

Executive Council

Annual Report
2011-2012

Alberta

Executive Council

Annual Report

2011-2012

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On October 12, 2011, the government announced new ministry structures. The Regulatory Review Secretariat was transferred to Executive Council during this time. The date of the official transfer was April 1, 2011. The 2011-12 ministry annual reports and financial statements have been prepared based on the October 12, 2011 ministry structure.

This annual report of the Ministry of Executive Council contains the minister's accountability statement, the audited financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan.

On May 8, 2012, the government announced a cabinet restructure. As a result, the Ministry of Executive Council was restructured. Corporate Human Resources was transferred to the Ministry from the Ministry of Treasury Board and Enterprise. This most recent restructuring will be reflected in the 2012-13 Ministry Annual Report.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2012, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at **June 15, 2012**, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original signed by

Alison Redford

Premier

June 15, 2012

Message from the Minister



It is an incredible honour to be entrusted with managing the \$40-billion enterprise that is the Government of Alberta. All Albertans are shareholders, and they rightfully expect a government that is focused on the programs and services that matter most to them.

That focus starts with a firm foundation of policy coordination and planning and effective two-way communication with Albertans. Executive Council played a key role in leading this work across government, with an emphasis on teamwork, innovation and integrated solutions.

Executive Council also provided support for government's work to bolster our reputation abroad and showcase our province as the best place to live, work and invest. As we laid the groundwork for the development of a Canadian Energy Strategy, Executive Council staff helped tell our energy story to the world, coordinating communications surrounding the development of the oil sands and public hearings on the Keystone XL pipeline.

It's also important to highlight the role Executive Council staff played in the response to the Slave Lake wildfires. Throughout the crisis, staff in Edmonton and Slave Lake and at evacuee reception centres put in an extraordinary amount of hours ensuring that residents and Albertans were kept up to date on the status of the fire and emergency response measures for those affected.

During the transition to my first term as Premier, I was impressed by the expertise and commitment within every branch of Executive Council. I know that dedication will continue as government works to build bridges across Canada and around the world and make the most of the opportunities before us.

Original signed by

Alison Redford

Premier

Management's Responsibility for Reporting

The Ministry of Executive Council includes the department of Executive Council.

The executives within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the President of Executive Council. Under the direction of the President, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability - information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability - the performance measure methodologies and results are presented clearly.
- Comparability - the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness - goals, performance measures and related targets match those included in the Ministry's Budget 2011.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance and the President of Executive Council information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

Original signed by

Peter Watson

Deputy Minister of Executive Council

June 15, 2012

Results Analysis

Ministry Overview

The Ministry of Executive Council includes the following areas:

Office of the Premier

- provides planning, communications and administrative support to the Premier's offices in Edmonton and Calgary

Deputy Minister's Office

- provides advice and support to the Premier on policy and organizational issues
- provides leadership to the Alberta Public Service

Cabinet Coordination Office

- provides organizational and administrative support and advice to Cabinet and its key committees

Policy Coordination Office

- supports long-term strategic planning and policy coordination for government
- promotes cross-ministry coordination, alignment and integration in the development and implementation of strategic priorities
- provides leadership and coordination for the policy excellence initiative to build policy capacity across government
- provides direction for regulatory reform within government and oversees the ongoing review of provincial regulation

Protocol Office

- plans and coordinates international visits and provincial government ceremonial events
- manages Government House operations

Alberta Order of Excellence

- supports the Alberta Order of Excellence Council, which reviews public nominations and selects individuals to receive the province's highest honour

Office of the Lieutenant Governor

- provides planning, communications and administrative support to the Lieutenant Governor

Public Affairs Bureau

- advances government communication with Albertans, develops communications for government's long-term strategic plans and priority initiatives, and supports internal government communications
- manages the Government of Alberta website and use of social media, provides technical support for government news conferences and distributes government news releases, coordinates government advertising, research and the corporate identity program
- promotes the province of Alberta as a destination of choice for immigration, investment, tourism and employment

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as “Reviewed by Auditor General” in the *Ministry of Executive Council’s 2011-12 Annual Report*. The reviewed performance measures are the responsibility of the Ministry and are prepared based on the following criteria:

- Reliability - information used in applying performance measure methodologies agrees with underlying source data for the current and prior years’ results.
- Understandability - the performance measure methodologies and results are presented clearly.
- Comparability - the methodologies for performance measure preparation are applied consistently for the current and prior years’ results.
- Completeness - goals, performance measures and related targets match those included in the Ministry’s Budget 2011.

