Public Files now contain data for thirty consecutive calendar years including the eight general elections held since February 14, 1979, the eighteen by-elections held since January 1, 1978 and the Senate Nominee elections held in 1989, 1998, and 2004.

All financial statements are contained in the Public Files maintained by this Office and are available for examination from 8:15 a.m. to 12:00 p.m. and 1:00 p.m. to 4:30 p.m., Monday to Friday. Photocopies of data maintained in the Public Files are available at a rate prescribed under authority of Section 11 of the *Election Finances and Contributions Disclosure Act*. Reports published by the Chief Electoral Officer are available to the public at no cost and are also available on the Elections Alberta website: www.elections.ab.ca. Information from the 2004 General Election and forward is also available to the public on the web site under the Financial Disclosure tab.

Events of Interest since March 31, 2006

The following events have taken place between the end of the filing year, March 31, 2006 and the date this report was published.

A new addition to the Elections Alberta website was activated in November 2006 allowing access to public records identified within the *Election Finances and Contributions Disclosure Act*. The online Contributor Search will enable users to easily research contributions made by individuals, corporations or trade unions. This search capacity will modernize the existing manual process of researching information through the Public Files located in our office.

Section Three – Recommendations to Amend the *Election Finances and Contributions Disclosure Act*

The *Election Finances and Contributions Disclosure Act* regulates the amounts and manner in which contributions and funds raised are collected, dispersed, and accounted for; including the source of the funds and the amounts carried forward.

The following is a summary of the statutory changes recommended in 2006.

1. Expand the definition and application of prohibited corporations to include penalties for contributors and/or recipients of funds provided by others.
2. Require a recipient to return, or turn over to the Crown, any contribution made in violation of the act.
3. Expand the definition of “prohibited corporation” to include all corporations controlled by provincially funded entities.
4. Replace the term “normally resident” with the term “ordinarily resident” to be consistent with the definition outlined in the *Election Act*.
5. Expand the requirements for disclosure and retention of records to include all receipts, disbursements, assets, and liabilities.
6. If ticket prices for fund-raising events exceed \$100, require organizers to attribute 25% of the ticket cost to event costs and 75% as a contribution.
7. To facilitate monitoring of compliance with the Act, require the date of the contribution to be recorded as well as the name, address, and amount.
8. Adjust the prosecution timeframe from two years after commission of the offence to two years following the date on which the Chief Electoral Officer became aware of the offence in order to allow the CEO adequate time to investigate all inquiries and complaints that may be brought forward.
9. Require records retention of five years to correspond with the maximum mandate of the government.
10. Require candidates to record outstanding invoices as unpaid expenses; require candidates and constituency associations to annually report deficits and loans; and increase the allowable timeframe for the submission of claims against a candidate from 2 months to 3 months after polling day.
11. Add the provision to protect and indemnify the CEO and his staff from liability for anything done in good faith under the *Election Finances and Contributions Disclosure Act*.
12. Require candidates in leadership contests to appoint a financial officer and to file financial reports outlining associated receipts and disbursements.
13. Prohibit candidates in leadership conventions from accepting donations from prohibited corporations, out-of-province donors, from those using other people’s money, and anonymous contributions in excess of \$50.
14. Define the meaning of “audited financial statement” to clarify the standards required for an audited financial statement.

Section Four – Enforcement

Several enforcement actions were taken in 2006 as a result of enquiries and compliance reviews of financial statements filed with the Office of the Chief Electoral Officer. Five separate instances of contributions by prohibited corporations contrary to s. 16 of the *Election Finances and Contributions Disclosure Act* were uncovered and investigated by Elections Alberta. In all five cases, the Chief Electoral Officer consented to charges being laid against the prohibited corporations, as is required before a prosecution can be instituted pursuant to s. 53 of the Act. Charges were laid in 4 of the 5 cases. These matters have not as yet been concluded by the Court.

Another enforcement action involved political contributions over the limits set according to s. 17 of the *Election Finances and Contributions Disclosure Act*. This matter was investigated by Elections Alberta and the Chief Electoral Officer consented to charges being laid against the contributor and the recipient of the excess contributions. Charges were laid in this matter before the end of the reporting period. At the time of writing, this matter has still not been concluded.

