

Financial Information

Ministry of Health and Wellness

Consolidated Financial Statements

March 31, 2000

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2000

Auditor's Report

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AUDITOR'S REPORT

To the Members of the Legislative Assembly

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

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

The Ministry of Health and Wellness is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across ministries. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. The following two items identify the exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury:

Reporting entity

The financial statements for the Ministry of Health and Wellness (the "reporting entity") do not include the results of operations and net assets of regional health authorities and Provincial health boards as referred to in Note 2(a). Exclusion of the regional health authorities and the Provincial health boards from the reporting entity is an exception from generally accepted accounting principles. These principles provide for the inclusion of the results of operations and net assets of organizations that are accountable for the administration of their financial affairs and resources either to a minister of the government or directly to the Legislature, and are owned or controlled by the government. In my opinion, the above noted organizations meet the criteria for inclusion in the reporting entity and, accordingly, the results of operations and net assets of these organizations should be included in the accompanying financial statements.

The following describes, at a summary level, the effect of not including regional health authorities and Provincial health boards in the accompanying financial statements and is intended to illustrate the overall magnitude of the effect on the financial statements. If these entities had been included in the financial statements, the total assets would increase by approximately \$3,264 million and total liabilities would increase by approximately \$2,635 million as at March 31, 2000, resulting in an increase of approximately \$629 million in net assets. Similarly, there would be an increase in revenue of approximately \$583 million and an increase in expenses of approximately \$341 million for the year ended March 31, 2000, resulting in an decrease in the excess of expenses over revenues of approximately \$242 million. Had consolidated financial statements been prepared, virtually every account in, and the information provided by way of note to, the accompanying financial statements would have been materially different.

As the corporate government accounting policies followed stipulate that related parties include only those organizations that are part of the government reporting entity, transactions with the regional health authorities and Provincial health boards are not disclosed in these financial statements as transactions with related parties. Under generally accepted accounting principles, the regional health authorities and Provincial health boards are related parties of the Ministry of Health and Wellness. Since their net assets, revenues and expenses have not been included in these financial statements, a description of the nature and extent of the Ministry's transactions with them should have been included in Schedule 5, Related Party Transactions.

Excluded direct costs

Accommodation and certain other administration costs incurred in the operation of the Ministry have not been included in expenses. These costs, estimated at \$19 million, are recorded by the ministries that paid the expenses on behalf of the Ministry.

Also, the Ministry of Health and Wellness' provision for doubtful accounts is not, in my opinion, in accordance with generally accepted accounting principles.

Provision for doubtful accounts

Note 2 (c)(xi) indicates that the allowance for doubtful accounts at March 31, 2000, is estimated based on an aging analysis of accounts receivable and past collection patterns. However, management's estimate of the extent to which health care insurance premiums are collectible incorporates the effect on collections of improved economic conditions. In my opinion, the assertion that collections of health care insurance premiums will improve to the extent forecasted based on improved economic conditions is not supportable. Had the provision for doubtful accounts been estimated based on the stated methodology, the recorded provision for the year ended March 31, 2000, amounting to \$29.7 million, would be increased by \$ 4.1 million; and the allowance for doubtful accounts at March 31, 2000, amounting to \$115.0 million, would be increased by \$8.4 million.



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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2000
(thousand of dollars)

	<u>2000</u>		<u>1999</u>
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 108,454	\$ 109,643	\$ 44,164
Transfer from the Government of Canada	734,164	687,659	486,655
Fees	661,039	676,101	662,741
Other Revenue	48,855	52,886	49,325
	<u>1,552,512</u>	<u>1,526,289</u>	<u>1,242,885</u>
Expenses (Schedules 2 and 3)			
Ministry Support Services	88,528	87,053	82,813
Health Services	4,737,224	4,976,000	4,346,041
Premier's Council on Status of Persons with Disabilities	669	624	532
Persons with Developmental Disabilities	267,345	356,980	300,870
Alberta Alcohol and Drug Abuse Commission	32,853	34,806	33,718
	<u>5,126,619</u>	<u>5,455,463</u>	<u>4,763,974</u>
Valuation Adjustments			
Provision for Doubtful Accounts	23,466	29,694	28,608
Provision for Vacation Pay	-	(1,148)	2,589
	<u>23,466</u>	<u>28,546</u>	<u>31,197</u>
Loss on Disposal and Write Down of Capital Assets	900	1,111	57
Total Expenses	<u>5,150,985</u>	<u>5,485,120</u>	<u>4,795,228</u>
Net Operating Results	<u>\$ (3,598,473)</u>	<u>\$ (3,958,831)</u>	<u>\$ (3,552,343)</u>

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

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	2000	1999
Operating Transactions		
Net Operating Results	\$ (3,958,831)	\$ (3,552,343)
Non-cash items:		
Amortization	702	1,448
Loss on disposal and write down of capital assets	1,111	57
Provision for doubtful accounts	29,694	28,608
Provision for vacation accrual	(1,148)	2,589
	\$ (3,928,472)	(3,519,641)
(Increase) in Accounts Receivable	(103,199)	(58,427)
Decrease (Increase) in inventories	35	(13)
Decrease (Increase) in Loans and Advances	2,804	(2,809)
Increase (Decrease) in Accounts Payable	22,520	(124,980)
Increase in Unearned Revenue	144,930	1,077
(Decrease) in Deferred Contributions	(96)	(200)
Cash (Used) by Operating Transactions	(3,861,478)	(3,704,993)
Investing Transactions		
Purchases of Capital Assets	(3,960)	(1,441)
Purchase of Investments	(2,565)	-
Cash (Used) by Investing Transactions	(6,525)	(1,441)
Financing Transactions		
Net Transfer from General Revenues	3,848,840	3,704,161
Net Cash (Used)	(19,163)	(2,273)
Cash, Beginning of Year	12,245	14,518
Cash, End of Year	\$ (6,918)	\$ 12,245

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

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000
(thousand of dollars)

	2000	1999
<u>ASSETS</u>		
Cash (Note 4)	\$ (6,918)	\$ 12,245
Investments	2,565	-
Accounts Receivable (Note 5)	187,530	114,025
Loans and Advances (Note 6)	17	2,821
Inventory	151	186
Capital Assets (Note 7)	6,088	3,941
	\$ 189,433	\$ 133,218
<u>LIABILITIES</u>		
Accounts Payable and Accrued Liabilities (Note 8)	\$ 282,193	\$ 260,821
Deferred Contributions	214	310
Unearned Revenue (Note 9)	166,002	21,072
	448,409	282,203
<u>NET LIABILITIES</u>		
Net Liabilities at Beginning of Year, As Restated (Note 3)	(148,985)	(300,803)
Net Operating Results	(3,958,831)	(3,552,343)
Net Transfer from General Revenues	3,848,840	3,704,161
Net Liabilities at End of Year	(258,976)	(148,985)
	\$ 189,433	\$ 133,218

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

MINISTRY OF HEALTH AND WELLNESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2000

Note 1 Authority and Purpose

The Minister of Health and Wellness (Minister) has, by the Government Organization Act and its regulations, been designated responsibilities for various Acts. To fulfil these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Health and Wellness (Ministry).

The purpose of the Ministry is to maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders. The Ministry leads and supports a system for the delivery of quality health services and encourages and supports healthy living.

Through a leadership role, the Ministry sets direction, policy and provincial standards that ensure quality services and set priorities based on health needs, determine the scope of financial, capital and human resources required, and measure and report on the performance of the system. The Ministry is also engaged in inter-ministerial initiatives to effectively address challenges to the health and well-being of the population.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Ministry of Health and Wellness. The Government Accountability Act defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible. The accounts of Regional Health Authorities, the Alberta Cancer Board, and the Alberta Mental Health Board are not included in these financial statements as these accountable organizations are not considered to be part of the Ministry pursuant to section 1(1)(g) of the Government Accountability Act.

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

(a) Reporting Entity (continued)

The consolidated financial statements include the accounts of the following organizations:

<u>Organization</u>	<u>Authority</u>
Department of Health and Wellness	Government Organization Act
Alberta Alcohol and Drug Abuse Commission	Alcohol and Drug Abuse Act
Persons with Developmental Disabilities Foundation	Persons with Developmental Disabilities Foundation Act
Persons with Developmental Disabilities Provincial Board and Community and Facility Boards	Persons with Developmental Disabilities Community Governance Act

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and finance transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

(i) Revenues

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

(ii) Internal Government Transfers

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

(iii) Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote.

If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. Conversely, if actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

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

(c) Basis of Financial Reporting (continued)

(iv) Expenses

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

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 employees' service relating to prior years.

Certain expenses, primarily for office space, legal advice, and banking services, incurred on behalf of the Ministry by other Ministries are not reflected in the Statement of Operations. Schedule 5 discloses information on these related party transactions.

(v) Valuation Adjustments

Valuation adjustments 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.

(vi) Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as the bank balance established under the Health Care Insurance Plan, cash held by the Alberta Alcohol and Drug Abuse Commission, as well as inventories held for sale.

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

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

(vii) Liabilities

Liabilities include all financial claims payable by the Ministry at fiscal year end.

(viii) Net Assets/Net Liabilities

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

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

(c) Basis of Financial Reporting (continued)

(ix) 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 investments, accounts receivable, inventories, advances, accounts payable and accrued liabilities, and unearned revenues are estimated to approximate their book values. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

(x) Payments under Reciprocal and Other Agreements

The Ministry entered into agreements with other Provincial Governments, the Federal Government and the Workers' Compensation Board to provide services on their behalf.

Expenses incurred and revenue earned in the provision of services under these agreements are recorded in the records of the service providers and are not included in these financial statements.

Amounts paid and recovered under these agreements are disclosed in Note 12.

(xi) Measurement Uncertainty

(amounts in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount.

The allowance for doubtful accounts, in the amount of \$115,000 as reported in these financial statements, is based on an ageing analysis of the accounts receivable balance at March 31, 2000 and past collection patterns. The actual amount collected could vary from that estimated.

Note 3 Reorganization

(amounts in thousands)

There were some changes in the responsibilities of the Ministry as a result of a major reorganization announced by the government on May 25, 1999 and transfers of responsibility announced throughout the year. Comparative amounts for 1999 have been restated as if the Ministry had always been assigned its current responsibilities.

Net liabilities, as previously reported, as at March 31, 1998	\$ (231,370)
Transfer from Ministry of Community Development	(923)
Transfer from Ministry of Labour	(35)
Transfer from Ministry of Human Resources and Employment	(68,475)
Net liabilities, as restated, as at March 31, 1998	<u>\$ (300,803)</u>

Note 4 Cash

(amounts in thousands)

The cash balance consists of the following:

	2000	1999
Department of Health and Wellness		
Collectors Bank Account	\$ 2,819	\$ 9,869
Alberta Alcohol and Drug Abuse Commission		
Consolidated Cash Investment Trust Fund	3,397	2,084
(a) Persons with Developmental Disabilities Boards		
Bank Account	(13,393)	-
Persons with Developmental Disabilities Foundation		
Bank Account	242	283
Accountable Advances	17	9
	\$ (6,918)	\$ 12,245

(a) In March 2000, funds were withdrawn from the Boards' bank accounts to cover payments made on their behalf. The bank accounts were not replenished until April 2000, thus creating the bank overdraft. The Boards did not enter into any lending arrangements nor pay interest on this overdraft.

Note 5 Accounts Receivable

(amounts in thousands)

	2000		1999	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	\$295,576	\$115,000	\$180,576	\$112,245
Refunds from suppliers	6,954	0	6,954	1,780
	\$302,530	\$115,000	\$187,530	\$114,025

Accounts receivables are unsecured.

Note 6 Loans and Advances

(amounts in thousands)

Loans and advances consist of travel advances of \$17 (1999-\$2,821). In 1999, the balance included a non-travel advance of \$2,800 to a Regional Health Authority.

Note 7 Capital Assets

(amounts in thousands)

		2000			1999
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	5 years	\$ 11,693	\$ 6,166	\$ 5,527	\$ 3,427
Equipment	10 years	1,084	523	561	514
		<u>\$ 12,777</u>	<u>\$ 6,689</u>	<u>\$ 6,088</u>	<u>\$ 3,941</u>

Note 8 Accounts Payable and Accrued Liabilities

(amounts in thousands)

	2000	1999
Accounts payable	\$ 47,942	\$ 44,838
Accrued liabilities	221,424	202,008
Accrued vacation pay	12,827	13,975
	<u>\$ 282,193</u>	<u>\$ 260,821</u>

Note 9 Unearned Revenue
(amounts in thousands)

	<u>2000</u>	<u>1999</u>
Health Canada -Canada Health and Social Transfer	\$ 144,258	\$ -
Health Care premiums	21,672	21,040
Third party recoveries	52	14
Institution fees	<u>20</u>	<u>18</u>
	<u>\$ 166,002</u>	<u>\$ 21,072</u>

The Ministry received \$336,402 supplementary transfer payment in 2000, of which \$192,144 was recognized as revenue and the balance was deferred.

Note 10 Commitments
(amounts in thousands)

As at March 31, 2000, the Ministry has the following commitments:

	<u>2000</u>	<u>1999</u>
Specific programs commitments (a)	\$ 1,065,520	\$ 1,946,477
Service contracts	54,486	80,760
Equipment leases (b)	<u>7,388</u>	<u>3,225</u>
	<u>\$ 1,127,394</u>	<u>\$ 2,030,462</u>

(a) Included in specific program commitments is an amount of \$934,100 (1999 - \$1,798,500) for the provision of medical services by physicians to March 31, 2001 under the agreement signed with the Alberta Medical Association.

(b) The Ministry leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

<u>Year</u>	<u>Amount</u>
2001	\$ 4,530
2002	1,670
2003	594
2004	371
2005	112
Thereafter	<u>111</u>
	<u>\$ 7,388</u>

Note 10 Commitments (continued)

Canadian Blood Services

The Province of Alberta, as represented by the Minister of Health and Wellness, has committed to provide funding to the Canadian Blood Services (CBS). The Province's obligation for the operational costs of CBS is determined on a per capita basis, and the costs for fractionated blood and blood products is determined on the basis of annual utilization of these products.

This commitment was outlined in a Memorandum of Understanding, signed in January 1998, which recorded the understandings and commitments of the Minister of Health of Canada and the Provincial and Territorial Ministers of Health (except Quebec) regarding their respective roles and responsibilities in a renewed national blood system.

During the year, payments to CBS amounted to \$81,312 (1999 - \$56,475). Budgeted expenditure for the 2001 fiscal year is estimated at \$83,843.

Note 11 Contingencies

Sexual Sterilization Claims

The Ministry of Health and Wellness, has a contingent liability in respect of 62 claims (1999 – 294 claims) aggregating \$34 million (1999 - \$301 million) relating to the decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. The ultimate outcome of these claims cannot be determined. A provision for potential losses has been made.

Hepatitis C

The Ministry was named as defendant in various legal actions relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in specific legal actions, approximates \$137 million at March 31, 2000 (1999 - \$55.9 million). Included in this total are four claims amounting to \$6.6 million (1999 – \$6.6 million) in which the Ministry has been jointly named with other entities. Forty-seven claims amounting to \$125.1 million (1999- \$46.7 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of \$1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at \$30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Ministry made a provision for the Hepatitis C assistance.

Note 11 Contingencies (continued)

Voluntary Hospital Owners

The Ministry is liable under equity agreements entered into in 1969 between the Ministry and Voluntary Hospital Owners. The Ministry's liability is contingent upon termination of the equity agreements and concurrent transfer of ownership to the Province. The payout upon termination is estimated at \$22.6 million as at March 31, 2000 (1999 -\$27.4 million).