My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating Ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the “Reviewed by Auditor General” performance measures in the Ministry’s 2011-12 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above.

Original signed by Merwan N. Saher, FCA

Auditor General

May 7, 2012

Edmonton, Alberta

Performance measures reviewed by the Auditor General are noted with an asterisk (*)
on the Performance Measures Summary Table.

Performance Measures Summary Table

Goals/Performance Measure(s)		Prior Years' Results				Target	Current Actual
1. Government policy and planning are coordinated and effective							
1.a	Satisfaction of Policy Coordination Office Clients with Products and Services	85% 2007-08	85% 2008-09	81% 2009-10	93% 2010-11	85%	90% 2011-12
2. Government communications are coordinated and effective							
2.a	Public Satisfaction with Government Communications	64% 2007-08	62% 2008-09	64% 2009-10	62% 2010-11	71%	68% 2011-12
2.b*	Public Satisfaction with Government of Alberta Home Page	85% 2007-08	84% 2008-09	84% 2009-10	85% 2010-11	90%	84% 2011-12
2.c*	Government Client Satisfaction with Communications Support and Services	89% 2007-08	90% 2008-09	94% 2009-10	93% 2010-11	95%	94% 2011-12

*Indicates Performance Measures that have been reviewed by the Office of the Auditor General

The performance measures indicated with an asterisk were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives
- Measures for which new data is available
- Measures that have well established methodology

Data Sources and Methodology

1a. Satisfaction of Policy Coordination Office Clients with Products and Services

From March 5 to 23, 2012, a survey was conducted of clients of the Policy Coordination Office. A total of 147 clients, which included Executive Team members from each Ministry and selected other Ministry staff that have direct contact with the Policy Coordination Office, were invited to participate in the web-based survey. 81 clients responded, for an overall participation rate of 55%. Respondents were asked to rate how satisfied they were with the products or services they had received over the past year by choosing from “very satisfied”, “somewhat satisfied”, “somewhat dissatisfied” or “very dissatisfied”. Results represent the total of “very” and “somewhat satisfied” responses.

2a. Public Satisfaction with Government Communications

2011-12 results reflect telephone interviews with 1,000 adult Albertans conducted from February 1 – 7, 2012, by a professional research firm. Respondents were randomly selected from across the province. Respondents were first asked whether they heard or received any information about provincial government activities or programs. Those who answered “yes” were then asked to choose from “very satisfied”, “somewhat satisfied”, “somewhat dissatisfied” or “very dissatisfied”. Figures shown reflect the averaged results of multiple questions. “No” response replies are not included in the calculation of results. A sample of this size within the given population produces results that are reliable to within plus or minus 4.2%. Results represent the total of “very” and “generally satisfied” responses.

2b. Public Satisfaction with Government of Alberta Home Page

2011-12 results reflect telephone interviews with 1,000 adult Albertans conducted from February 1 – 7, 2012, by a professional research firm. Respondents were randomly selected from across the province. Respondents were first asked whether they had visited the Alberta government website in the past year. The 565 who answered “yes” were then asked how useful they found the first page in helping them to locate the information they needed by choosing from “very useful”, “somewhat useful”, “not very useful” or “not at all useful”. “No” response replies are not included in the calculation of results. The margin of error on the sample of 565 is plus or minus 4.1% at the 95% confidence level. Results represent the total of “very” and “somewhat useful” responses.