Section Five – Office of the Chief Electoral Officer Financial Statements

Financial Statements – as at March 31, 2006

Financial Statements – as at March 31, 2007

Office of the Chief Electoral Officer

Financial Statements

As at March 31, 2006

OFFICE OF THE CHIEF ELECTORAL OFFICER

FINANCIAL STATEMENTS

AS AT MARCH 31, 2006

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Cash Flow

Notes to the Financial Statements

Schedule 1 – Expense Detailed by Object

Schedule 2 - Salary and Benefits Disclosure

Schedule 3 – Schedule of Allocated Costs

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Office of the Chief Electoral Officer (the "Office") as at March 31, 2006 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Office's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

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

Edmonton, Alberta

FCA
Auditor General

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2006

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets		
Cash	\$ 150	\$ 650
Accounts receivable and advances	400	2,673
Inventory	<u>265,789</u>	<u>265,789</u>
	266,339	269,112
Capital assets (Note 4)	<u>420,371</u>	<u>293,993</u>
	<u>\$ 686,710</u>	<u>\$ 563,105</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 90,381	\$ 121,929
Accrued vacation pay	<u>92,739</u>	<u>158,368</u>
	183,120	280,297
Net assets		
Net assets at beginning of year	282,808	111,648
Net operating results	(1,659,866)	(13,605,299)
Net transfer from general revenues	<u>1,880,648</u>	<u>13,776,459</u>
Net assets at end of year	<u>503,590</u>	<u>282,808</u>
	<u>\$ 686,710</u>	<u>\$ 563,105</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2006

	<u>2006</u>		<u>2005</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Other revenue		\$ 26,991	\$ 86,388
Expenses (Schedules 1 & 3):			
Voted:			
Election office	\$ 1,047,000	980,069	926,829
Elections	353,000	86,131	8,270,357
Register of electors	<u>1,097,000</u>	<u>812,663</u>	<u>4,662,323</u>
	<u>\$ 2,497,000</u>	<u>1,878,863</u>	<u>13,859,509</u>
Non-budgetary Expenses			
Capitalization of assets expensed as supplies		(292,322)	(200,919)
Amortization of capital assets		165,944	109,092
Net purchase of inventory		-	(193,745)
Write down of inventory		-	56,764
Valuation adjustment			
Decrease (increase) in provision for vacation		<u>(65,628)</u>	<u>60,986</u>
		<u>(192,008)</u>	<u>(167,822)</u>
		<u>1,686,857</u>	<u>13,691,687</u>
Net operating results		<u>\$ (1,659,866)</u>	<u>\$ (13,605,299)</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2006

	<u>2006</u>	<u>2005</u>
Operating transactions:		
Net operating results	\$ (1,659,866)	\$ (13,605,299)
Add non-cash charges		
Amortization of capital assets	<u>165,944</u>	<u>109,092</u>
	(1,493,922)	(13,496,207)
Decrease in accounts receivable	2,273	1,004
(Increase) in inventory	-	(136,981)
(Decrease) in accounts payable and accrued liabilities	(31,548)	(3,842)
(Decrease) increase in accrued vacation pay	<u>(65,629)</u>	<u>60,986</u>
Cash used by operating transactions	<u>(1,588,826)</u>	<u>(13,575,040)</u>
Capital transactions:		
Purchase of capital assets	(292,322)	(200,919)
Financing transactions:		
Net transfer from general revenues	<u>1,880,648</u>	<u>13,776,459</u>
Net cash used	<u>(500)</u>	<u>500</u>
Cash, beginning of year	<u>650</u>	<u>150</u>
Cash, end of year	<u><u>\$ 150</u></u>	<u><u>\$ 650</u></u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2006

Note 1 Authority

The Office of the Chief Electoral Officer (the “Office”) is operated under the authority of the *Election Act*, the *Election Finances and Contributions Disclosure Act* and the *Senatorial Selection Act*. The net cost of the operations of the Office is borne by the General Revenue Fund of the Province of Alberta. Annual operating budgets are reviewed by the Select Standing Committee on Legislative Offices.