Other

At March 31, 2000, the Ministry was named as defendant in various other legal actions. The total claimed in these other legal actions approximates \$556.4 million at March 31, 2000 (1999-\$531.5 million). Included in this total are seven claims amounting to \$507.1 million (1999 – \$507.1 million) in which the Ministry has been jointly named with other entities. Twenty-three claims amounting to \$41.9 million (1999 - \$14.2 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 12 Payments under Reciprocal and Other Agreements
(amounts in thousands)

The Ministry entered into agreements, under the Alberta Health Care Insurance Plan, with other Provincial Governments and the Workers' Compensation Board to provide health services on their behalf. The Ministry pays service providers for services rendered under the agreements and recovers the amount paid from other provinces and the Workers' Compensation Board. Service providers include Regional Health Authorities, Provincial Health Boards and physicians.

The Ministry has also entered into an agreement with the Federal Government for the Health Transition Fund (Primary Health Care Project) to support the objective of studying and encouraging the further advancement of primary health care in Alberta. In addition, the Ministry entered into agreements with Health Canada, the Workers' Compensation Board and other provincial governments and territories to provide air ambulance services on their behalf. Payments incurred under this agreement are made by the Ministry under authority of the Financial Administration Act, Section 29.1 (1).

Accounts receivable from the Federal Government, other Provincial Governments and the Workers' Compensation Board are reflected in the Statement of Financial Position.

Note 12 Payments under Reciprocal and Other Agreements (continued)
(amounts in thousands)

	2000					1999
	Health Transition Fund	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total
Opening receivable balance	\$ 87	\$ 13,165	\$ 876	\$ 1,745	15,873	\$ 13,709
Add: Payments made during the year	4,618	96,547	3,833	2,229	107,227	108,952
	4,705	109,712	4,709	3,974	123,100	122,661
Less: Collections received during the year	1,817	91,478	3,877	2,098	99,270	106,788
Closing receivable balance	\$ 2,888	\$ 18,234	\$ 832	\$ 1,876	\$ 23,830	\$ 15,873

Note 13 Pensions

(amounts in thousands)

The Ministry participates in multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers established by the government effective July 1, 1999. The expense for these pension plans is equivalent to the annual contributions of \$5,353 for the year ended March 31, 2000 (1999-\$4,739).

Effective January 1, 1999, the Ministry's contribution to the Public Sector Pension Plan was reduced by .3% of pensionable salaries.

At December 31, 1999, the Management Employees Pension Plan reported a surplus of \$46,019 (1998-\$4,355) and the Public Service Pension Plan reported a surplus of \$517,020 (1998-\$406,445). At March 31, 2000, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$33.

Note 14 Comparative Figures

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

Note 15 Approval of Financial Statements

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

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	2000		1999
	Budget (Schedule 4)	Actual	Actual
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 57,570	\$ 57,759	\$ 3,048
Transfer from Community Development	50,884	50,884	40,116
Transfer from Children Services	-	1,000	1,000
	<u>108,454</u>	<u>109,643</u>	<u>44,164</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	732,232	685,218	483,094
Other	1,932	2,441	3,561
	<u>734,164</u>	<u>687,659</u>	<u>486,655</u>
Fees			
Health care insurance:			
Premiums before premium assistance	625,251	740,793	727,748
Less:			
Premium assistance under legislation	-	(101,974)	(102,235)
	<u>625,251</u>	<u>638,819</u>	<u>625,513</u>
Add:			
Penalties	12,945	14,043	13,581
Interest and miscellaneous	500	441	539
Health care insurance premiums, penalties and interest	<u>638,696</u>	<u>653,303</u>	<u>639,633</u>
Non-Group Blue Cross Benefits:			
Premiums before premium assistance	-	22,403	22,581
Less premium assistance	-	(2,247)	(2,320)
	<u>20,000</u>	<u>20,156</u>	<u>20,261</u>
Total premiums	658,696	673,459	659,894
Residency fees	900	1,185	1,273
Other	1,443	1,457	1,574
	<u>661,039</u>	<u>676,101</u>	<u>662,741</u>
Other revenue:			
Third party recoveries	46,333	47,371	42,604
Miscellaneous:			
Previous years' refunds of expenditure	1,600	2,772	3,406
Other	922	2,743	3,315
	<u>48,855</u>	<u>52,886</u>	<u>49,325</u>
Total revenue	<u>\$ 1,552,512</u>	<u>\$ 1,526,289</u>	<u>\$ 1,242,885</u>

MINISTRY OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	2000		1999
	Authorized Budget	Actual	Actual
Health Care Insurance Premium Revenue ⁽¹⁾			
Dedicated Revenue			
Fees	\$ 638,696	\$ 653,303	\$ 639,633
Internal government transfers	50,884	50,884	40,116
	<u>689,580</u>	<u>704,187</u>	<u>679,749</u>
Expense	<u>4,479,215</u>	<u>4,700,544</u>	<u>4,116,030</u>
Net (Expense)	<u>\$ (3,789,635)</u>	<u>\$ (3,996,357)</u>	<u>\$ (3,436,281)</u>
Non-Group Drug Benefits ⁽²⁾			
Dedicated Revenue - Fees	\$ 20,000	\$ 20,156	\$ 20,261
Expense			
Non-group drug benefits	245,282	261,097	216,461
Ground ambulance services	14,300	13,727	13,550
	<u>259,582</u>	<u>274,824</u>	<u>230,011</u>
Net (Expense)	<u>\$ (239,582)</u>	<u>\$ (254,668)</u>	<u>\$ (209,750)</u>
Spatial Public Health Information Exchange ⁽³⁾			
Dedicated Revenue - Health Canada	\$ 782	\$ 721	\$ 1,139
Expense	<u>1,564</u>	<u>288</u>	<u>2,008</u>
Net (Expense) Revenue	<u>\$ (782)</u>	<u>\$ 433</u>	<u>\$ (869)</u>
Capital Expenditure	<u>\$ -</u>	<u>\$ 1,328</u>	<u>\$ -</u>

MINISTRY OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	2000		1999
	Authorized Budget	Actual	Actual
Archival Blood Bank Record Review for Hepatitis C ⁽⁴⁾			
Dedicated Revenue - Health Canada	\$ 1,500	\$ 172	\$ -
Expense	3,000	344	-
Net (Expense)	<u>\$ (1,500)</u>	<u>\$ (172)</u>	<u>\$ -</u>
Health Services for Persons with Hepatitis C ⁽⁵⁾			
Dedicated Revenue - Health Canada	\$ 5,300	\$ -	\$ -
Expense	5,300	-	-
Net (Expense) Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Advisory Committee on Health Infostructure ⁽⁶⁾			
Dedicated Revenue - Health Canada	\$ 252	\$ 252	\$ -
Expense	252	252	-
Net (Expense) Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total			
Dedicated Revenue	\$ 717,414	\$ 725,488	\$ 701,149
Expense	4,748,913	4,976,252	4,348,049
Net (Expense)	<u>\$ (4,031,499)</u>	<u>\$ (4,250,764)</u>	<u>\$ (3,646,900)</u>
Capital Expenditure	<u>\$ -</u>	<u>\$ 1,328</u>	<u>\$ -</u>

MINISTRY OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

- (1) Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income.

Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (2) Albertans can access public or private supplemental health insurance coverage. The Ministry provides non-group Blue Cross coverage on a premium basis for non-seniors. Seniors are provided coverage, but do not pay premiums.

Expenses under the Non-Group Drug Benefits initiative represent the expenses incurred to provide Blue Cross services. The revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (3) Health Canada is providing federal funding to continue a pilot project to test the feasibility of providing an internet-based, integrated, public health surveillance infrastructure. Health Canada and the Ministry will share the costs associated with this project on a 50/50 basis. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification, with the exception of \$1,328 which have been capitalized.

- (4) Health Canada is providing 50% of the funding to contact all persons who received blood transfusions in Alberta for the period January 1, 1986 to July 1, 1990. Those persons will be advised to seek testing and treatment, as they may have been exposed to the Hepatitis C (HCV) virus. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (5) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. The start of this project was delayed and no work was undertaken during 1999/2000, therefore no expenses were incurred.

- (6) Health Canada is providing funding for a project to assess current and proposed national health information systems/initiatives and develop a strategic plan for a national health infrastructure. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF EXPENSE DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	2000		1999
	Budget (a)	Actual	Actual
	(Schedule 4)		
Voted:			
Grants	\$ 4,814,065	\$ 5,124,432	\$ 4,464,770
Supplies and services	197,054	212,248	180,029
Salaries, wages and employee benefits	108,406	111,796	108,999
Supplies and services from support services arrangements with related parties (b)	6,052	6,085	7,843
Amortization of capital assets	903	702	1,448
Other	139	200	885
Total voted expense for operations	<u>\$ 5,126,619</u>	<u>\$ 5,455,463</u>	<u>\$ 4,763,974</u>

- (a) Effective April 1, 1999, the responsibilities of the Ministry changed as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorized during the year. The breakdown of expenses by object is based on management's best estimate.
- (b) The Ministry receives financial and administrative services from the Department of Human Resources and Employment.

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED BUDGET
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	1999-2000 Estimates Restated (a)	Encumbrance (b)	1999-2000 Budget Restated	Voted Supplementary(c)	1999-2000 Authorized Budget
Revenues:					
Transfer from Government of Canada	\$ 734,164	\$ -	\$ 734,164	\$ 7,052	\$ 741,216
Internal Government Transfers	108,454	-	108,454	-	108,454
Premiums and fees	661,039	-	661,039	-	661,039
Other	48,855	-	48,855	-	48,855
	<u>1,552,512</u>	<u>-</u>	<u>1,552,512</u>	<u>7,052</u>	<u>1,559,564</u>
Expenses:					
Voted Expenses					
Ministry support services	88,528	-	88,528	926	89,454
Health services	4,738,797	(1,573)	4,737,224	259,088	4,996,312
Premier's Council on the Status of Persons with Disabilities	669	-	669	-	669
Persons with developmental disabilities	283,324	(15,979)	267,345	80,379	347,724
Alberta Alcohol and Drug Abuse Commission	32,853	-	32,853	153	33,006
	<u>5,144,171</u>	<u>(17,552)</u>	<u>5,126,619</u>	<u>340,546</u>	<u>5,467,165</u>
Valuation Adjustments					
Provision for uncollectible health care insurance premiums	23,466	-	23,466	-	23,466
Provision for vacation pay	-	-	-	-	-
	<u>23,466</u>	<u>-</u>	<u>23,466</u>	<u>-</u>	<u>23,466</u>
Total Expense	<u>\$ 5,167,637</u>	<u>\$ (17,552)</u>	<u>\$ 5,150,085</u>	<u>\$ 340,546</u>	<u>\$ 5,490,631</u>
Loss on write down of Capital Assets	900	-	900	-	900
Net Operating Results	<u>\$ (3,616,025)</u>	<u>\$ 17,552</u>	<u>\$ (3,598,473)</u>	<u>\$ (333,494)</u>	<u>\$ (3,931,967)</u>
Capital Investment	<u>\$ 1,242</u>	<u>-</u>	<u>\$ 1,242</u>	<u>-</u>	<u>\$ 1,242</u>

- a) Effective April 1, 1999, the responsibilities of the Ministry changed as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorised during the year.
- b) In the event that actual voted expenses in the prior year exceed that budgeted, the difference is known as an encumbrance. The encumbrance reduces the budgeted amount for voted expenses in the current year.
- c) Supplementary Estimates (1999-2000) were approved on April 29, 1999 and December 9, 1999 which increased spending authority. The Appropriation (Supplementary Supply) Act, 2000 approved the expenditure of the Achievement Award Program of all Ministries in the Supplementary Estimates. The Ministry of Health and Wellness's share of the achievement award amounts to \$827. Treasury Board approved increases in expenses and dedicated revenue pursuant to section 29(1.1) of the Financial Administration Act for the following dedicated revenue initiatives: \$5,300 for Health Services for Persons with Hepatitis C and \$1,500 for the Archival Blood Bank Review for Hepatitis C on November 4, 1999 and \$252 for the Advisory Committee on Health Infrastructure on March 23, 2000.

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2000
(amounts in thousands)

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, 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 at the amount of consideration agreed upon between the related parties:

	Other Entities	
	<u>2000</u>	<u>1999</u>
Revenue	<u>\$ 109,643</u>	<u>\$ 44,164</u>
Expenses:		
Grants	\$ -	\$ -
Other Services	<u>2,243</u>	<u>1,558</u>
	<u>\$ 2,243</u>	<u>\$ 1,558</u>
Receivable from	<u>\$ 2,169</u>	<u>\$ -</u>

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

	Other Entities	
	<u>2000</u>	<u>1999</u>
Expenses (notional):		
Accommodation	\$ 18,421	\$ 14,317
Other Services	<u>667</u>	<u>724</u>
	<u>\$ 19,088</u>	<u>\$ 15,041</u>

MINISTRY OF HEALTH AND WELLNESS

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

FOR THE YEAR ENDED MARCH 31, 2000

(UNAUDITED)

(thousands of dollars)

	<u>2000</u>	<u>1999</u>
Write-offs:		
Health Care Insurance Premiums	\$ 25,640	\$ 24,428
Medical Claim Recoveries	757	921
Penalties, Interest and Miscellaneous Charges	524	564
Third Party Recoveries	1	8
	<hr/>	<hr/>
Total Write-offs	<u>\$ 26,922</u>	<u>\$ 25,921</u>

The above statement has been prepared pursuant to section 28 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs made or approved during the fiscal year.

Department of Health and Wellness

Financial Statements

March 31, 2000

DEPARTMENT OF HEALTH AND WELLNESS

FINANCIAL STATEMENTS

MARCH 31, 2000

Auditor's Report

Statement of Operations

Statement of Changes in Financial Position

Statement of Financial Position

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Dedicated Revenue Initiatives

Schedule 3 - Expense Detailed by Object

Schedule 4 - Budget

Schedule 5 – Comparison of Expenses by Elements to Authorized Budget

Schedule 6 - Salaries and Benefits

Schedule 7 – Related Party Transactions

AUDITOR'S REPORT

To the Minister of Health and Wellness

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

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

Related Party Transactions

The Department of Health and Wellness is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These reporting practices have been established by Alberta Treasury and are consistent across departments. As the corporate government reporting practices stipulate that related parties include only those organizations that are part of the government reporting entity, transactions with the regional health authorities and Provincial health boards are not disclosed in these financial statements as transactions with related parties. Under generally accepted accounting principles, the regional health authorities and Provincial health boards are related parties of the Department. A description of the nature of the Department's relationship with regional health authorities and Provincial health boards should have been included in Schedule 7, Related Party Transactions. Also, Schedule 7 should disclose the expense for funding provided to regional health authorities and Provincial health boards amounting to \$3,444 million and related accounts receivable of \$10 million and accrued liabilities of \$56 million.