2c. Government Client Satisfaction with Communications Support and Services

The 2011-12 survey was conducted by a professional research company. Communications Directors were asked to provide a list of all clients within their departments at the management level. 1,150 department staff were contacted via e-mail and provided with a link to a web address that allowed them to complete their surveys online. The survey was conducted from February 13 to March 2, 2012. Responses were received from 720 clients. Respondents were asked to rate how satisfied they were with the specific services they had received over the past year by choosing from “very satisfied”, “generally satisfied”, “generally dissatisfied” or “very dissatisfied”. Figures shown reflect the averaged results of multiple questions. “No” response replies are not included in the calculation of results. Results represent the total of “very” and “generally satisfied” responses.

Discussion and Analysis of Results

The 2011-12 fiscal year marked a number of important changes for Executive Council. The Premier's Council for Economic Strategy completed its work and released its final report in May. The Regulatory Review Secretariat was moved into the ministry in 2011, and Corporate Human Resources was added in May 2012.

Staff took a lead role in the response to the Slave Lake wildfire, coordinating extensive on-the-ground communications and establishing the Assistant Deputy Minister Task Force to provide provincial oversight and coordination of recovery efforts.

Executive Council organized the visit of The Duke and Duchess of Cambridge to Alberta in July, 2011. The Protocol Office coordinated the very successful three-day tour, which included a visit to Slave Lake to acknowledge the work of first responders and offer support to affected families; a demonstration of new, innovative medical technologies being tested in Alberta; a trip to the world-famous Calgary Stampede; and an official welcome at a provincial reception.

The Office of the Premier/Executive Council program area is showing an over expenditure for 2011-12. The extra spending covered costs for transitioning to the new administration in October 2011. Those costs were offset by surpluses in other ministry programs.

GOAL 1

Government policy and planning are coordinated and effective

In 2011-12, the Policy Coordination Office (PCO) supported the identification, implementation and tracking of government priorities and reported on progress. PCO staff provided advice on strategic options and promoted a corporate, cross-ministry, integrated approach to policy development that is aligned with government priorities. PCO also supported annual strategic planning and co-led development of the Government of Alberta Strategic Plan. PCO also supported the ongoing delivery of a policy excellence initiative to strengthen policy capacity in the public service.

In 2011, the Regulatory Review Secretariat was moved to the Policy Coordination Office within Executive Council to reinforce the importance of effective and efficient regulatory systems that are coordinated across the Government of Alberta. To ensure regulations uphold quality standards and are aligned with policy objectives, secretariat staff continued to provide consultative services and training to all departments.

GOAL 2

Government communications are coordinated and effective

In 2011-12, Public Affairs Bureau staff continued implementing a strategic communications plan to ensure coordinated and effective two-way communication with Albertans, including supporting communications for ministry and cross-ministry initiatives like Safe Communities, the Culture Forum, the MyHealth portal and Budget 2012. Efforts were also focused on strengthening government-wide communications and avoiding duplication through the creation of a year-long public opinion research plan, a centralized image bank, a cross-government advertising plan, cross-ministry collateral materials and an inventory of current and ongoing public consultations.

The Public Affairs Bureau continued to improve on existing tools to enhance two-way dialogue with Albertans, including launching a new website to make it easier for Albertans to access information online and expanding the use of social media. Staff also continued implementation of a government-wide social media policy.

Efforts were also focused on coordinating with ministries and organizations to promote Alberta's energy, immigration, employment, investment and tourism potential to the world. A number of tools and tactics were engaged in the strategy, including developing a newsletter for corporate consumers and investors, conducting Clean Energy Speakers Bureau training sessions, leading the cross-ministry approach to Canadian consulate oil sands advocacy meetings and organizing media tours.