Note 2 Purpose

The Chief Electoral Officer provides administrative, logistic and financial support for general and special enumerations, general elections and by-elections, and plebiscites in support of the *Election Act* and elections in support of the *Senatorial Selection Act*. The Chief Electoral Officer monitors and records the financial activities of registered parties, constituency associations and candidates to ensure compliance with the *Election Finances and Contributions Disclosure Act*.

Note 3 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies:

a) Reporting Entity

The reporting entity is the Office of the Chief Electoral Officer, for which the Chief Electoral Officer is responsible.

The Office operates within the General Revenue Fund (the “Fund”). The Fund is administered by the Minister of Finance. All receipts of the Office are deposited into the Fund and all disbursements made by the Office are paid from the Fund.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting.

Expenses

Expenses represent the costs of resources consumed during the year on the Office's operations.

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for employee service relating to prior years.

During 2005, expenses for Senate Nominee Elect in the amount of \$1,651,393 were included under expenses for Elections. In 2006, no expenses were incurred for this activity.

Assets

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

Inventories are valued at the lower of cost or net realizable value.

Capital assets of the Office are recorded at historical cost. The threshold for capitalizing capital assets is \$5,000. Amortization is calculated on a straight-line basis, over the estimated useful lives of the assets as follows:

Computer hardware and software	3 years
Warehouse Equipment	10 years
Furniture and other office equipment	10 years
Election assets	20% each general election

In the year of addition and disposal, amortization is one-half of the prescribed amount.

Liabilities

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

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

b) Basis of Financial Reporting (continued)

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

Valuation of Financial Assets and Liabilities

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

The fair value of cash, accounts receivable and advances, accounts payable and accrued liabilities and accrued vacation pay are estimated to approximate their book values.

Non-Budgetary Expenses

Non-budgetary expenses are increases or decreases in expenses that are excluded from expenses for government budgetary purposes. They are used to record usage of capital assets and inventory on an accrual basis.

Valuation Adjustments

Valuation adjustments reflect amounts excluded from expenses for government budgetary purposes and include changes in the valuation allowances used to reflect assets and liabilities at their appropriate value.

Note 4 Capital Assets

	2006		2005	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware and software	\$ 793,909	\$ 452,702	\$ 341,207	\$ 230,279
Warehouse equipment	13,400	13,400	-	-
Furniture and other office equipment	109,074	50,483	58,591	43,141
Election assets	142,434	121,861	20,573	20,573
	<u>\$1,058,817</u>	<u>\$ 638,446</u>	<u>\$ 420,371</u>	<u>\$ 293,993</u>

Note 5 Defined Benefit Plans

The Office participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The Office also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$65,735 for the year ended March 31, 2006 (2005 - \$58,146).

At December 31, 2005, the Management Employees Pension Plan reported a deficiency of \$165,895,000 (2004 - \$268,101,000) and the Public Service Pension Plan reported a deficiency of \$187,704,000 (2004 - \$450,068,000). At December 31, 2005, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$10,018,000 (2004 - \$9,404,000).

The office also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2006, the Bargaining Unit Plan reported an actuarial deficiency of \$8,699,000 (2005 - \$11,817,000) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$ 8,311,000 (2005 - \$3,208,000). The expense for these two plans is limited to employer's annual contributions for the year.

Note 6 Budget

Expenses:

2005-06 authorized budget ^(a)	\$ 2,497,000
2005-06 actual expenses (excluding non-budgetary expenses and valuation adjustment)	<u>(1,878,863)</u>
2005-06 unexpended (excluding non-budgetary expenses and valuation adjustment)	<u>\$ 618,137</u>

(a) Legislative Assembly Estimates were approved on June 2, 2005 in the amount of \$2,497,000.

Note 7 Approval of Financial Statements

These financial statements were approved by the Chief Electoral Officer.