Provision for doubtful accounts

The Department of Health and Wellness' provision for doubtful accounts is not, in my opinion, in accordance with generally accepted accounting principles. Note 2 (b) (xi) indicates that the allowance for doubtful accounts at March 31, 2000, is estimated based on an aging analysis of accounts receivable and past collection patterns. However, management's estimate of the extent to which health care insurance premiums are collectible incorporates the effect on collections of improved economic conditions. In my opinion, the assertion that collections of health care insurance premiums will improve to the extent forecasted based on improved economic conditions is not supportable. Had the provision for doubtful accounts been estimated based on the stated methodology, the recorded provision for the year ended March 31, 2000, amounting to \$29.7 million, would be increased by \$ 4.1 million; and the allowance for doubtful accounts at March 31, 2000, amounting to \$114.9 million, would be increased by \$8.4 million.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

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



DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	<u>2000</u>		<u>1999</u>
	<u>Budget</u> <u>(Schedule 4)</u>	<u>Actual</u>	<u>Actual</u>
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 77,184	\$ 77,184	\$ 40,116
Transfer from the Government of Canada	734,164	687,659	486,655
Fees	659,596	674,645	661,168
Other Revenue	48,715	52,302	48,345
	<u>1,519,659</u>	<u>1,491,790</u>	<u>1,236,284</u>
Expenses			
Voted (Schedules 2, 3 and 5)			
Ministry Support Services	88,528	87,053	82,813
Health Services	4,737,224	4,976,000	4,346,041
Premier's Council on Status of Persons with Disabilities	669	624	532
Persons with Developmental Disabilities	267,345	360,551	301,113
Alberta Alcohol and Drug Abuse Commission	-	266	27,571
	<u>5,093,766</u>	<u>5,424,494</u>	<u>4,758,070</u>
Valuation Adjustments			
Provision for Doubtful Accounts	23,466	29,659	28,578
Provision for Vacation Pay	-	(1,283)	2,487
	<u>23,466</u>	<u>28,376</u>	<u>31,065</u>
Loss on Disposal of Capital Assets	-	192	49
Total Expenses	<u>5,117,232</u>	<u>5,453,062</u>	<u>4,789,184</u>
Net Operating Results	<u>\$ (3,597,573)</u>	<u>\$ (3,961,272)</u>	<u>\$ (3,552,900)</u>

The accompanying notes and schedules are part of these financial statements

DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2000
(thousands of dollars)

	<u>2000</u>	<u>1999</u>
<u>ASSETS</u>		
Cash	\$ 2,829	\$ 9,871
Accounts Receivable (Note 4)	179,540	110,616
Loans and Advances (Note 5)	11	2,818
Capital Assets (Note 6)	5,622	2,815
	<u>\$ 188,002</u>	<u>\$ 126,120</u>
<u>LIABILITIES</u>		
Accounts Payable and Accrued Liabilities (Note 7)	\$ 283,688	\$ 254,302
Unearned Revenue (Note 8)	165,982	21,054
	<u>449,670</u>	<u>275,356</u>
<u>NET LIABILITIES</u>		
Net Liabilities at Beginning of Year, As Restated (Note 3)	(149,236)	(300,497)
Net Operating Results	(3,961,272)	(3,552,900)
Net Transfer from General Revenues	3,848,840	3,704,161
Net Liabilities at End of Year	<u>(261,668)</u>	<u>(149,236)</u>
	<u>\$ 188,002</u>	<u>\$ 126,120</u>

The accompanying notes and schedules are part of these financial statements

DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	\$ (3,961,272)	\$ (3,552,900)
Non-cash items:		
Amortization	585	1,116
Loss on Disposal of Capital Assets	192	49
Provision for uncollectable health care insurance premiums	29,659	28,578
Provision for vacation accrual	(1,283)	2,487
	<u>(3,932,119)</u>	<u>(3,520,670)</u>
(Increase) in Accounts Receivable	(98,583)	(39,563)
Decrease (Increase) in Loans and Advances	2,807	(2,806)
Increase (Decrease) in Accounts Payable	30,669	(144,029)
Increase in Unearned Revenue	144,928	1,075
	<u>(3,852,298)</u>	<u>(3,705,993)</u>
Investing Transactions		
Purchases of Capital Assets	(3,584)	(1,029)
Cash (Used) by Investing Transactions	<u>(3,584)</u>	<u>(1,029)</u>
Financing Transactions		
Net Transfer from General Revenues	3,848,840	3,704,161
Net Cash (Used)	<u>(7,042)</u>	<u>(2,861)</u>
Cash, Beginning of Year	9,871	12,732
Cash, End of Year	<u>\$ 2,829</u>	<u>\$ 9,871</u>

The accompanying notes and schedules are part of these financial statements

DEPARTMENT OF HEALTH AND WELLNESS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2000

Note 1 Authority and Purpose

The Department of Health and Wellness (the “Department”) operates under the authority of the Government Organization Act, Statutes of Alberta.

The purpose of the Department is to maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders. The Department leads and supports a system for the delivery of quality health services and encourages and supports healthy living.

Through a leadership role, the Department sets direction, policy and provincial standards that ensure quality services and set priorities based on health needs, determine the scope of financial, capital and human resources required, and measure and report on the performance of the system. The Department is also engaged in inter-ministerial initiatives to effectively address challenges to the health and well-being of the population.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Department of Health and Wellness, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable. Other entities reporting to the Minister are the Regional Health Authorities, the Alberta Cancer Board, Alberta Mental Health Board, Alberta Alcohol and Drug Abuse Commission and Persons with Developmental Disabilities Boards. The activities of these organizations are not included in these financial statements.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry’s operations for which the Minister is accountable.

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

(b) Basis of Financial Reporting

(i) Revenues

All revenues are reported on the accrual method of accounting. Cash received or receivable for which goods or services have not been provided by year-end is recorded as unearned revenue as disclosed in Note 8.

(ii) Internal Government Transfers

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

(iii) Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote.

If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

(iv) Expenses

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

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 service relating to prior years.

Certain expenses, primarily for office space, legal advice, and banking services, incurred on behalf of the Department by other Ministries are not reflected in the Statement of Operations. Schedule 7 discloses information on these related party transactions.

(v) Valuation Adjustments

Valuation adjustments 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.

(vi) Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as the bank balance established under the Health Care Insurance Plan.

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

(b) Basis of Financial Reporting (continued)

(vi) Assets (continued)

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

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

(vii) Liabilities

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

(viii) Net Assets/Net Liabilities

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

(ix) Valuation of Financial Assets and Liabilities

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

The fair values of accounts receivable, advances, accounts payable and accrued liabilities, and unearned revenues are estimated to approximate their book values. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

(x) Payments under Reciprocal and Other Agreements

The Department entered into agreements with other Provincial Governments, the Federal Government and the Workers' Compensation Board to provide services on their behalf.

Expenses incurred and revenue earned in the provision of services under these agreements are recorded in the records of the service providers and are not included in these financial statements.

Amounts paid and recovered under these agreements are disclosed in Note 11.

(xi) Measurement Uncertainty
(amount in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount.

The allowance for doubtful accounts, in the amount of \$114,921 as reported in Note 4 to these financial statements, is based on an ageing analysis of the accounts receivable balance at March 31, 2000 and past collection patterns. The actual amount collected could vary from that estimated.

Note 3 Reorganization
(amounts in thousands)

There were some changes in the responsibilities of the Department as a result of a major reorganization announced by the government on May 25, 1999 and transfers of responsibility announced throughout the year. Comparative amounts for 1999 have been restated as if the Department had always been assigned its current responsibilities.

Net liabilities, as previously reported, as at March 31, 1998	\$(231,370)
Transfer from Department of Community Development	(366)
Transfer from Department of Labour	(35)
Transfer from Department of Human Resources and Employment	<u>(68,726)</u>
Net liabilities, as restated, as at March 31, 1998	<u><u>\$(300,497)</u></u>

Note 4 Accounts Receivable
(amounts in thousands)

	2000		1999	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	\$287,517	\$114,921	\$172,596	\$108,836
Refunds from suppliers	6,944	0	6,944	1,780
	<u>\$294,461</u>	<u>\$114,921</u>	<u>\$179,540</u>	<u>\$110,616</u>

Accounts receivable are unsecured.

Note 5 Loans and Advances
(amounts in thousands)

Loans and advances consist of travel advances of \$11 (1999-\$2,818). In 1999, the balance included a non-travel advance of \$2,800 to a Regional Health Authority.

Note 6 Capital Assets

(amounts in thousands)

		2000		1999	
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware and software	5 years	\$ 11,456	\$ 6,017	\$ 5,439	\$ 2,591
Equipment	10 years	576	393	183	224
		<u>\$ 12,032</u>	<u>\$ 6,410</u>	<u>\$ 5,622</u>	<u>\$ 2,815</u>

Note 7 Accounts Payable and Accrued Liabilities

(amounts in thousands)

	2000	1999
Accounts payable	\$ 43,723	\$ 44,134
Accrued liabilities	229,332	198,252
Accrued vacation pay	10,633	11,916
	<u>\$ 283,688</u>	<u>\$ 254,302</u>

Note 8 Unearned Revenue

(amounts in thousands)

	2000	1999
Health Canada - Canada Health and Social Transfer	\$ 144,258	\$ -
Health Care premiums	21,672	21,040
Third party recoveries	52	14
	<u>\$ 165,982</u>	<u>\$ 21,054</u>

The Department received a \$336,402 supplementary transfer payment in 2000, of which \$192,144 was recognized as revenue and the balance was deferred.

Note 9 Commitments
(amounts in thousands)

As at March 31, 2000, the Department has the following commitments:

	<u>2000</u>	<u>1999</u>
Specific programs commitments (a)	\$ 1,061,348	\$ 1,942,030
Service contracts	40,465	68,363
Equipment leases (b)	<u>4,454</u>	<u>3,105</u>
	<u>\$ 1,106,267</u>	<u>\$ 2,013,498</u>

- (a) Included in specific program commitments is an amount of \$934,100 (1999-\$1,798,500) for the provision of medical services by physicians to March 31, 2001 under the agreement signed with the Alberta Medical Association.
- (b) The Department leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

<u>Year</u>	<u>Amount</u>
2001	\$ 1,932
2002	1,440
2003	540
2004	319
2005	112
Thereafter	<u>111</u>
	<u>\$ 4,454</u>

Canadian Blood Services
(amounts in thousands)

The Province of Alberta has committed to provide funding to the Canadian Blood Services (CBS) which became operational on September 28, 1998. The Province's obligation for the operational costs of CBS is determined on a per capita basis, and the costs for fractionated blood and blood products is determined on the basis of annual utilization of these products.

This commitment was outlined in a Memorandum of Understanding, signed in January 1998, which recorded the understandings and commitments of the Minister of Health of Canada and the Provincial and Territorial Ministers of Health (except Quebec) regarding their respective roles and responsibilities in a renewed national blood system.

During the year, payments to CBS amounted to \$81,312 (1999 - \$56,475). Budgeted expenditure for the 2001 fiscal year is estimated at \$83,843.

Note 10 Contingencies

Sexual Sterilization Claims

The Department of Health and Wellness has a contingent liability in respect of 62 claims (1999 – 294 claims) aggregating \$34 million (1999 - \$301 million) relating to the decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. The ultimate outcome of these claims cannot be determined. A provision for potential losses has been made.

Hepatitis C

The Department was named as defendant in various legal actions relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in specific legal actions, approximates \$137 million (1999 - \$55.9 million). Included in this total are four claims amounting to \$6.6 million (1999– \$6.6 million) in which the Department has been jointly named with other entities. Forty-seven claims amounting to \$125.1 million (1999 - \$46.7 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of \$1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at \$30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Department made a provision for the Hepatitis C assistance.

Voluntary Hospital Owners

The Department is liable under equity agreements entered into in 1969 between the Department and Voluntary Hospital Owners. The Department's liability is contingent upon termination of the equity agreements and concurrent transfer of ownership to the Province. The payout upon termination is estimated at \$22.6 million (1999-\$27.4 million).

Other

At March 31, 2000, the Department was named as defendant in various other legal actions. The total claimed in these other legal actions approximates \$556.4 million (1999-\$531.5 million). Included in this total are seven claims amounting to \$507.1 million (1999 – \$507.1 million) in which the Department has been jointly named with other entities. Twenty-three claims amounting to \$41.9 million (1999 - \$14.2 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 11 Payments under Reciprocal and Other Agreements
(amounts in thousands)

The Department entered into agreements, under the Alberta Health Care Insurance Plan, with other Provincial Governments and the Workers' Compensation Board to provide health services on their behalf. The Department pays service providers for services rendered under the agreements and recovers the amount paid from other provinces and the Workers' Compensation Board. Service providers include Regional Health Authorities, Provincial Health Boards and physicians.

The Department has also entered into an agreement with the Federal Government for the Health Transition Fund (Primary Health Care Project) to support the objective of studying and encouraging the further advancement of primary health care in Alberta. In addition, the Department entered into agreements with Health Canada, the Workers' Compensation Board and other provincial governments and territories to provide air ambulance services on their behalf. Payments incurred under this agreement are made by the Department under authority of the Financial Administration Act, Section 29.1 (1).

Accounts receivable from the Federal Government, other Provincial Governments and the Workers' Compensation Board are reflected in the Statement of Financial Position.

	2000					1999
	Health Transition Fund	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total
Opening receivable balance	\$ 87	\$ 13,165	\$ 876	\$ 1,745	\$ 15,873	\$ 13,709
Add: Payments made during the year	4,618	96,547	3,833	2,229	107,227	108,952
	4,705	109,712	4,709	3,974	123,100	122,661
Less: Collections received during the year	1,817	91,478	3,877	2,098	99,270	106,788
Closing receivable balance	\$ 2,888	\$ 18,234	\$ 832	\$ 1,876	\$ 23,830	\$ 15,873

Note 12 Pensions
(amounts in thousands)

The Department participates in multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers established by the government effective July 1, 1999. The expense for these pension plans is equivalent to the annual contributions of \$2,153 for the year ended March 31, 2000 (1999-\$1,708.)

Effective January 1, 1999, the Ministry's contribution to the Public Sector Pension Plan was reduced by .3% of pensionable salaries.

At December 31, 1999, the Management Employees Pension Plan reported a surplus of \$46,019 (1998-\$4,335) and the Public Service Pension Plan reported a surplus of \$517,020 (1998-\$406,445). At March 31, 2000, the Supplementary Retirement Plan for Public Service Managers had a surplus of \$33.

Note 13 Comparative Figures

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

Note 14 Approval of Financial Statements

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

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

	2000		1999
	Budget (Schedule 4)	Actual	Actual
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 26,300	\$ 26,300	\$ -
Transfer from Community Development	50,884	50,884	40,116
	<u>77,184</u>	<u>77,184</u>	<u>40,116</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	732,232	685,218	483,094
Other	1,932	2,441	3,561
	<u>734,164</u>	<u>687,659</u>	<u>486,655</u>
Fees			
Health care insurance:			
Premiums before premium assistance	625,251	740,793	727,748
Less:			
Premium assistance under legislation	-	(101,974)	(102,235)
	<u>625,251</u>	<u>638,819</u>	<u>625,513</u>
Add:			
Penalties	12,945	14,043	13,581
Interest and miscellaneous	500	441	539
	<u>638,696</u>	<u>653,303</u>	<u>639,633</u>
Health care insurance premiums, penalties and interest			
Non-Group Blue Cross Benefits:			
Premiums before premium assistance	-	22,403	22,581
Less premium assistance	-	(2,247)	(2,320)
	<u>20,000</u>	<u>20,156</u>	<u>20,261</u>
Non-Group Blue Cross premiums			
Total premiums	658,696	673,459	659,894
Residency fees	900	1,185	1,273
Freedom of Information and Protection of Privacy Act	-	1	1
	<u>659,596</u>	<u>674,645</u>	<u>661,168</u>
Other revenue:			
Third party recoveries	46,333	47,371	42,604
Miscellaneous:			
Previous years' refunds of expenditure	1,600	2,772	3,406
Other	782	2,159	2,335
	<u>48,715</u>	<u>52,302</u>	<u>48,345</u>
Total revenue	<u>\$ 1,519,659</u>	<u>\$ 1,491,790</u>	<u>\$ 1,236,284</u>

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	2000		1999
	Authorized Budget	Actual	Actual
Health Care Insurance Premium Revenue ⁽¹⁾			
Dedicated Revenue			
Fees	\$ 638,696	\$ 653,303	\$ 639,633
Internal government transfers	50,884	50,884	40,116
	<u>689,580</u>	<u>704,187</u>	<u>679,749</u>
Expense	<u>4,479,215</u>	<u>4,700,544</u>	<u>4,116,030</u>
Net (Expense)	<u>\$ (3,789,635)</u>	<u>\$ (3,996,357)</u>	<u>\$ (3,436,281)</u>
Non-Group Drug Benefits ⁽²⁾			
Dedicated Revenue - Fees	\$ 20,000	\$ 20,156	\$ 20,261
Expense			
Non-group drug benefits	245,282	261,097	216,461
Ground ambulance services	14,300	13,727	13,550
	<u>259,582</u>	<u>274,824</u>	<u>230,011</u>
Net (Expense)	<u>\$ (239,582)</u>	<u>\$ (254,668)</u>	<u>\$ (209,750)</u>
Spatial Public Health Information Exchange ⁽³⁾			
Dedicated Revenue - Health Canada	\$ 782	\$ 721	\$ 1,139
Expense	<u>1,564</u>	<u>288</u>	<u>2,008</u>
Net (Expense) Revenue	<u>\$ (782)</u>	<u>\$ 433</u>	<u>\$ (869)</u>
Capital Expenditure	<u>\$ -</u>	<u>\$ 1,328</u>	<u>\$ -</u>
Archival Blood Bank Record Review for Hepatitis C ⁽⁴⁾			
Dedicated Revenue - Health Canada	\$ 1,500	\$ 172	\$ -
Expense	<u>3,000</u>	<u>344</u>	<u>-</u>
Net (Expense)	<u>\$ (1,500)</u>	<u>\$ (172)</u>	<u>\$ -</u>

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	2000		1999
	Authorized Budget	Actual	Actual
Health Services for Persons with Hepatitis C ⁽⁵⁾			
Dedicated Revenue - Health Canada	\$ 5,300	\$ -	\$ -
Expense	5,300	-	-
Net (Expense) Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Advisory Committee on Health Infostructure ⁽⁶⁾			
Dedicated Revenue - Health Canada	\$ 252	\$ 252	\$ -
Expense	252	252	-
Net (Expense) Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total			
Dedicated Revenue	\$ 717,414	\$ 725,488	\$ 701,149
Expense	4,748,913	4,976,252	4,348,049
Net (Expense)	<u>\$ (4,031,499)</u>	<u>\$ (4,250,764)</u>	<u>\$ (3,646,900)</u>
Capital Expenditure	<u>\$ -</u>	<u>\$ 1,328</u>	<u>\$ -</u>

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2000
(thousands of dollars)

- (1) Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income.

Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (2) Albertans can access public or private supplemental health insurance coverage. The Department provides non-group Blue Cross coverage on a premium basis for non-seniors. Seniors are provided coverage, but do not pay premiums.

Expenses under the Non-Group Drug Benefits initiative represent the expenses incurred to provide Blue Cross services. The revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (3) Health Canada is providing federal funding to continue a pilot project to test the feasibility of providing an internet-based, integrated, public health surveillance infrastructure. Health Canada and the Department will share the costs associated with this project on a 50/50 basis. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification, with the exception of \$1,328 which have been capitalized.

- (4) Health Canada is providing 50% of the funding to contact all persons who received blood transfusions in Alberta for the period January 1, 1986 to July 1, 1990. Those persons will be advised to seek testing and treatment, as they may have been exposed to the Hepatitis C (HCV) virus. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

- (5) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. The start of this project was delayed and no work was undertaken during 1999/2000, therefore no expenses were incurred.

- (6) Health Canada is providing funding for a project to assess current and proposed national health information systems/initiatives and develop a strategic plan for a national health infrastructure. Revenues and expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.

DEPARTMENT OF HEALTH AND WELLNESS
 SCHEDULE OF EXPENSE DETAILED BY OBJECT
 FOR THE YEAR ENDED MARCH 31, 2000
 (thousands of dollars)

	2000		1999
	Budget (a)	Actual	Actual
	(Schedule 4)		
Voted:			
Grants	\$ 4,973,532	\$ 5,299,596	\$ 4,653,025
Supplies and Services	78,604	82,870	62,988
Salaries, Wages and Employee Benefits	34,602	35,174	32,945
Supplies and Services from Support Services			
Arrangements with Related Parties (b)	6,052	6,085	7,843
Amortization of Capital Assets	852	585	1,116
Other	124	184	153
Total Voted Expenses	<u>\$ 5,093,766</u>	<u>\$ 5,424,494</u>	<u>\$ 4,758,070</u>

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

DEPARTMENT OF HEALTH AND WELLNESS

BUDGET

FOR THE YEAR ENDED MARCH 31, 2000

(thousands of dollars)

	1999-2000 Restated (a)	Encumbrance (b)	1999-2000 Budget Restated	Voted Supplementary (c)	1999-2000 Authorized Budget
Revenues:					
Transfer from Government of Canada	\$ 734,164	\$ -	\$ 734,164	\$ 7,052	\$ 741,216
Internal Government Transfers	77,184	-	77,184	-	77,184
Premiums and fees	659,596	-	659,596	-	659,596
Other	48,715	-	48,715	-	48,715
	<u>1,519,659</u>	<u>-</u>	<u>1,519,659</u>	<u>7,052</u>	<u>1,526,711</u>
Expenses:					
Voted Expenses					
Ministry support services	88,528	-	88,528	926	89,454
Health services	4,738,797	(1,573)	4,737,224	259,088	4,996,312
Premier's Council on the Status of Persons with Disabilities	669	-	669	-	669
Persons with Developmental Disabilities	283,324	(15,979)	267,345	80,379	347,724
Alberta Alcohol and Drug Abuse Commission	-	-	-	153	153
	<u>5,111,318</u>	<u>(17,552)</u>	<u>5,093,766</u>	<u>340,546</u>	<u>5,434,312</u>
Valuation Adjustments					
Provision for uncollectible health care insurance premiums	23,466	-	23,466	-	23,466
Provision for vacation pay	-	-	-	-	-
	<u>23,466</u>	<u>-</u>	<u>23,466</u>	<u>-</u>	<u>23,466</u>
Total Expense	<u>\$ 5,134,784</u>	<u>\$ (17,552)</u>	<u>\$ 5,117,232</u>	<u>\$ 340,546</u>	<u>\$ 5,457,778</u>
Net Operating Results	<u>\$ (3,615,125)</u>	<u>\$ 17,552</u>	<u>\$ (3,597,573)</u>	<u>\$ (333,494)</u>	<u>\$ (3,931,067)</u>
Capital Investment	<u>\$ 1,202</u>	<u>-</u>	<u>\$ 1,202</u>	<u>-</u>	<u>\$ 1,202</u>

- a) Effective April 1, 1999, the responsibilities of the Department changed as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility authorised during the year.
- b) In the event that actual voted expenses in the prior year exceed that budgeted, the difference is known as an encumbrance. The encumbrance reduces the budgeted amount for voted expenses in the current year.
- c) Supplementary Estimates (1999-2000) were approved on April 29, 1999 and December 9, 1999, which increased spending authority. The Appropriation (Supplementary Supply) Act, 2000 approved the expenditure of the Achievement Award Program of all departments in the Supplementary Estimates. The Department of Health and Wellness's share of the achievement award amounts to \$674. Treasury Board approved increases in expenses and dedicated revenue pursuant to section 29(1.1) of the Financial Administration Act for the following dedicated revenue initiatives: \$5,300 for Health Services for Persons with Hepatitis C and \$1,500 for the Archival Blood Bank Review for Hepatitis C on November 4, 1999 and \$252 for the Advisory Committee on Health Infrastructure on March 23, 2000.

**DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Expenses by Element to Authorized Budget**

For the year ended March 31, 2000

(thousands of dollars)

Expenses:	1999-2000		Restated	Voted	1999-2000	1999-2000	Unexpended
	Budget	Encumbrance	Budget	Supplementary*	Authorized Budget	Actual Expense	(Over Expended)
Voted Expenses							
Ministry Support Services							
1.0.1 Minister's Office	\$ 345	\$ -	\$ 345	\$ -	\$ 345	\$ 319	\$ 26
1.0.2 Associate Minister's Office	-	-	-	-	-	220	(220)
1.0.3 Deputy Minister's Office	325	-	325	-	325	392	(67)
1.0.4 Public Communications	757	-	757	-	757	2,415	(1,658)
1.0.5 Corporate Services	3,864	-	3,864	-	3,864	3,090	774
1.0.6 Health Information and Accountability Division	31,997	-	31,997	-	31,997	30,521	1,476
1.0.7 Alberta Wellnet - Lottery Funded	1,295	-	1,295	252	1,547	2,024	(477)
1.0.8 Health Strategies Division	8,856	-	8,856	-	8,856	8,775	81
1.0.9 Health Workforce and Administrative Services	12,983	-	12,983	674	13,657	13,320	337
1.0.10 Financial Services	11,209	-	11,209	-	11,209	11,018	191
1.0.11 Health Plan Administration	10,663	-	10,663	-	10,663	9,543	1,120
1.0.12 Programs Administration	2,852	-	2,852	-	2,852	2,713	139
1.0.13 Health Facilities Review Committee	491	-	491	-	491	504	(13)
1.0.14 Mental Health Patient Advocate's Office	296	-	296	-	296	228	68
1.0.15 Provincial Health Council	750	-	750	-	750	207	543
1.0.16 Health Advisory and Appeal Services	1,760	-	1,760	-	1,760	1,681	79
1.0.17 Standing Policy Committee on Health Planning	85	-	85	-	85	83	2
	<u>88,528</u>	<u>-</u>	<u>88,528</u>	<u>926</u>	<u>89,454</u>	<u>87,053</u>	<u>2,401</u>
Health Services							
2.1.1 Medical Services	904,676	-	904,676	10,412	915,088	925,142	(10,054)
2.1.2 Alternate Payments	9,350	-	9,350	-	9,350	9,312	38
2.1.3 Allied Health Services	51,081	-	51,081	-	51,081	54,863	(3,782)
2.1.4 Extended Health Benefits	19,194	-	19,194	-	19,194	20,114	(920)
2.1.5 Rural Physician Action Plan	13,200	-	13,200	-	13,200	12,870	330
2.1.6 Medical Education Allowances	46,900	-	46,900	-	46,900	47,486	(586)
2.2.1 Human Tissue and Blood Services	66,263	-	66,263	6,200	72,463	81,312	(8,849)
2.2.2 Equity Agreements	3,008	-	3,008	-	3,008	510	2,498
2.2.3 Purchase of Vaccines and Sera	10,536	-	10,536	-	10,536	12,337	(1,801)
2.2.4 Provincial Laboratories of Public Health	12,559	-	12,559	-	12,559	12,559	-
2.2.5 Non-Group Drug Benefits	245,282	-	245,282	-	245,282	261,097	(15,815)
2.2.6 Ambulance Services	37,750	-	37,750	-	37,750	36,959	791
2.2.7 Out of Province Health Care Costs	40,000	-	40,000	-	40,000	38,441	1,559
2.2.8 Alberta Aids to Daily Living	59,952	-	59,952	-	59,952	57,765	2,187
2.2.9 Health Services Research	8,000	-	8,000	-	8,000	8,000	-
2.2.10 Dedicated Program Funding	63,426	(1,573)	61,853	6,800	68,653	25,759	42,894
2.2.11 Alberta Wellnet	13,705	-	13,705	-	13,705	17,369	(3,664)
2.3.1 Chinook Regional Health Authority	144,145	-	144,145	-	144,145	143,791	354
2.3.2 Palliser Regional Health Authority	79,251	-	79,251	-	79,251	79,056	195
2.3.3 Headwaters Regional Health Authority	46,016	-	46,016	-	46,016	45,902	114
2.3.4 Calgary Regional Health Authority	780,905	-	780,905	-	780,905	778,690	2,215
2.3.5 Regional Health Authority #5	38,573	-	38,573	-	38,573	38,478	95
2.3.6 David Thompson Regional Health Authority	147,831	-	147,831	-	147,831	147,467	364
2.3.7 East Central Regional Health Authority	104,339	-	104,339	-	104,339	105,082	(743)
2.3.8 Westview Regional Health Authority	38,946	-	38,946	-	38,946	42,905	(3,959)
2.3.9 Crossroads Regional Health Authority	35,124	-	35,124	-	35,124	35,038	86
2.3.10 Capital Regional Health Authority	842,510	-	842,510	-	842,510	842,109	401
2.3.11 Aspen Regional Health Authority	48,871	-	48,871	-	48,871	48,801	70
2.3.12 Lakeland Regional Health Authority	88,898	-	88,898	-	88,898	88,708	190
2.3.13 Mistahia Regional Health Authority	72,762	-	72,762	-	72,762	72,583	179
2.3.14 Peace Regional Health Authority	20,665	-	20,665	-	20,665	20,614	51
2.3.15 Keeweenaw Regional Health Authority	17,356	-	17,356	-	17,356	17,313	43
2.3.16 Northern Lights Regional Health Authority	25,638	-	25,638	-	25,638	25,575	63
2.3.17 Northwestern Regional Health Authority	13,283	-	13,283	-	13,283	13,251	32
2.3.18 Alberta Cancer Board	81,396	-	81,396	-	81,396	82,697	(1,301)
2.3.19 Alberta Mental Health Board	167,674	-	167,674	-	167,674	167,327	347
2.3.20 Innovation Fund	10,000	-	10,000	-	10,000	7,230	2,770
2.3.21 Advanced Medical Equipment	7,300	-	7,300	-	7,300	7,300	-
2.3.22 Advanced Medical Equipment GRF Funded	-	-	-	10,000	10,000	10,000	-
2.3.23 Year 2000 Compliance	33,000	-	33,000	-	33,000	17,002	15,998
2.3.24 Dedicated Program Funding	32,244	-	32,244	-	32,244	34,322	(2,078)
2.3.25 One Time Financial Assistance	-	-	-	215,676	215,676	215,676	-
2.3.26 Healthy Aging Partnership Initiative	-	-	-	10,000	10,000	10,000	-
2.3.28 Province Wide Services - Calgary Regional Health Authority	119,033	-	119,033	-	119,033	120,296	(1,263)
2.3.29 Province Wide Services - Capital Regional Health Authority	135,274	-	135,274	-	135,274	136,892	(1,618)
2.3.30 Province Wide Services - Unallocated	2,881	-	2,881	-	2,881	-	2,881
	<u>4,738,797</u>	<u>(1,573)</u>	<u>4,737,224</u>	<u>259,088</u>	<u>4,996,312</u>	<u>4,976,000</u>	<u>20,312</u>
Premier's Council on Status of Persons with Disabilities							
3.0.1 Premier's Council on Status of Persons with Disabilities	669	-	669	-	669	624	45
	<u>669</u>	<u>-</u>	<u>669</u>	<u>-</u>	<u>669</u>	<u>624</u>	<u>45</u>
Persons with Developmental Disabilities							
4.1.1 Program Support	6,807	-	6,807	-	6,807	6,289	518
4.1.2 Sterilization Claims	-	(15,979)	(15,979)	70,379	54,400	63,472	(9,072)
4.2.1 Foundation	270	-	270	-	270	270	-
4.2.2 Provincial Board	276,247	-	276,247	10,000	286,247	290,520	(4,273)
	<u>283,324</u>	<u>(15,979)</u>	<u>267,345</u>	<u>80,379</u>	<u>347,724</u>	<u>360,551</u>	<u>(12,827)</u>
Alberta Alcohol and Drug Abuse Commission							
	<u>-</u>	<u>-</u>	<u>-</u>	<u>153</u>	<u>153</u>	<u>266</u>	<u>(113)</u>
Total Voted Expenses	<u>\$ 5,111,318</u>	<u>\$ (17,552)</u>	<u>\$ 5,093,766</u>	<u>\$ 340,546</u>	<u>\$ 5,434,312</u>	<u>\$ 5,424,494</u>	<u>\$ 9,818</u>
Capital Investment	<u>\$ 1,202</u>	<u>\$ -</u>	<u>\$ 1,202</u>	<u>\$ -</u>	<u>\$ 1,202</u>	<u>\$ 3,584</u>	<u>\$ (2,382)</u>

- a) Effective April 1, 1999, the responsibilities of the Department changed as a result of a major reorganization and other transfers of responsibility announced by the government during the year. This budget amount has restated the 1999-2000 Government and Lottery Fund Estimates that were approved on April 29, 1999 for both the major reorganization and transfers of responsibility during the year.
- b) In the event that actual voted expenses in the prior year exceed that budgeted, the difference is known as encumbrance. The encumbrance reduces the budgeted amount for voted expenses in the current year.
- c) Supplementary Estimates (1999-2000) were approved on April 29, 1999 and December 9, 1999 which increased spending authority. The Appropriation (Supplementary Supply) Act, 2000 approved the expenditure of the Achievement Award Program of all departments in the Supplementary Estimates of the Department of Human Resources and Employment. The Department of Health and Wellness's share of the achievement award amounts to \$674.