Ministry Expense by Function

	2011-12 Budget	2011-12 Actual	2010-11 Actual
(in \$000)			
General Government	29,518	28,034	29,914

Financial Information

Independent Auditor's Report

To the Members of the Legislative Assembly



Report on the Financial Statements

I have audited the accompanying financial statements of the Ministry of Executive Council, which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Executive Council as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Original signed by Merwan N. Saher, FCA

Auditor General
June 6, 2012
Edmonton, Alberta

Financial Statements

March 31, 2012

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Statement of Operations

Year ended March 31, 2012

	2012	2011
	Budget (Schedule 2)	Actual Restated (Note 3)
(in thousands)		
Revenues		
Other Revenue	\$ -	\$ 4
Expenses - Directly Incurred (Note 2(b) and Schedule 6)		
Program (Schedules 1 and 3)		
Office of the Premier/Executive Council	10,204	10,400
Public Affairs	14,314	14,171
Promoting Alberta	5,000	3,463
	29,518	28,034
Net Operating Results	\$ (29,518)	\$ (28,030)
		\$ (29,908)

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

Statement of Financial Position

As at March 31, 2012

	2012	2011	Restated (Note 3)
	(in thousands)		
Assets			
Cash and Cash Equivalents	\$ 15	\$ 14	14
Accounts Receivable	52	7	7
Advances	1	1	1
	\$ 68	\$ 22	22
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 3,551	\$ 4,806	4,806
	3,551	4,806	4,806
Net Liabilities			
Net Liabilities at Beginning of Year	(4,784)	(4,214)	(4,214)
Net Operating Results	(28,030)	(29,908)	(29,908)
Net Financing Provided from General Revenues	29,331	29,338	29,338
Net Liabilities at End of Year	(3,483)	(4,784)	(4,784)
	\$ 68	\$ 22	22

Contractual obligations and contingent liabilities (Notes 4 and 5)

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

Statement of Cash Flows

Year ended March 31, 2012

	2012	2011 Restated (Note 3)
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (28,030)	\$ (29,908)
Decrease (Increase) in Accounts Receivable and Advances	(45)	53
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(1,255)	521
Cash Applied to Operating Transactions	<u>(29,330)</u>	<u>(29,334)</u>
Financing Transactions		
Net Financing Provided from General Revenues	29,331	29,338
Cash Provided by Financing Transactions	<u>29,331</u>	<u>29,338</u>
Increase (Decrease) in Cash and Cash Equivalents	1	4
Cash and Cash Equivalents at Beginning of Year	14	10
Cash and Cash Equivalents at End of Year	<u>\$ 15</u>	<u>\$ 14</u>

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

Notes to the Financial Statements

NOTE 1 AUTHORITY

The Ministry of Executive Council operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Executive Council. This entity consists of the activities of the Office of the Premier/Executive Council and Public Affairs Bureau.

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

(b) Basis of Financial Reporting

Revenues

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

Expenses

Directly Incurred

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

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

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

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

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

Assets acquired by right are not included. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized. The Ministry has no tangible capital assets that meet these thresholds.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Liabilities

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

Canadian public sector accounting standards require a “net debt” presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as “net debt” or “net financial assets” as an indicator of the future revenues required to pay for past transactions and events. The ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Valuation of Financial Assets and Liabilities

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

The fair values of cash and cash equivalents, accounts receivable, advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3 PROGRAM TRANSFER
(in thousands)

Effective April 1, 2011, the responsibility for the Regulatory Review Secretariat was transferred to the Ministry from the Ministry of Finance. Comparatives for 2011 have been restated as if the Ministry had always been assigned with its current responsibilities. Net liabilities on March 31, 2011 are made up as follows:

Net Liabilities as previously reported at March 31, 2011	\$ (4,750)
Transfer from the Ministry of Finance	(34)
Restated Net Liabilities at April 1, 2011	<u><u>\$ (4,784)</u></u>

NOTE 4 CONTRACTUAL OBLIGATIONS
(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	<u>2012</u>	<u>2011</u>
Obligations under contracts	<u><u>\$ 28</u></u>	<u><u>\$ 21</u></u>

The aggregate amounts payable for the unexpired terms of these contractual obligations will be fulfilled in 2012-13.

NOTE 5 CONTINGENT LIABILITIES
(in thousands)

At March 31, 2012 the Ministry has no legal claims (2011 - no legal claims).