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF EXPENSE DETAILED BY OBJECTFOR THE YEAR ENDED MARCH 31, 2006

	2006		2005
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Voted:			
Salaries, wages and employee benefits		\$ 840,941	\$ 1,076,933
Supplies and services		1,037,922	12,782,576
Total voted expenses	<u>\$ 2,497,000</u>	<u>1,878,863</u>	<u>13,859,509</u>
Non-budgetary expenses:			
Capitalization of assets expensed as supplies		(292,322)	(200,919)
Amortization of capital assets		165,944	109,092
Net purchase of inventory		-	(193,745)
Write down of inventory		-	56,764
Valuation adjustment (Note 3):			
(Decrease) increase in vacation pay		(65,628)	60,986
		<u>(192,006)</u>	<u>(167,822)</u>
Total expenses		<u>\$ 1,686,857</u>	<u>\$ 13,691,687</u>

OFFICE OF THE CHIEF ELECTORAL OFFICERSALARY AND BENEFITS DISCLOSUREFOR THE YEAR ENDED MARCH 31, 2006

	2006			2005	
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
CURRENT EXECUTIVES					
Senior official					
Chief Electoral Officer ⁽⁴⁾					
/Acting Chief Electoral Officer ⁽⁵⁾	\$ 134,078	\$ 18,380	\$ 20,657	\$ 173,115	\$ 157,985
Executive					
Deputy Chief Electoral Officer ⁽⁶⁾	\$ 64,781	\$ 3,822	\$ 3,968	\$ 72,571	\$ 113,055

- (1) Base salary includes regular base pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pensions, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition.
- (4) Automobile provided, no dollar amount included in other non-cash benefits figures.
- (5) Acting Chief Electoral Officer occupied the position starting November 23, 2005.
- (6) Position has been vacant since November 23, 2005.

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF ALLOCATED COSTSFOR THE YEAR ENDED MARCH 31, 2006

Program	2006					2005	
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Valuation Adjustments ⁽³⁾		Total Expenses	Total Expenses
		Accommodation Costs ⁽²⁾	Legal Costs	Vacation Pay			
Operations	\$ 1,752,485	\$ 174,747	\$ -	\$ (65,628)	\$ 1,861,604	\$ 13,820,357	

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) is allocated by square footage.

(3) Valuation Adjustments as per Statement of Operations. Employee benefits provision were allocated by employee.

Office of the Chief Electoral Officer

Financial Statements

As at March 31, 2007

OFFICE OF THE CHIEF ELECTORAL OFFICER

FINANCIAL STATEMENTS

AS AT MARCH 31, 2007

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Cash Flow

Notes to the Financial Statements

Schedule 1 – Expense Detailed by Object

Schedule 2 - Salary and Benefits Disclosure

Schedule 3 – Schedule of Allocated Costs

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Office of the Chief Electoral Officer (the "Office") as at March 31, 2007 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Office's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Office as at March 31, 2007 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta

FCA
Auditor General

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2007

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash	\$ 150	\$ 150
Accounts receivable and advances	-	400
Inventory	<u>265,789</u>	<u>265,789</u>
	265,939	266,339
Capital assets (Note 4)	<u>487,604</u>	<u>420,371</u>
	<u>\$ 753,543</u>	<u>\$ 686,710</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 312,925	\$ 90,381
Accrued vacation pay	<u>83,807</u>	<u>92,739</u>
	<u>396,732</u>	<u>183,120</u>
Net assets		
Net assets at beginning of year	503,590	282,808
Net operating results	(2,073,290)	(1,659,866)
Net transfer from general revenues	<u>1,926,511</u>	<u>1,880,648</u>
Net assets at end of year	<u>356,811</u>	<u>503,590</u>
	<u>\$ 753,543</u>	<u>\$ 686,710</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2007