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF SALARIES AND BENEFITS
FOR THE YEAR ENDED MARCH 31, 2000

	2000			1999
	Salary ⁽¹⁾⁽²⁾	Benefits and Allowances ⁽¹⁾⁽³⁾	Total	Total
CURRENT EXECUTIVES⁽¹⁾				
Deputy Minister ⁽⁴⁾	\$ 151,680	\$ 27,342	\$ 179,022	\$ 156,859
Special Advisor to the Deputy Minister ⁽⁵⁾	84,506	19,485	103,991	-
Mental Health Patient Advocate	100,447	15,455	115,902	115,771
Assistant Deputy Ministers				
Health Information and Accountability	103,370	18,772	122,142	116,583
Health Strategies	114,124	19,414	133,538	120,108
Health Workforce and Administrative Services	110,361	17,278	127,639	114,022
Chief Financial Officer Finance and Health Plan Administration	114,124	19,410	133,534	125,196
Executive Director Corporate Services	100,562	17,617	118,179	111,872

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

Current Executives:

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

- (2) Salary includes regular base pay, bonuses, overtime, lump sum payments and any other direct cash remuneration.
- (3) Benefits and allowances include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long-term disability plans, WCB premiums, professional memberships and tuition and vacation payout for regular and management supplementary vacation.
- (4) Automobile provided, no dollar amount was included in benefits and allowances.
- (5) The incumbent was seconded on a two year term from Executive Council as Special Advisor to the Deputy Minister on July 20, 1999.

DEPARTMENT OF HEALTH AND WELLNESSRelated Party TransactionsFor the Year Ended March 31, 2000

(amounts in thousands)

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Department. The Entities in the Ministry are Alberta Alcohol and Drug Abuse Commission and Persons with Developmental Disabilities Provincial, Community and Facility Boards.

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

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

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Revenues:				
Grants	\$ -	\$ -	\$ 77,184	\$ 40,116
Expenses:				
Grants	\$ 291,056	\$ 266,176	\$ -	\$ -
Other services	-	-	2,176	1,558
	<u>\$ 291,056</u>	<u>\$ 266,176</u>	<u>\$ 2,176</u>	<u>\$ 1,558</u>
Receivable from	\$ 263	\$ -	\$ -	\$ -
(Payable) to	<u>\$ (25,242)</u>	<u>\$ (9,077)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Expenses (notional):				
Accommodation	\$ -	\$ -	\$5,594	\$3,000
Other services	-	-	667	724
	<u>\$ -</u>	<u>\$ -</u>	<u>\$6,261</u>	<u>\$3,724</u>

Alberta Alcohol and Drug Abuse Commission

Financial Statements

March 31, 2000

ALBERTA ALCOHOL AND DRUG
ABUSE COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

Auditor's Report
Statement of Financial Position
Statement of Operations
Statement of Cash Flows
Notes to the Financial Statements
Schedule of Revenues
Schedule of Expenses by Object



AUDITOR'S REPORT

To the Members of the Alberta Alcohol and Drug Abuse Commission

I have audited the statement of financial position of the Alberta Alcohol and Drug Abuse Commission as at March 31, 2000 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Commission is required to follow the corporate government accounting policies and reporting practices established by Alberta Treasury, including the following policy that is an exception from generally accepted accounting principles. As disclosed in Note 9, accommodation and certain other administration costs incurred in the administration of the Commission have not been included in expenses. These costs, estimated at \$5.7 million, are recorded by the department that paid the expenses on behalf of the Commission.

As disclosed in Note 5 to the financial statements, the Commission changed how it records capital assets. Capital assets costing less than \$5,000, acquired during the year and the net book value of such previously capitalized assets, have been expensed. Consequently, a significant amount of resources available to the Commission have been recorded as if they were consumed. In my view, approximately \$750,000, representing the net book value of these assets as at March 31, 2000, should be recognized in the accompanying statement of financial position. The effect of this understatement of assets is to overstate expenses by approximately \$750,000 for the year ended March 31, 2000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 24, 2000

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

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF FINANCIAL POSITION

	<u>AS AT MARCH 31, 2000</u>	
	<u>2000</u>	<u>1999</u>
		(restated Note 3)
<u>ASSETS</u>		
Current assets:		
Cash (Note 4)	\$ 3,396,954	\$ 2,089,549
Accounts receivable	375,887	670,491
Inventory	<u>150,626</u>	<u>186,442</u>
	3,923,467	2,946,482
Capital assets (Note 5)	<u>133,179</u>	<u>1,065,968</u>
	<u>\$ 4,056,646</u>	<u>\$ 4,012,450</u>
<u>LIABILITIES AND ACCUMULATED DEFICIT</u>		
Current liabilities:		
Accrued vacation pay	\$ 2,190,000	\$ 2,060,000
Accounts payable	3,043,933	1,888,312
Deferred contributions (Note 6)	214,089	583,461
Unearned revenue	<u>19,434</u>	<u>17,525</u>
	<u>5,467,456</u>	<u>4,549,298</u>
Accumulated deficit:		
At beginning of year	(536,848)	(556,935)
Net operating results	<u>(873,962)</u>	<u>20,087</u>
	<u>(1,410,810)</u>	<u>(536,848)</u>
	<u>\$ 4,056,646</u>	<u>\$ 4,012,450</u>

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

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2000

	2000		1999
	Budget (Note 8)	Actual	Actual (restated & Notes 3 & 12)
Revenues (Schedule 1):			
Internal government transfers:			
Lottery Fund (Note 9)	\$ 27,875,000	\$ 27,875,000	\$ -
Department of Community Development			27,571,031
Lottery Fund for Problem Gambling (Notes 6 and 9)	3,395,000	3,584,208	3,286,762
Department of Children's Services (Notes 6 and 9)	-	1,272,631	727,369
Department of Health and Wellness	-	265,665	-
Other revenues:			
Fees	1,443,000	1,407,131	1,387,449
Other	140,000	598,147	895,793
	<u>32,853,000</u>	<u>35,002,782</u>	<u>33,868,404</u>
Expenses (Schedule 2):			
Programs:			
Community services	14,833,000	15,724,897	15,405,659
Residential treatment services	8,758,000	8,836,036	8,724,473
Detoxification services	5,243,000	5,253,422	5,188,526
Research information and monitoring	2,542,000	3,252,420	2,649,455
Administration	1,477,000	1,755,925	1,750,204
Accrued vacation pay adjustment	-	135,000	130,000
	<u>32,853,000</u>	<u>34,957,700</u>	<u>33,848,317</u>
	<u>-</u>	<u>45,082</u>	<u>20,087</u>
Asset write off (Note 5)	900,000	919,044	-
Net operating results	<u>\$ (900,000)</u>	<u>\$ (873,962)</u>	<u>\$ 20,087</u>

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2000

	<u>2000</u>	<u>1999</u> (restated Note 3)
Operating activities:		
Net operating results	\$ (873,962)	\$ 20,087
Add non-cash charges:		
Amortization of capital assets	41,287	332,410
Asset write-off	919,044	-
	<u>86,369</u>	<u>352,497</u>
Decrease (Increase) in non-cash working capital	<u>1,248,578</u>	<u>294,802</u>
Cash provided by operating activities	<u>1,334,947</u>	<u>647,299</u>
Investing activities:		
Acquisition (disposal) of capital assets	(27,542)	(351,788)
Proceeds on disposal of capital assets	-	8,069
	<u>(27,542)</u>	<u>(343,719)</u>
Net cash provided	1,307,405	303,580
Cash at beginning of year	<u>2,089,549</u>	<u>1,785,969</u>
Cash at end of year	<u>\$ 3,396,954</u>	<u>\$ 2,089,549</u>

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2000

Note 1 Authority and Purpose

The Alberta Alcohol and Drug Abuse Commission (Commission) is an agent of the Crown under the authority of the Alcohol and Drug Abuse Act, Chapter A-38, Revised Statutes of Alberta 1980. The Commission is dependent on grants from the Lottery Fund for funding its programs and for meeting its obligations as they become due.

The Commission's purpose is to assist Albertans in achieving a life free from the abuse of alcohol, other drugs and gambling. The Commission does this by providing community-based information, prevention and treatment services.

The Commission is a Government of Alberta agency and is not subject to Canadian taxes.

Note 2 Significant Accounting Policies and Reporting Practices

(a) Revenue Recognition

Operating grants from the Lottery Fund are recognized as revenue when they are receivable.

Until March 1999, the operating grants from the Lottery Fund which were restricted for the problem gambling program were deferred and recognized as revenue in the period in which the related expenses are incurred. There are no such restrictions in 2000.

Unrestricted donations are recognized as revenue when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value when it can reasonably be determined.

Externally restricted donations are deferred and are recognized as revenue in the period in which the related expenses are incurred.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(b) Expenses

Accommodation and certain other administration costs incurred in the administration of the Commission have not been included in the Commission's expenses. These costs are incurred and recorded by the Department of Infrastructure.

(c) Inventory

Inventory is valued at the lower of cost and replacement cost.

(d) Capital Assets

Capital assets are recorded at cost net of accumulated amortization. Amortization is provided over the estimated useful lives of the assets as follows:

Furniture and equipment	- 10 years straight-line
Computer equipment and software	- 5 years straight-line

(e) Pensions

The Commission participates in multiemployer pensions plans with related government entities. 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 service relating to prior years.

(f) Valuation of Financial Assets and Liabilities

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

The fair values of accounts receivable, accounts payable, accrued liabilities, deferred contributions and unearned revenues are estimated to approximate their book values.

Note 3 Change in Accounting Policy

The Commission has changed the way it accounts for its participation in multiemployer pension plans to a defined contribution basis. This change in accounting policy has been applied retroactively with restatement of comparative amounts. As a result of the change, opening net liabilities as of April 1, 1998 have been decreased by \$1,100,000. As at March 31, 1999, pension liabilities have decreased by \$813,000 and net liabilities have decreased by \$813,000. The net pension expense adjustment of \$287,000 for the year ended March 31, 1999 has been eliminated as a result of this change.

Note 4 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (Fund) of the Province of Alberta. The Fund is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. Interest is earned on the Commission's daily cash balance at the average rate of the Fund's earnings, which vary depending on prevailing market interest rates. Interest of \$262,386 (1999 \$125,467) has been credited directly to the Treasury Department.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Capital Assets

Capital assets consist of the following:

	2000		1999
	Cost	Accumulated Amortization	Net Book Value
Computer equipment and software	\$ 236,320	\$ 147,917	\$ 88,403
Furniture and equipment	99,273	54,497	44,776
	<u>\$ 335,593</u>	<u>\$ 202,414</u>	<u>\$ 133,179</u>
			<u>\$ 1,065,968</u>

Change in Capitalization Limit

During the year the Commission increased the capitalization threshold from \$500 to \$5,000 and expensed the March 31, 1999 Net Book Value of previously capitalized assets under \$5,000 in the amount of \$919,044.

Note 6 Deferred Contributions

Deferred contributions consist of unexpended funds from donations to the Memorial Trust. These are externally restricted to be used to supplement the work of the Commission in the areas of research and education and to acquire capital assets. Prior years' balances included unexpended funds for the problem gambling program and Fetal Alcohol Syndrome project. Changes in deferred contributions are as follows:

	2000				1999
	Memorial Trust Purposes	Problem Gambling	Fetal Alcohol Syndrome	Total	Total
Contributions from:					
Lottery Fund (unrestricted)	\$ -	\$ 3,395,000	\$ -	\$ 3,395,000	\$ 3,048,000
Department of Children's Services	-	-	1,000,000	1,000,000	1,000,000
Interest earned	8,868	-	-	8,868	59,224
Donations	148,290	-	-	148,290	3,335
Transferred to revenue	(64,690)	(3,584,209)	(1,272,631)	(4,921,530)	(4,037,324)
Increase (decrease) during the year	92,468	(189,209)	(272,631)	(369,372)	73,235
Balance at beginning of year	121,621	189,209	272,631	583,461	510,226
Balance at end of year	\$ 214,089	\$ -	\$ -	\$ 214,089	\$ 583,461

Note 7 Pension Costs

The Commission participates in the multiemployer pensions plans, Management Employee Pension Plan and Public Service Pension Plan. The Commission also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers established by the government effective July 1, 1999. The expense for these pension plans is equivalent to the annual contributions of \$830,221 for the year ended March 31, 2000 (1999-\$849,296).

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

Note 8 Budget

The budget amounts shown on the statement of operations, agree with the 1999-00 Government Estimates. The Government Estimates budget was approved on April 18, 1999 by the Members of the Commission.

Note 9 Related Party Transactions

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Commission.

For purposes of this schedule, the Related parties are separated into "Entities in the Ministry" which includes the Department of Health and Wellness, Persons With Developmental Disabilities Provincial, Community and Facility Boards and "Other Entities".

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

Note 9 Related Party Transactions (continued)

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Revenues:				
Grants	<u>\$ 265,665</u>	<u>\$ 27,571,031</u>	<u>\$ 32,731,839</u>	<u>\$ 4,014,131</u>
Expenses:				
Other Services	<u>320,000</u>	<u>-</u>	<u>-</u>	<u>83,452</u>
Receivable from	153,165	438,031	-	-
(Payable to)	<u>(263,358)</u>	<u>-</u>	<u>(217,000)</u>	<u>-</u>

Note 9 Related Party Transactions (continued)

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

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Revenues (notional):				
Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,386</u>	<u>\$ 125,467</u>
Expenses (notional):				
Accommodation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,725,000</u>	<u>\$ 4,900,000</u>

Note 10 Federal/Provincial Cost Sharing Agreements

The province of Alberta recovers part of its contributions to the Commission from the Government of Canada under the Employabilities Assistance for People with Disabilities, and the Alcohol and Drug Treatment and Rehabilitation agreements. Claims relating to the Commission's activities for the years ended March 31, 2000 and March 31, 1999 amount to approximately \$9,456,000 and \$10,470,000 respectively.

Note 11 Salaries, Wages, Benefits and Allowances

	2000			1999
	Salaries ^(a)	Benefits and Allowances ^(b)	Total	Total
Current Executives				
Chairman of the Board	\$ 15,158		\$ 15,158	\$ 15,135
Board members ^(c)	23,663		23,663	32,809
Chief Executive Officer	120,029	36,289 ^(d)	156,318	169,122
Executive Director, Program Services	92,176	17,825	110,001	119,923
Divisional Directors:				
Corporate Services	86,749	16,450 ^(e)	103,199	105,114
Provincial Resource Services	75,234	15,968	91,202	98,067
Southern Alberta Addictions Services	76,668	16,368	93,036	92,376
Comptroller	77,431	15,434	92,865	86,840
Northern Alberta Addictions Services	72,758	15,622	88,380	86,589
Central Alberta Addictions Services	72,286	15,449	87,735	86,427

- (a) Salaries include regular pay, overtime, lump sum payments, honoraria and any other direct cash remuneration.
- (b) Benefits and allowances include the Commission's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long-term disability plans, tuition fees, conference fees, professional memberships and vacation payouts.
- (c) There were nine Board members in both years.
- (d) An amount has not been included in benefits and allowances for the automobile provided to the Chief Executive Officer.
- (e) The benefits and allowances amount includes a vacation payout of \$nil (1999 \$8,769).