NOTE 6 BENEFIT PLANS
(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$2,641 for the year ended March 31, 2012 (2011 – \$2,552). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2011, the Management Employees Pension Plan reported a deficiency of \$517,726 (2010 – deficiency \$397,087), the Public Service Pension Plan reported a deficiency of \$1,790,383 (2010 – deficiency \$2,067,151) and the Supplementary Retirement

Plan for Public Service Managers reported a deficiency of \$53,489 (2010 – deficiency \$39,559).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2012, the Bargaining Unit Plan reported an actuarial surplus of \$9,136 (2011 – deficiency \$4,141) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$10,454 (2011 – surplus \$7,020). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 7 SUBSEQUENT EVENTS

On May 8, 2012, the government announced cabinet restructuring. As a result, the Ministry of Executive Council was restructured. The Ministry will assume responsibility for Corporate Human Resources. This program was transferred from the Ministry of Treasury Board and Enterprise.

NOTE 8 COMPARATIVE FIGURES

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

NOTE 9 APPROVAL OF FINANCIAL STATEMENTS

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

Schedule to Financial Statements

Expenses Directly Incurred Detailed by Object

Schedule 1

Year ended March 31, 2012

	Budget	2012 Actual	2011 Actual	2011 Restated
(in thousands)				
Salaries, Wages and Employee Benefits	\$ 21,979	\$ 21,326	\$ 21,773	
Supplies and Services	7,350	6,514	7,970	
Financial Transactions and Other	189	194	171	
	\$ 29,518	\$ 28,034	\$ 29,914	

Schedule to Financial Statements

Budget

Schedule 2

Year ended March 31, 2012

	2011-12 Estimates (1)	Authorized Supplementary (in thousands)	2011-12 Authorized Budget
Revenues			
Other Revenue	\$ -	\$ -	\$ -
Expenses - Directly Incurred			
Programs			
Office of the Premier/Executive Council	10,204	-	10,204
Public Affairs	14,314	-	14,314
Promoting Alberta	5,000	-	5,000
	29,518	-	29,518
Net Operating Results	\$ (29,518)	\$ -	\$ (29,518)

(1) Estimates have been restated to reflect the program transfer of the Regulatory Review Secretariat at April 1, 2011

Schedule to Financial Statements

Comparison of Directly Incurred Expenses and Non-Budgetary Disbursements by Element to Authorized Spending

Year ended March 31, 2012

Schedule 3

	2011-12 Estimates⁽¹⁾	2011-12 Budget	Amounts Not Required to be Voted	2011-12 Authorized Spending	2011-12 Actual	Unexpended (Over Expended)
	(in thousands)					
Expenses						
Office of the Premier/Executive Council	\$ 9,711	\$ 9,711	\$ (44)	\$ 9,667	\$ 9,976	\$ (309)
1.0.1 Office of the Premier / Executive Council	493	493	(3)	490	471	19
1.0.2 Office of the Lieutenant Governor	10,204	10,204	(47)	10,157	10,447	(290)
Public Affairs	2,255	2,255	53	2,308	2,215	93
2.0.1 Corporate Services	12,059	12,059	11	12,070	11,892	178
2.0.2 Corporate Communications	14,314	14,314	64	14,378	14,107	271
Promoting Alberta	5,000	5,000	-	5,000	3,463	1,537
3.0.1 Promoting Alberta	5,000	5,000	-	5,000	3,463	1,537
Total Expenses	\$ 29,518	\$ 29,518	\$ 17	\$ 29,535	\$ 28,017	\$ 1,518

(1) Estimates have been restated to reflect the program transfer of the Regulatory Review Secretariat at April 1, 2011