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Other revenue		\$ 12,664	\$ 26,990
Expenses (Schedules 1 & 3):			
Voted:			
Election office	\$ 1,109,000	1,207,477	980,069
Elections	321,000	217,742	86,131
Register of electors	1,085,000	736,900	812,663
	<u>\$ 2,515,000</u>	<u>2,162,119</u>	<u>1,878,863</u>
Non-budgetary Expenses			
Capitalization of assets expensed as supplies		(269,219)	(292,322)
Amortization of capital assets		201,986	165,944
Valuation adjustment			
(Decrease) increase in accrued vacation pay		(8,932)	(65,629)
		<u>(76,165)</u>	<u>(192,007)</u>
		<u>2,085,954</u>	<u>1,686,856</u>
Net operating results		<u>\$ (2,073,290)</u>	<u>\$ (1,659,866)</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2007

	<u>2007</u>	<u>2006</u>
Operating transactions:		
Net operating results	\$ (2,073,290)	\$ (1,659,866)
Add non-cash charges		
Amortization of capital assets	201,986	165,944
	<u>(1,871,304)</u>	<u>(1,493,922)</u>
Decrease in accounts receivable	400	2,273
(Decrease) in accounts payable and accrued liabilities	222,544	(31,548)
(Decrease) increase in accrued vacation pay	<u>(8,932)</u>	<u>(65,629)</u>
Cash used by operating transactions	<u>(1,657,292)</u>	<u>(1,588,826)</u>
Capital transactions:		
Purchase of capital assets	(269,219)	(292,322)
Financing transactions:		
Net transfer from general revenues	<u>1,926,511</u>	<u>1,880,648</u>
Net cash used	<u>-</u>	<u>(500)</u>
Cash, beginning of year	<u>150</u>	<u>650</u>
Cash, end of year	<u>\$ 150</u>	<u>\$ 150</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2007

Note 1 Authority

The Office of the Chief Electoral Officer (the “Office”) is operated under the authority of the *Election Act*, the *Election Finances and Contributions Disclosure Act* and the *Senatorial Selection Act*. The net cost of the operations of the Office is borne by the General Revenue Fund of the Province of Alberta. Annual operating budgets are reviewed by the Select Standing Committee on Legislative Offices.

Note 2 Purpose

The Chief Electoral Officer provides administrative, logistic and financial support for general and special enumerations, general elections and by-elections, and plebiscites in support of the *Election Act* and elections in support of the *Senatorial Selection Act*. The Chief Electoral Officer monitors and records the financial activities of registered parties, constituency associations and candidates to ensure compliance with the *Election Finances and Contributions Disclosure Act*.

Note 3 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian generally accepted accounting principles:

a) Reporting Entity

The reporting entity is the Office of the Chief Electoral Officer, for which the Chief Electoral Officer is responsible.

The Office operates within the General Revenue Fund (the “Fund”). The Fund is administered by the Minister of Finance. All receipts of the Office are deposited into the Fund and all disbursements made by the Office are paid from the Fund.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting.

Expenses

Expenses represent the costs of resources consumed during the year on the Office's operations.

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for employee service relating to prior years.

Assets

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

Inventories are valued at the lower of cost or net realizable value.

Capital assets of the Office are recorded at historical cost. The threshold for capitalizing capital assets is \$5,000. Amortization is calculated on a straight-line basis, over the estimated useful lives of the assets as follows:

Computer hardware and software	3 years
Warehouse Equipment	10 years
Furniture and other office equipment	10 years
Election assets	20% each general election

In the year of addition and disposal, amortization is one-half of the prescribed amount.

Liabilities

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

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

b) Basis of Financial Reporting (continued)

Net assets/liabilities represent the difference between the value of assets held by the Office and its liabilities.

Valuation of Financial Assets and Liabilities

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

The fair value of cash, accounts receivable and advances, accounts payable and accrued liabilities and accrued vacation pay are estimated to approximate their book values.

Non-Budgetary Expenses

Non-budgetary expenses are increases or decreases in expenses that are excluded from expenses for government budgetary purposes. They are used to record usage of capital assets and inventory on an accrual basis.

Valuation Adjustments

Valuation adjustments reflect amounts excluded from expenses for government budgetary purposes and include changes in the valuation allowances used to reflect assets and liabilities at their appropriate value.