Note 12 Comparative Figures

Certain 1999 amounts have been reclassified to conform to 2000 presentation.

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSIONSCHEDULE OF REVENUESFOR THE YEAR ENDED MARCH 31, 2000

	<u>2000</u>	<u>1999</u>
Internal government transfers:		(reclassified Note 12)
Grants from the Lottery Fund	\$ 27,875,000	\$ -
Department of Community Development	-	27,571,031
Grants from the Lottery Fund for Problem Gambling	3,584,208	3,286,762
Department of Children's Services	1,272,631	727,369
Department of Health and Wellness	<u>265,665</u>	<u>-</u>
	<u>32,997,504</u>	<u>31,585,162</u>
Other revenues:		
Fees:		
Clients	1,254,891	1,222,889
Seminars	<u>152,240</u>	<u>164,560</u>
	<u>1,407,131</u>	<u>1,387,449</u>
Other:		
Donations	9,164	34,328
Publications	49,376	55,872
Miscellaneous	<u>539,607</u>	<u>805,593</u>
	<u>598,147</u>	<u>895,793</u>
Total revenues	<u>\$ 35,002,782</u>	<u>\$ 33,868,404</u>

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSIONSCHEDULE OF EXPENSES BY OBJECTFOR THE YEAR ENDED MARCH 31, 2000

	<u>2000</u>	<u>1999</u> (restated Note 3)
Manpower:		
Salaries	\$ 14,998,671	\$ 14,827,216
Employer contributions	2,697,367	2,617,809
Wages	1,823,715	1,797,046
Allowances and benefits	<u>95,477</u>	<u>68,494</u>
	<u>19,615,230</u>	<u>19,310,565</u>
Grants:		
Direct financial assistance to agencies	<u>7,196,914</u>	<u>7,048,917</u>
Other:		
Professional, technical, and labor services	5,136,827	4,549,523
Materials and supplies	1,247,462	910,367
Travel and relocation	523,705	556,949
Telephones	292,598	355,601
Amortization	41,287	332,410
Voluntary separation payments	248,354	163,366
Board members' fees	38,821	47,944
Bad debts	34,652	29,070
Hosting	24,002	24,511
Other operating expenses	<u>557,848</u>	<u>519,094</u>
	<u>8,145,556</u>	<u>7,488,835</u>
	<u>\$ 34,957,700</u>	<u>\$ 33,848,317</u>

Persons with Developmental Disabilities
Provincial Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

PROVINCIAL BOARD

FINANCIAL STATEMENTS

MARCH 31, 2000

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Schedule of Budget

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Provincial Board and the Minister of Health and Wellness

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

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 3. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded direct costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$392,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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



**Persons with Developmental Disabilities
Provincial Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000		1999
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Department of Health and Wellness	283,412	290,520	263,406
Expenses			
Board Governance	10,329	1,814	593
Grant to Persons with Developmental Disabilities Northwest Alberta Community Board	9,334	10,206	8,951
Grant to Persons with Developmental Disabilities Northeast Alberta Community Board	12,905	13,541	12,387
Grant to Edmonton Community Board for Persons with Developmental Disabilities	77,812	80,754	74,687
Grant to Persons with Developmental Disabilities Central Alberta Community Board	38,866	41,455	37,014
Grant to Persons with Developmental Disabilities Calgary Region Community Board	62,903	67,517	60,246
Grant to Persons with Developmental Disabilities South Alberta Board	29,796	30,845	28,738
Grant to Michener Centre Facility Board	41,467	42,529	40,811
	<u>283,412</u>	<u>288,661</u>	<u>263,427</u>
Net Operating Results before Transfer	<u>-</u>	<u>1,859</u>	<u>(21)</u>
Transfers From/(To) (Note2)			
Persons with Developmental Disabilities Northwest Alberta Community Board	-	177	-
Persons with Developmental Disabilities Northeast Alberta Community Board	-	644	-
Edmonton Community Board for Persons with Developmental Disabilities	-	(933)	-
Persons with Developmental Disabilities Central Alberta Community Board	-	(517)	-
Persons with Developmental Disabilities Calgary Region Community Board	-	(962)	-
Persons with Developmental Disabilities South Alberta Board	-	690	-
	<u>-</u>	<u>(901)</u>	<u>-</u>
Net Operating Results	<u>-</u>	<u>958</u>	<u>(21)</u>

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

**Persons with Developmental Disabilities
 Provincial Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	958	(21)
Decrease (Increase) in Accounts Receivable	(20,779)	(8,075)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	<u>19,723</u>	<u>8,096</u>
Decrease in cash and Bank Overdraft, end of year	<u>(98)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
Provincial Board
Statement of Financial Position
As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	<u>28,854</u>	<u>8,075</u>
Liabilities		
Bank Overdraft (Note 2)	98	-
Accounts Payable and Accrued Liabilities	<u>27,819</u>	<u>8,096</u>
	<u>27,917</u>	<u>8,096</u>
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	(21)	-
Net Operating Results	<u>958</u>	<u>(21)</u>
Net Assets (Liabilities), End of Year	<u>937</u>	<u>(21)</u>
	<u>28,854</u>	<u>8,075</u>

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

**Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Provincial Board (the Provincial Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Provincial Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

The purpose of the Provincial Board is to promote the inclusion of adults with developmental disabilities in community life by developing a plan for the delivery of services to adults with developmental disabilities and overseeing and evaluating the implementation of that plan. The Provincial Board coordinates the activities of the Community and Facility Boards.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Provincial Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Provincial Board was accountable to the Minister of Family and Social Services. As a result of the government reorganization announced on May 25, 1999, the Provincial Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

Certain expenses, primarily for legal advice, and banking services, incurred on behalf of the Provincial Board by other Ministries are not reflected in the Statement of Operations.

**Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Provincial Board for the year ended March 31, 2000 were \$217. Comparable costs are not available for the year ended March 31, 1999.

Information technology, communications, financial and human resources were provided to the Provincial Board by the Department of Human Resources and Employment through an arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Provincial Board were \$175 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers From/(To) Persons with Developmental Disabilities Community Boards

The nature of the transfer is to provide additional funding from(to) the Community Boards to(from) the Provincial Board to eliminate the Community Boards' 1998/99 surpluses(deficits) as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Provincial Board are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Provincial Board at fiscal year end. In March 2000, funds were withdrawn from the Provincial Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Provincial Board did not enter into any lending arrangement or pay interest on this overdraft.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the value of assets held by the Provincial Board and its liabilities.

**Persons with Developmental Disabilities
Provincial Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$28,854	-	\$28,854	\$8,075

Accounts receivable are unsecured and non-interest bearing. The balance includes a receivable from the Department of Health and Wellness of \$27,056 (1999 - \$8,075) and the Community Boards of \$1,798.

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 6 Comparative Figures

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

Note 7 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Provincial Board.

**Persons with Developmental Disabilities
Provincial Board
Expense Detailed by Object
For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		1999
	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	538	652	392
Supplies and Services	9,791	1,162	201
Grants	<u>273,083</u>	<u>286,847</u>	<u>262,834</u>
Total Expenses	<u><u>283,412</u></u>	<u><u>288,661</u></u>	<u><u>263,427</u></u>

- (a) Manpower costs relate to employees seconded to the Provincial Board from the Department of Health and Wellness and are not employees of the Provincial Board.

**Persons with Developmental Disabilities
Provincial Board
Budget
For the Year Ended March 31, 2000**

Schedule 2

(in \$000's)

	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary (a)	Increases from Department (b)	1999-2000 Authorized Budget
Revenue	283,412	(7,994)	275,418	10,000	5,102	290,520
Grant from Department of Health and Wellness						
Expenses						
Board Governance	10,329	-	10,329	-	(6,656)	3,673
Grant to Persons with Developmental Disabilities Northwest Alberta Community Board	9,334	(439)	8,895	422	450	9,767
Grant to Persons with Developmental Disabilities Northeast Alberta Community Board	12,905	(528)	12,377	738	865	13,980
Grant to Edmonton Community Board for Persons with Developmental Disabilities	77,812	(3,407)	74,405	3,107	3,242	80,754
Grant to Persons with Developmental Disabilities Central Alberta Community Board	38,866	(1,345)	37,521	2,231	1,703	41,455
Grant to Persons with Developmental Disabilities Calgary Region Community Board	62,903	(1,766)	61,137	2,851	3,529	67,517
Grant to Persons with Developmental Disabilities South Alberta Board	29,796	(509)	29,287	651	907	30,845
Grant to Michener Centre Facility Board	41,467	-	41,467	-	1,062	42,529
	283,412	(7,994)	275,418	10,000	5,102	290,520
Net Operating Results	-	-	-	-	-	-

(a) Supplementary Estimates were approved on December 9, 1999. Treasury Board approval is pursuant to section 29 (1.1) of the Financial Administration Act.

(b) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for the fiscal year.

**Persons with Developmental Disabilities
Provincial Board
Disclosure of Payments to Executives
For the year Ended March 31, 2000**

Schedule 3

	<u>2000</u>			<u>1999</u>
	<u>Payments</u>	<u>Contributions</u>	<u>Total</u>	<u>Total</u>
Chair of the Board (a)	\$ 26,252	\$ -	\$ 26,252	\$ 25,886
Board Members (8 members) (a)	43,303		43,303	23,379
Chief Executive Officer (b)	94,512	18,090	112,602	112,634

- a. These amounts represent honoraria payments made to the Chair and Members of the Provincial Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Provincial Board under an arrangement with the Department Of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Northeast Alberta Community Board
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PERSONS WITH DEVELOPMENTAL DISABILITIES

NORTHEAST ALBERTA COMMUNITY BOARD

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Northeast Alberta Community Board and the Minister of Health and Wellness

I have audited the statement of financial position of the Persons with Developmental Disabilities Northeast Alberta Community Board as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$436,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Statement of Operations
 For the year ended March 31, 2000**

	(in \$000's)		
	2000		1999
	Budget	Actual	Actual
	(Schedule 2)		(Note 8)
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	12,905	13,541	12,387
	<u>12,905</u>	<u>13,541</u>	<u>12,387</u>
Expenses			
Board Governance	139	103	86
Individual Funding Program	5,882	5,443	5,298
Contracted Services Program	6,001	6,351	5,514
Support to Community Services	883	1,050	845
	<u>12,905</u>	<u>12,947</u>	<u>11,743</u>
Net Operating Results before Transfer	<u>-</u>	<u>594</u>	<u>644</u>
Transfer To Persons with Developmental Disabilities Provincial Board (Note 2)	-	(644)	-
Net Operating Results	<u>-</u>	<u>(50)</u>	<u>644</u>

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

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	(50)	644
Decrease (Increase) in Accounts Receivable	(863)	(1,287)
Decrease (Increase) in Advances	1	(2)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	266	645
Decrease in Cash and Bank Overdraft at end of year	<u>(646)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Statement of Financial Position
 As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	2,150	1,287
Advances	<u>1</u>	<u>2</u>
	<u><u>2,151</u></u>	<u><u>1,289</u></u>
Liabilities		
Bank Overdraft (Note 2)	646	-
Accounts Payable and Accrued Liabilities	<u>911</u>	<u>645</u>
	<u><u>1,557</u></u>	<u><u>645</u></u>
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	644	-
Net Operating Results	<u>(50)</u>	<u>644</u>
Net Assets (Liabilities), End of Year	<u><u>594</u></u>	<u><u>644</u></u>
	<u><u>2,151</u></u>	<u><u>1,289</u></u>

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

**Persons with Developmental Disabilities
Northeast Alberta Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Northeast Community Board (the Community Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Community Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

The purpose of the Community Board is to assist people with developmental disabilities, in the Northeast Region, to live valued and meaningful lives with dignity and self-worth in safe, caring, and supporting communities of their choice.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Community Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Community Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Community Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

Certain expenses, primarily for legal advice, and banking services, incurred on behalf of the Community Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Northeast Alberta Community Board for

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Notes to the Financial Statements
 For the year ended March 31, 2000
 (In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

the year ended March 31, 2000 were \$109. Comparable costs are not available for the year ended March 31, 1999.

Information technology, communications, financial and human resources were provided to the Community Board by the Department of Human Resources and Employment through and arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Northeast Alberta Community Board were \$327 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfer to Persons with Developmental Disabilities Provincial Board

The nature of the transfer is to provide funding to the Provincial Board from the Community Board, as approved by the Department of Health and Wellness. This transfer eliminates the Community Board's 1998/99 surplus.

Assets

Financial assets of the Community Board are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Community Board at fiscal year end. In March 2000, funds were withdrawn from the Northeast Alberta Community Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Northeast Alberta Community Board did not enter into any lending arrangements nor pay interest on this overdraft.

Net Assets

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

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$2,150	-	\$2,150	\$1,287

**Persons with Developmental Disabilities
Northeast Alberta Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 3 Accounts Receivable (continued)

Accounts Receivable are unsecured and non-interest bearing. The balance represents a receivable from the Provincial Board of \$2,150 (1999 - \$1,287).

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Commitments

As at March 31, 2000, the Community Board has the following commitments:

- (a) The Community Board leases certain equipment under operating leases. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2001	\$2
------	-----

- b) The Community Board has also signed a number of contracts with agencies for the provision of a variety of services. These contracts can be cancelled by either party with one-month notice. The committed amount is therefore only for the month of April 2000 and amounts to \$497. If these contracts were left in place for the entirety of the 2001 fiscal year this would amount to \$5,963 and \$401 for the 2002 fiscal year.

Note 6 Comparative Figures

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

Note 7 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Community Board.

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Expense Detailed by Object
 For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		1999
	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	838	783	731
Supplies and Services	6,143	6,721	5,444
Grants	5,924	5,443	5,568
Total Expenses	<u>12,905</u>	<u>12,947</u>	<u>11,743</u>

(a) Manpower costs relate to employees seconded to the Community Board from the Department of Health and Wellness and are not employees of the Community Board.

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Schedule to Financial Statements
 Budget
 For the year ended March 31, 2000**

Schedule 2

(in \$000's)

	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary	Increases from Department (a)	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	12,905	(528)	12,377	738	426	13,541
	12,905	(528)	12,377	738	426	13,541
Expenses						
Board Governance	139	-	139	(30)	-	109
Individual Funding Program	5,882	-	5,882	145	71	6,098
Contracted Services Program	6,001	(528)	5,473	500	342	6,315
Support to Community Services	883	-	883	123	13	1,019
	12,905	(528)	12,377	738	426	13,541
Total Expenses	12,905	(528)	12,377	738	426	13,541
Net Operating Results	-	-	-	-	-	-

(a) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for fiscal year.