Schedule to Financial Statements

Salary and Benefits Disclosure

Schedule 4

Year ended March 31, 2012

	2012				2011
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
Senior Officials					
Deputy Minister (4) (7)	\$ 380,137	\$ 43,525	\$ 115,580	\$ 539,242	\$ 377,653
Chief of Staff (5) (7)	213,626	95,901	40,643	350,170	284,607
Deputy Secretary to Cabinet (4)	196,507	1,250	54,782	252,539	236,582
Deputy Chief of Staff (6)	62,590	21,908	410	84,908	186,111
Executive Director, Policy (5) (8)	78,161	11,489	5,809	95,459	-
Advisor to Premier and Legislative Affairs (9)	106,667	15,223	7,601	129,491	-
Deputy Minister, Premier's Council for Economic Strategy (5) (10)	173,343	53,983	47,550	274,876	325,908
Executive Director, Southern Alberta Office (5) (7)	187,026	45,430	31,182	263,638	239,351
Director of Communications (5) (7)	153,661	25,120	40,517	219,298	198,269
Deputy Chief, Policy Coordination (5) (7)	206,322	4,959	59,359	270,640	278,402
Managing Director, Public Affairs Bureau (5)	240,724	32,785	6,591	280,100	288,004
Executives					
Office of the Premier/Executive Council:					
Chief of Protocol	151,836	1,250	8,562	161,648	161,790
Public Affairs:					
Executive Director, Strategic Communications	151,836	1,250	39,824	192,910	189,836
Executive Director, Corporate Communications	151,836	1,250	39,824	192,910	138,870
Executive Director, Corporate Services	157,152	1,250	6,452	164,854	164,985

Severance and termination payments are not included in this Schedule. Severance and termination amounts are considered compensation for lost employment rather than payment for services rendered.

Prepared in accordance with Treasury Board Directive 12/98 as amended.

- (1) Base salary includes pensionable base pay.
- (2) Other cash benefits include vacation payouts; lump sum payments; and payments in lieu of vehicles and pension. There were no bonuses paid in 2012.
- (3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- (4) Automobile provided for full year, no dollar amount included in other non-cash benefits.
- (5) Automobile provided for partial year, no dollar amount included in other non-cash benefits.
- (6) This position was occupied from April 1, 2011 to September 19, 2011.
- (7) These positions were occupied by two individuals at different times during the year. Other cash benefits includes vacation payouts on termination.
- (8) This position was occupied from October 17, 2011 to March 31, 2012.
- (9) This position was occupied from October 21, 2011 to March 31, 2012.
- (10) This position was occupied from April 1, 2011 to November 25, 2011.

Schedule to Financial Statements

Related Party Transactions

Schedule 5

Year ended March 31, 2012

(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government 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 premiums, 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 Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2012	2011
Expenses - Directly Incurred		
Other Services	\$ 135	\$ 111
Receivable from Other Government Departments	\$ -	\$ 2

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 but are disclosed in Schedule 6.

	Other Entities	
	2012	2011
	Restated	
Expenses - Incurred by Others		
Accommodation	\$ 1,630	\$ 1,518
Business Services	798	803
Legal Services	13	29
Air Transportation	1,108	712
	\$ 3,549	\$ 3,062

Schedule to Financial Statements

Allocated Costs

Year Ended March 31, 2012

(in thousands)

Schedule 6

Program	2012						2011	
	Expenses - Incurred by Others							
	Expenses ⁽¹⁾	Accommodation Costs ⁽²⁾	Business Services ⁽³⁾	Legal Services ⁽⁴⁾	Air Transportation ⁽⁵⁾	Total Expenses	Total Expenses	Restated (Note 3)
Office of the Premier/Executive Council	\$ 10,400	1,194	3	\$ 4	\$ 1,108	\$ 12,709	\$ 12,099	
Public Affairs	14,171	436	795	9	-	15,411	15,450	
Promoting Alberta	3,463	-	-	-	-	3,463	5,427	
	\$ 28,034	\$ 1,630	\$ 798	\$ 13	\$ 1,108	\$ 31,583	\$ 32,976	

(1) Expenses - Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation on Schedule 5, allocated by square footage.

(3) Business Services on Schedule 5, includes financial, administrative, technology services and executive vehicle services allocated by estimated costs incurred in each program.

(4) Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

(5) The Department of Treasury Board provides a summary of Air Transportation costs as shown on Schedule 5.

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