	2007		2006	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware and software	\$1,063,128	\$ 645,121	\$ 418,007	\$ 341,207
Warehouse equipment	13,400	13,400	-	-
Furniture and other office equipment	95,674	46,650	49,024	58,591
Election assets	142,434	121,861	20,573	20,573
	<u>\$1,314,636</u>	<u>\$ 827,032</u>	<u>\$ 487,604</u>	<u>\$ 420,371</u>

Note 5 Defined Benefit Plans

The Office participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The Office also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$55,221 for the year ended March 31, 2007 (2006 - \$65,735).

At December 31, 2006, the Management Employees Pension Plan reported a deficiency of \$6,765,000 (2005 - \$165,895,000) and the Public Service Pension Plan reported a surplus of \$153,024,000 (2005 – deficiency of \$187,704,000)). At December 31, 2006, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$3,698,000 (2005 - \$10,018,000).

The Office also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2007, the Bargaining Unit Plan reported an actuarial surplus of \$153,000 (2006 – actuarial deficiency of \$8,699,000)) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$ 10,148,000 (2006 – \$8,309,000). The expense for these two plans is limited to employer’s annual contributions for the year.

Note 6 Budget

Expenses:

2006-07 authorized budget ^(a)	\$ 2,515,000
2006-07 actual expenses (excluding non-budgetary expenses and valuation adjustment)	<u>(2,162,119)</u>
2006-07 unexpended (excluding non-budgetary expenses and valuation adjustment)	<u><u>\$ 352,881</u></u>

(a) Legislative Assembly Estimates were approved on May 24, 2006 in the amount of \$2,515,000.

Note 7 Approval of Financial Statements

These financial statements were approved by the Chief Electoral Officer.

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF EXPENSE DETAILED BY OBJECTFOR THE YEAR ENDED MARCH 31, 2007

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Voted:			
Salaries, wages and employee benefits		\$ 907,337	\$ 840,941
Supplies and services		1,254,782	1,037,922
Total voted expenses	<u>\$ 2,515,000</u>	<u>2,162,119</u>	<u>1,878,863</u>
Non-budgetary expenses:			
Capitalization of assets expensed as supplies		(269,219)	(292,322)
Amortization of capital assets		201,986	165,944
Valuation adjustment (Note 3):			
(Decrease) increase in accrued vacation pay		(8,932)	(65,629)
		<u>(76,165)</u>	<u>(192,007)</u>
Total expenses		<u>\$ 2,085,954</u>	<u>\$ 1,686,856</u>

OFFICE OF THE CHIEF ELECTORAL OFFICERSALARY AND BENEFITS DISCLOSUREFOR THE YEAR ENDED MARCH 31, 2007

	2007			2006	
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
CURRENT EXECUTIVES					
Senior official					
Chief Electoral Officer ⁽⁴⁾					
/Acting Chief Electoral Officer ⁽⁵⁾	\$ 162,392	\$ 2,254	\$ 9,573	\$ 174,219	\$ 173,115
Executive					
Deputy Chief Electoral Officer ⁽⁶⁾	\$ 84,683	\$ 9,172	\$ 5,966	\$ 99,821	\$ 72,571

- (1) Base salary includes regular base pay.
- (2) Other cash benefits include bonuses, vacation payments and lump sum payments.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pensions, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition.
- (4) Automobile provided, no dollar amount included in other non-cash benefits figures.
- (5) Acting Chief Electoral Officer occupied the position starting November 23, 2005 to June 11, 2006
- (6) Position was vacant from November 23, 2005 to June 11, 2006

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF ALLOCATED COSTSFOR THE YEAR ENDED MARCH 31, 2007

Program	2007					2006	
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Valuation Adjustments ⁽³⁾		Total Expenses	Total Expenses
		Accommodation Costs ⁽²⁾	Legal Costs	Accrued Vacation Pay			
Operations	\$ 2,094,886	\$ 486,234	\$ -	\$ (8,932)	\$ 2,572,188	\$ 1,861,603	

(1) Expenses - Directly incurred as per Statement of Operations, excluding valuation adjustments.

(2) Costs shown for Accomodation (includes grants in lieu of taxes) is allocated by square footage.

(3) Valuation adjustments as per Statement of Operations. Employee benefits provision were allocated by employee.