**Persons with Developmental Disabilities
 Northeast Alberta Community Board
 Salary and Benefits Disclosure
 For the year ended March 31, 2000
 (In thousands)**

Schedule 3

	2000			1999
	Payments	Contributions	Total	Total
Chairman of the Board (a)	\$ 12,063	\$ -	\$ 12,063	\$ 11,436
Board Members (8 members) (a)	38,219	-	38,219	18,998
Chief Executive Officer (b)	83,593	12,615	96,208	89,415

- a. These amounts represent honoraria payments made to the Chair and Members of the Northeast Alberta Community Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Northeast Alberta Community Board under an arrangement with the Department of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Northwest Alberta Community Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

NORTHWEST ALBERTA COMMUNITY BOARD

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Northwest Alberta Community Board and the Minister of Health and Wellness

I have audited the statement of financial position of the Persons with Developmental Disabilities Northwest Alberta Community Board as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$341,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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



**Persons with Developmental Disabilities
Northwest Alberta Community Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000	1999	
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	9,334	10,206	8,951
Expenses			
Board Governance	139	90	134
Individual Funding Program	4,001	5,135	3,816
Contracted Services Program	4,511	4,109	4,175
Support to Community Services	683	872	649
	<u>9,334</u>	<u>10,206</u>	<u>8,774</u>
Net Operating Results before Transfer	<u>-</u>	<u>-</u>	<u>177</u>
Transfer To Persons with Developmental Disabilities Provincial Board (Note 2)	-	(177)	-
Net Operating Results	<u>-</u>	<u>(177)</u>	<u>177</u>

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

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Statement of Changes in Financial Position
For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	(177)	177
Decrease (Increase) in Accounts Receivable	(661)	(520)
Decrease (Increase) in Advances	(1)	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	395	344
Decrease in Cash and Bank Overdraft at end of year	<u>(444)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Statement of Financial Position
As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	1,181	520
Advances	2	1
	<u>1,183</u>	<u>521</u>
Liabilities		
Bank Overdraft (Note 2)	444	-
Accounts Payable and Accrued Liabilities	739	344
	<u>1,183</u>	<u>344</u>
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	177	-
Net Operating Results	(177)	177
Net Assets (Liabilities), End of Year	<u>-</u>	<u>177</u>
	<u>1,183</u>	<u>521</u>

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

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Northwest Community Board (the Community Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Community Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

The vision of the Community Board is persons with developmental disabilities as leaders and partners in the delivery of dynamic integrated services in a fully involved caring community.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Community Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Community Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Community Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Community Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Northwest Alberta Community Board for the year ended March 31, 2000 were \$104. Comparable Costs are not available for the year ended March 31, 1999.

Information technology consulting, communications, financial and human resources were provided to the Community Board by the Department of Human Resources and Employment through an arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Northwest Alberta Community Board were \$237 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers To Persons with Developmental Disabilities Provincial Board

The nature of the transfer is to provide additional funding to the Provincial Board from the Community Board to eliminate the Community Board's 1998/99 surplus as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Community Board are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Community Board at fiscal year end. In March 2000, funds were withdrawn from the Community Board Bank Account to cover payments made on its behalf. The bank account was not replenished until April 2000 thus creating this bank overdraft. The Community Board did not enter into any lending arrangement nor pay interest on this overdraft.

Net Assets (Liabilities)

Net assets (liabilities) represents the difference between the value of assets held by the Community Board and its liabilities.

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$1181	-	\$1181	\$520

Accounts receivable are unsecured and non-interest bearing. The balance includes a receivable from the Provincial Board of \$921 (1999 - \$520) and the Ministry of Children's Services of \$260.

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Commitments

As at March 31, 2000, the Community Board has the following commitments:

Service contracts	\$260
Long-term leases ^(a)	<u>24</u>
Total	<u>\$284</u>

(a) The Community Board leases certain equipment under operating leases that expire on various dates to 2003. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2001	\$14
2002	\$8
2003	\$2

Note 6 Comparative Figures

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

Note 7 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Community Board.

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Expense Detailed by Object
For the period ended March 31, 2000**

Schedule 1

	(in \$000's)		
	2000		1999
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	607	665	571
Supplies and Services	4,726	4,407	4,333
Grants	<u>4,001</u>	<u>5,134</u>	<u>3,870</u>
Total Expenses	<u><u>9,334</u></u>	<u><u>10,206</u></u>	<u><u>8,774</u></u>

(a) Manpower costs relate to employees seconded to the Community Board from the Department of Health and Wellness and are not employees of the Community Board.

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Budget**

For the year ended March 31, 2000

Schedule 2

(in \$000's)

	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary	Increases from Department (a)	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	9,334	(439)	8,895	422	889	10,206
Expenses						
Board Governance	139	-	139	-	(64)	75
Individual Funding Program	4,001	-	4,001	422	507	4,930
Contracted Services Program	4,511	(439)	4,072	-	299	4,371
Support to Community Services	683	-	683	-	147	830
	9,334	(439)	8,895	422	889	10,206
Net Operating Results	-	-	-	-	-	-

(a) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for the fiscal year.

**Persons with Developmental Disabilities
Northwest Alberta Community Board
Disclosure of Payments to Executives
For the Year Ended March 31, 2000**

Schedule 3

	2000			1999
	Payments	Contributions	Total	Total
Chair of the Board (a)	\$ 17,831	\$ -	\$ 17,831	\$ 11,891
Board Members (8 members) (a)	41,385	-	41,385	26,055
Chief Executive Officer (b)	73,081	12,418	85,499	81,665

- a. These amounts represent honoraria payments made to the Chair and Members of the Community Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Community Board under an arrangement with the Department Of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Edmonton Community Board
FINANCIAL STATEMENTS
as at March 31, 2000

EDMONTON COMMUNITY BOARD FOR
PERSONS WITH DEVELOPMENTAL DISABILITIES

FINANCIAL STATEMENTS

MARCH 31, 2000

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Edmonton Community Board for
Persons with Developmental Disabilities and the Minister of Health and Wellness

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

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$2,745,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

**Persons with Developmental Disabilities
Edmonton Community Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000	1999	
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	77,812	80,754	74,687
Expenses			
Board Governance	85	74	86
Individual Funding Program	31,095	37,454	33,252
Contracted Services Program	31,545	30,675	27,427
Support to Community Services	2,583	2,186	2,017
Operated Facilities	12,504	10,364	12,838
	<u>77,812</u>	<u>80,753</u>	<u>75,620</u>
Net Operating Results before Transfer	<u>-</u>	<u>1</u>	<u>(933)</u>
Transfer From Persons with Developmental Disabilities Provincial Board (Note 2)	-	932	-
Net Operating Results	<u>-</u>	<u>933</u>	<u>(933)</u>

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

**Persons with Developmental Disabilities
Edmonton Community Board
Statement of Changes in Financial Position
For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	933	(933)
Non Cash Items		
Amortization	<u>2</u>	<u>-</u>
	935	(933)
Decrease(Increase) in Accounts Receivable	(6,303)	(2,414)
Increase(Decrease) in Accounts Payable and Accrued Liabilities	<u>1,043</u>	<u>3,364</u>
Cash Provided (Used) by Operating Transactions	<u>(4,325)</u>	<u>17</u>
Investing Transactions		
Purchase of Capital Assets	<u>-</u>	<u>(17)</u>
Cash Provided (Used) by Investing Transactions	<u>-</u>	<u>(17)</u>
Decrease in Cash and Bank Overdraft at end of year	<u><u>(4,325)</u></u>	<u><u>-</u></u>

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

**Persons with Developmental Disabilities
Edmonton Community Board
Statement of Financial Position
As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	8,717	2,414
Capital Assets (Note 5)	15	17
	<u>8,732</u>	<u>2,431</u>
Liabilities		
Bank Overdraft (Note 2)	4,325	-
Accounts Payable and Accrued Liabilities	4,407	3,364
	<u>8,732</u>	<u>3,364</u>
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	(933)	-
Net Operating Results	933	(933)
Net Assets (Liabilities), End of Year	<u>-</u>	<u>(933)</u>
	<u>8,732</u>	<u>2,431</u>

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

**Persons with Developmental Disabilities
Edmonton Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Edmonton Community Board (the Community Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Community Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

Through advocacy and service, the Community Board helps adults with developmental disabilities to live, as independently as possible, within the community.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Community Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Community Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Community Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Community Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Edmonton Community Board for the year ended March 31, 2000 were \$772. Comparable Costs are not available for the year ended March 31, 1999.

**Persons with Developmental Disabilities
Edmonton Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Information technology, communications, financial and human resources were provided to the Community Board by the Department of Human Resources and Employment through an arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Edmonton Community Board were \$1,973 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers From Persons with Developmental Disabilities Provincial Board.

The nature of the transfer is to provide additional funding from the Provincial Board to the Community Board to eliminate the Community Boards' 1998/99 deficits as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Community Board are limited to financial claims, such as receivables from other organizations.

Capital assets of the Community Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100 and the threshold for all other capital assets is \$15.

Liabilities

Liabilities represent all financial claims payable by the Community Board at fiscal year end. In March 2000, funds were withdrawn from the Community Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Community Board did not enter into any lending arrangement nor pay interest on this overdraft.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the value of assets held by the Community Board and its liabilities.

**Edmonton Community Board
For Persons with Developmental Disabilities
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 3 Accounts Receivable

	<u>2000</u>			<u>1999</u>
	Gross	Allowance for	Net Realizable	Net Realizable
	Amount	Doubtful	Value	Value
		Accounts		
Accounts Receivable	\$8,717	-	\$8,717	\$2,414

The balance includes a receivable from the Provincial Board of \$8,717 (1999 - \$2,414).

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Capital Assets

	<u>2000</u>				<u>1999</u>
	Estimated		Accumulated	Net Book	Net
	Useful	Cost	Amortization	Value	Book
	Life				Value
Equipment	10 years	\$17	\$2	\$15	\$17

Note 6 Commitments

As at March 31, 2000, the Community Board has the following commitments:

	<u>2000</u>	<u>1999</u>
Service contracts	\$4,172	\$4,447

Note 7 Trust Funds Under Administration

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

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

	<u>2000</u>	<u>1999</u>
Donation to clients	\$ 3	\$ 4
Deposit to clients	58	54
	<u>\$61</u>	<u>\$58</u>

**Persons with Developmental Disabilities
Edmonton Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 8 Comparative Figures

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

Note 9 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Community Board.

**Persons with Developmental Disabilities
Edmonton Community Board
Expense Detailed by Object
For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		1999
	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	11,240	11,240	13,483
Supplies and Services	32,070	32,057	28,885
Grants	34,502	37,454	33,252
Amortization of Capital Assets	-	2	-
Total Expenses	<u>77,812</u>	<u>80,753</u>	<u>75,620</u>

- (a) Manpower costs relate to employees seconded to the Community Board from the Department of Health and Wellness and are not employees of the Community Board.

**Persons with Developmental Disabilities
Edmonton Community Board
Schedule to Financial Statements
Budget
For the year ended March 31, 2000**

Schedule 2

(in \$000's)						
	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary	Increases from Department	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	77,812	(3,407)	74,405	4,107	2,242	80,754
Expenses						
Board Governance	85	-	85	-	-	85
Individual Funding Program	31,095	-	31,095	4,107	2,242	37,444
Contracted Services Program	31,545	(870)	30,675	-	-	30,675
Support to Community Services	2,583	(397)	2,186	-	-	2,186
Operated Facilities	12,504	(2,140)	10,364	-	-	10,364
	77,812	(3,407)	74,405	4,107	2,242	80,754
Net Operating Results	-	-	-	-	-	-

**Edmonton Community Board
For Persons with Developmental Disabilities
Disclosure of Payments to Executives
For the year Ended March 31, 2000**

Schedule 3

	2000			1999
	Payments	Contributions	Total	Total
Chair of the Board (a)	20,639	-	20,639	19,376
Board Members (7 members) (a)	53,502	-	53,502	44,830
Chief Executive Officer (b)	88,235	4,245	92,480	84,700

- a. These amounts represent honoraria payments made to the Chair and Members of the Community Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Community Board under an arrangement with the Department Of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Central Alberta Community Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

CENTRAL ALBERTA COMMUNITY BOARD

FINANCIAL STATEMENTS

MARCH 31, 2000

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Central Alberta Community Board and the Minister of Health and Wellness

I have audited the statement of financial position of the Persons with Developmental Disabilities Central Alberta Community Board as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded direct costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$1,204,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

**Persons with Developmental Disabilities
Central Alberta Community Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000	1999	
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	38,866	41,455	37,014
Expenses			
Board Governance	-	95	80
Individual Funding Program	-	13,968	13,391
Contracted Services Program	-	25,795	22,570
Support to Community Services	-	1,597	1,490
	<u>38,866</u>	<u>41,455</u>	<u>37,531</u>
Net Operating Results before Transfer	-	-	(517)
Transfer From Persons with Developmental Disabilities Provincial Board (Note 2)	-	517	-
Net Operating Results	<u>-</u>	<u>517</u>	<u>(517)</u>

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

**Persons with Developmental Disabilities
 Central Alberta Community Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	517	(517)
Decrease (Increase) in Accounts Receivable	(2,509)	(894)
Increase in Accounts Payable and Accrued Liabilities	581	1,411
Decrease in Cash and Bank Overdraft at end of year	<u>(1,411)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
 Central Alberta Community Board
 Statement of Financial Position
 As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	<u>3,403</u>	<u>894</u>
Liabilities		
Bank Overdraft (Note 2)	1,411	
Accounts Payable and Accrued Liabilities	<u>1,992</u>	<u>1,411</u>
	<u>3,403</u>	<u>1,411</u>
Net assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	(517)	-
Net Operating Results	<u>517</u>	<u>(517)</u>
Net Assets (Liabilities), End of Year	<u>-</u>	<u>(517)</u>
	<u>3,403</u>	<u>894</u>

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

**Persons with Developmental Disabilities
Central Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Central Alberta Community Board (the Community Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Community Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

Alberta Health and Wellness, through the Persons with Developmental Disabilities Central Alberta Community Board provides supports to enable adults with developmental disabilities, with the help of their family and friends, to live, work and participate in their community as valued citizens. This is done through Community Living, Respite, and Community Participation Supports which are provided through contracted services or the Individual Funding Program.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Community Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Community Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Community Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting..

Expenses

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

**Persons with Developmental Disabilities
Central Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Community Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Central Alberta Community Board for the year ended March 31, 2000 were \$217. Comparable Costs are not available for the year ended March 31, 1999.

Information technology, communications, financial and human resources were provided to the Community Board by the Department of Human Resources and Employment through and arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Central Alberta Community Board were \$987 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers From Persons with Developmental Disabilities Provincial Board

The nature of the transfer is to provide additional funding from the Provincial Board to the Community Boards to eliminate the Community Boards' 1998/99 deficit as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Community Board are limited to financial claims, such as receivables from other organizations.

The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000.

Liabilities

In March 2000, funds were withdrawn from the Central Alberta Community Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Central Alberta Community Board did not enter into any lending arrangement nor pay interest on this overdraft.

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

**Persons with Developmental Disabilities
Central Alberta Community Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Net Assets (Liabilities)

Net assets (liabilities) represents the difference between the value of assets held by the Community Board and its liabilities.

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$1,992	\$ -	\$1,992	\$894

The balance includes a receivable from the Provincial Board of \$2,951 (1999 - \$894) and the Ministry of Children's Services of \$450.

Accounts receivable are unsecured and non-interest bearing.

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Commitments

As at March 31, 2000, the Community Board has the following commitments:

	2000
Service Contracts	\$ 327

Note 8 Comparative Figures

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

Note 9 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Community Board.

**Persons with Developmental Disabilities
 Central Alberta Community Board
 Expense Detailed by Object
 For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		
	2000		1999
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	-	1,445	1,334
Supplies and Services	-	26,042	22,806
Grants	-	13,968	13,391
Total Expenses	<u>38,866</u>	<u>41,455</u>	<u>37,531</u>

- (a) Manpower costs relate to employees seconded to the Community Board from the Department of Health and Wellness and are not employees of the Community Board.

**Persons with Developmental Disabilities
Central Alberta Community Board
Schedule to Financial Statements
Budget**

For the year ended March 31, 2000

Schedule 2

(in \$000's)						
Revenue	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary	Increases from Department (a)	1999-2000 Authorized Budget
Grant from Persons with Developmental Disabilities Provincial Board	38,866	(1,345)	37,521	2,946	988	41,455
Expenses						
Board Governance	-	-	-	-	-	95
Individual Funding Program	-	-	-	-	-	13,968
Contracted Services Program	-	-	-	-	-	25,795
Support to Community Services	-	-	-	-	-	1,597
	38,866	(1,345)	37,521	2,946	988	41,455
Net Operating Results	-	-	-	-	-	-

(a) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for the fiscal year.

**Persons with Developmental Disabilities
 Central Alberta Community Board
 Disclosure of Payments to Executives
 For the Year Ended March 31, 2000**

Schedule 3

	2000			1999
	Payments	Contributions	Total	Total
Chair of the Board (a)	\$ 16,348	\$ -	\$ 16,348	\$ 18,561
Board Members (8 members) (a)	49,876		49,876	43,707
Chief Executive Officer (b)	78,066	14,843	92,909	89,858

- a. These amounts represent honoraria payments made to the Chair and Members of the Central Alberta Community Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Central Alberta Community Board under an arrangement with the Department Of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Calgary Region Community Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

CALGARY REGION COMMUNITY BOARD

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities
Calgary Region Community Board and the Minister of Health and Wellness

I have audited the statement of financial position of the Persons with Developmental Disabilities Calgary Region Community Board as at March 31, 2000 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded direct costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$2,686,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

**Persons with Developmental Disabilities
Calgary Region Community Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000	1999	
	Budget	Actual	Actual
	(Schedule 2)		
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	62,903	67,517	60,246
	<u>62,903</u>	<u>67,517</u>	<u>60,246</u>
Expenses			
Board Governance	85	79	78
Individual Funding Program	28,996	37,025	24,960
Contracted Services Program	25,342	22,285	28,052
Support to Community Services	2,180	1,930	1,831
Operated Facilities	6,300	6,198	6,287
	<u>62,903</u>	<u>67,517</u>	<u>61,208</u>
Total Expenses	<u>62,903</u>	<u>67,517</u>	<u>61,208</u>
Net Operating Results before Transfer	<u>-</u>	<u>-</u>	<u>(962)</u>
Transfer From Persons with Developmental Disabilities Provincial Board	-	962	-
Net Operating Results	<u>-</u>	<u>962</u>	<u>(962)</u>

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

**Persons with Developmental Disabilities
 Calgary Region Community Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	962	(962)
	<u>962</u>	<u>(962)</u>
Increase in Accounts Receivable	(5,284)	(896)
Decrease in Accounts Payable	1,980	1,858
Decrease in Cash and Bank Overdraft at end of year	<u>(2,342)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
Calgary Region Community Board
Statement of Financial Position
As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable	6,180	896
	<u>6,180</u>	<u>896</u>
Liabilities		
Bank Overdraft (Note 2)	2,342	-
Accounts Payable and Accrued Liabilities	3,838	1,858
	<u>6,180</u>	<u>1,858</u>
Net Assets/(Liabilities)		
Net Liabilities, Beginning of Year	(962)	-
Net Operating Results	962	(962)
Net Assets/(Liabilities), End of Year	<u>-</u>	<u>(962)</u>
	<u>6,180</u>	<u>896</u>

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

**Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities Calgary Region Community Board (the Community Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Community Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

Through advocacy and service, the Community Board helps adults with developmental disabilities to live, as independently as possible, within the community.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The Community Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Community Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Community Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Calgary Region Community Board for the year ended March 31, 2000 were \$1,090. Comparable Costs are not available for the year ended March 31, 1999.

**Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Information technology, communications, financial and human resources were provided to the Community Board by the Department of Human Resources and Employment through an arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the Calgary Region Community Board were \$1,596 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers From Persons with Developmental Disabilities Provincial Board.

The nature of the transfer is to provide additional funding from the Provincial Board to the Community Board to eliminate the Community Boards' 1998/99 deficits as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Community Board are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Community Board at fiscal year end. In March 2000, funds were withdrawn from the Community Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Community Board did not enter into any lending arrangement nor pay interest on this overdraft.

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the value of assets held by the Community Board and its liabilities.

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$6,180	-	\$6,180	\$896

The balance represents amounts due from the Provincial Board.

**Persons with Developmental Disabilities
Calgary Region Community Board
Notes to the Financial Statements
For the year ended March 31, 2000
(In thousands)**

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Trust Funds Under Administration

The Community Board administers certain trust funds. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Community Boards financial statements.

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

Client Trust Funds	<u>\$ 68</u>
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Note 6 Comparative Figures

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

Note 7 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Community Board.

Note 8 Transfer of Expenditures and Budget to Children's Services

The financial statements include a \$1,766 budget transfer from Calgary Region Community Board to Calgary Rocky View Children's Services for services that were previously funded and provided by Calgary Region Community Board that now are the responsibility of Children's Services. This transaction had no impact on the financial results of the Calgary Region Community Board.

**Persons with Developmental Disabilities
 Calgary Region Community Board
 Expense Detailed by Object
 For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		1999
	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	7,670	7,474	7,435
Supplies and Services	26,237	28,547	27,796
Grants	28,996	31,496	25,977
Total Expenses	<u>62,903</u>	<u>67,517</u>	<u>61,208</u>

- a. Manpower costs relate to employees seconded to the Provincial Board from the Department of Health and Wellness and are not employees of the Community Board.

**Persons with Developmental Disabilities
Calgary Region Community Board
Schedule to Financial Statements
Budget**

For the year ended March 31, 2000

Schedule 2

(in \$000's)						
	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Amended Budget	Authorized Supplementary	Increases from Department	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	62,903	(1,766)	61,137	2,851	3,529	67,517
	62,903	(1,766)	61,137	2,851	3,529	67,517
Expenses						
Board Governance	85	-	85	(6)	-	79
Individual Funding Program	28,996	-	28,996	3,107	(607)	31,496
Contracted Services Program	25,342	(1,266)	24,076	-	3,738	27,814
Support to Community Services	2,180	-	2,180	(250)	-	1,930
Operated Facilities	6,300	(500)	5,800	-	398	6,198
	62,903	(1,766)	61,137	2,851	3,529	67,517
Total Expenses	62,903	(1,766)	61,137	2,851	3,529	67,517
Net Operating Results	-	-	-	-	-	-

**Persons with Developmental Disabilities
 Calgary Region Community Board
 Disclosure of Payments to Executives
 For the Year Ended March 31, 2000**

Schedule 3

	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	Total
Chair of the Board	\$ 6,005	\$ -	\$ 6,005
Chair of the Board	3,097	-	3,097
Board Members (8 members)	62,707	-	62,707
Chief Executive Officer	74,963	13,057	88,020

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
South Alberta Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

SOUTH ALBERTA BOARD

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Persons with Developmental Disabilities South Alberta Board and the Minister of Health and Wellness

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

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

The Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and are consistent across departments and government agencies. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies an exception from generally accepted accounting principles that arises from following the accounting policies established by Alberta Treasury.

The following accounting policy is not in accordance with generally accepted accounting principles:

Excluded direct costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$909,000.

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

**Persons with Developmental Disabilities
South Alberta Board
Statement of Operations
For the year ended March 31, 2000**

	(in \$000's)		
	2000		1999
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	29,796	30,845	28,738
Expenses			
Board Governance	103	89	88
Individual Funding Program	14,724	16,485	14,168
Contracted Services Program	14,097	13,345	12,973
Support to Community Services	872	926	819
	<u>29,796</u>	<u>30,845</u>	<u>28,048</u>
Net Operating Results before Transfer	<u>-</u>	<u>-</u>	<u>690</u>
Transfer to Persons with Developmental Disabilities Provincial Board (Note 2)	-	(690)	-
Net Operating Results	<u><u>-</u></u>	<u><u>(690)</u></u>	<u><u>690</u></u>

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

**Persons with Developmental Disabilities
 South Alberta Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	(690)	690
Decrease (Increase) in Accounts Receivable	227	(1,732)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	<u>(50)</u>	<u>1,042</u>
Decrease in Cash and Bank Overdraft at end of year	<u>(513)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
South Alberta Board
Statement of Financial Position
As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	<u>1,505</u>	<u>1,732</u>
Liabilities		
Bank Overdraft (Note 2)	513	-
Accounts Payable and Accrued Liabilities	<u>992</u>	<u>1,042</u>
	<u>1,505</u>	<u>1,042</u>
Net Assets		
Net Assets, Beginning of Year	690	-
Net Operating Results	<u>(690)</u>	<u>690</u>
Net Assets, End of Year	<u>-</u>	<u>690</u>
	<u>1,505</u>	<u>1,732</u>

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

**Persons with Developmental Disabilities
South Alberta Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

Note 1 Authority and Purpose

The Persons with Developmental Disabilities South Alberta Board (the Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Board operates under the authority of the *Persons with Developmental Disabilities Community Governance Act* and the *Government Organization Act*.

The purpose of the Board is to lead in promoting supports to persons with developmental disabilities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Community Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

The Board was accountable to the Minister of Family and Social Services through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). As a result of the government reorganization announced on May 25, 1999, the Board became part of the Ministry of Health and Wellness effective April 1, 1999.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

**Persons with Developmental Disabilities
South Alberta Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000. These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the South Alberta Board for the year ended March 31, 2000 were \$ 153. Comparable Costs are not available for the year ended March 31, 1999.

Information technology, communications, financial and human resources were provided to the Board by the Department of Human Resources and Employment through an arrangement with the Department of Health and Wellness. These costs are not reflected in the Statement of Operations. The total costs of these expenses incurred by the Department of Health and Wellness on behalf of the South Alberta Board were \$ 756 for the year ended March 31, 2000. Comparable costs are not available for the year ended March 31, 1999.

Transfers To Persons with Developmental Disabilities Provincial Board

The nature of the transfer is to provide additional funding to the Provincial Board from the Board to eliminate the Board's 1998/99 surplus as approved by the Minister of Health and Wellness.

Assets

Financial assets of the Board are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities represent all financial claims payable by the Board at fiscal year end. In March 2000, funds were withdrawn from the South Alberta Board Bank Account to cover payments made on its behalf. The bank account was not replenished until early April 2000, thus creating this bank overdraft. The South Alberta Board did not enter into any lending arrangement nor pay interest on this overdraft.

**Persons with Developmental Disabilities
South Alberta Board**

**Notes to the Financial Statements
For the Year ended March 31, 2000
(In thousands)**

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

(b) Basis of Financial Reporting (continued)

Net Assets

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

Note 3 Accounts Receivable

	2000			1999
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	\$1,505	\$ -	\$1,505	\$1,732

Accounts receivable are unsecured and non-interest bearing. The balance includes a receivable from the Provincial Board of \$ 1,366 (1999 - \$ 1,732) and the Ministry of Children's Services of \$ 139.

Note 4 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 5 Commitments

As at March 31, 2000, the Board has the following commitments:

	2000
Service contracts	3,641

Note 6 Comparative Figures

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

Note 7 Approval of Financial Statements

The financial statements were prepared by management and approved by the Chief Executive Officer and the Board.

**Persons with Developmental Disabilities
 South Alberta Board
 Expense Detailed by Object
 For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		
	2000		1999
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	750	807	743
Supplies and Services	14,322	13,663	13,136
Grants	14,724	16,375	14,169
Total Expenses	<u>29,796</u>	<u>30,845</u>	<u>28,048</u>

(a) Manpower costs relate to employees seconded to the Board from the Department of Health and Wellness and are not employees of the Board

**Persons with Developmental Disabilities
South Alberta Board
Schedule to Financial Statements
Budget
For the year ended March 31, 2000**

Schedule 2

(in \$000's)

	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary	Increases from Department ^(a)	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	29,796	(509)	29,287	651	907	30,845
Expenses						
Board Governance	103	-	103	-	-	103
Individual Funding Program	14,724	-	14,724	651	853	16,228
Contracted Services Program	14,097	(509)	13,588	-	-	13,588
Support to Community Services	872	-	872	-	54	926
	29,796	(509)	29,287	651	907	30,845
Net Operating Results	-	-	-	-	-	-

(a) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for the fiscal year.

**Persons with Developmental Disabilities
South Alberta Board
Disclosure of Payments to Executives
For the Year Ended March 31, 2000**

Schedule 3

	<u>2000</u>			<u>1999</u>
	<u>Payments</u>	<u>Contributions</u>	<u>Total</u>	<u>Total</u>
Chair of the Board (a)	\$ 11,475	\$ -	\$ 11,475	\$ 9,627
Board Members (8 members) (a)	42,837		42,837	47,115
Chief Executive Officer (b)	80,130	4,747	84,877	82,632

- a. These amounts represent honoraria payments made to the Chair and Members of the Board
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Board under an arrangement with the Department of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Michener Centre Facility Board
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES

MICHENER CENTRE FACILITY BOARD

FINANCIAL STATEMENTS

MARCH 31, 2000

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AUDITOR'S REPORT

To the Members of the Board of Directors of the Michener Centre Facility Board and the Minister of Health and Wellness

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

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

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

Prior period inventories

Note 10 indicates a change in accounting policy for inventory. Since the total cumulative effect of this change on prior periods can be determined, generally accepted accounting principles require an adjustment of the opening net assets of the period in which the change is made. However, no adjustment has been made. The effect of this departure is to understate the net assets at April 1, 1999, and the expenses for the year ended March 31, 2000 by approximately \$380,000.

The Facility Board is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 2. These accounting policies have been established by Alberta Treasury and the Department of Health and Wellness. My qualified opinion in this auditors' report identifies the following four departures from generally accepted accounting principles that arise from following these accounting policies:

Excluded maintenance fee revenue

The Facility Board levies and collects a fee from certain residents as a contribution towards the program operated by the Board. This revenue is not recognized in the accompanying financial statements. The effect of not recognizing this revenue is to understate maintenance fee revenues and to overstate the grant from the Provincial Board by approximately \$1,185,000.

Accrued vacation payable

Obligations for employee vacation and overtime pay for employees assigned to the Facility Board has not been recorded as a liability in the accompanying statement of financial position and the related expense for the annual change in the liability has not been recognized in the statement of operations. The effect of not recognizing the annual change in the liability is to overstate expenses by approximately \$585,000.

Excluded costs

Certain costs incurred in the operation of the Board have not been included in expenses. The departments that paid the expenses on behalf of the Board record these costs, which include accommodation, and services such as financial and human resource management, and legal advice. Significant excluded direct costs amount to approximately \$4,398,000.

Capital assets expensed

Computer equipment costing \$202,000 has been charged to income. Generally accepted accounting principles require that assets with a useful life beyond one year be capitalized and amortized over their estimated useful life. The result of this treatment is an understatement of assets and net assets, and an overstatement of expenses by approximately \$161,000.

The aggregate effect of the preceding matters on expenses is to understate them by approximately \$4,032,000. The effect on revenue cannot be quantified.

In my opinion, except for the departures from generally accepted accounting principles as described in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Michener Centre Facility Board as at March 31, 2000 and the results of its operations and changes in financial position for the year then ended in accordance with generally accepted accounting principles.

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 15, 2000

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



**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Statement of Operations
 For the year ended March 31, 2000**

	(in \$000's)		
	2000		1999
	Budget (Schedule 2)	Actual	Actual
Revenue			
Grant from Persons with Developmental Disabilities Provincial Board	41,467	42,529	40,811
Expenses			
Board Governance	139	89	111
Operated Facilities	41,328	42,091	40,700
	41,467	42,180	40,811
Net Operating Results	-	349	-

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

**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Statement of Changes in Financial Position
 For the year ended March 31, 2000**

	(in \$000s)	
	<u>2000</u>	<u>1999</u>
Operating Transactions		
Net Operating Results	349	-
Non Cash Item		
Amortization	74	-
	<u>423</u>	<u>-</u>
Decrease (Increase) in Accounts Receivable	(4,216)	(997)
Decrease (Increase) in Inventory	(565)	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1,094	1,040
Cash Provided (Used) by Operating Transactions	<u>(3,264)</u>	<u>43</u>
Investing Transactions		
Purchase of Capital Assets	<u>(348)</u>	<u>(43)</u>
Net Cash Provided (Used)	(3,612)	-
Cash, Beginning of Year	-	-
Bank Overdraft, End of Year (Note 4)	<u>(3,612)</u>	<u>-</u>

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

**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Statement of Financial Position
 As at March 31, 2000**

	(in \$000's)	
	<u>2000</u>	<u>1999</u>
Assets		
Accounts Receivable (Note 3)	5,213	997
Inventory (Note 10)	565	-
Capital Assets (Note 6)	317	43
	<u>6,095</u>	<u>1,040</u>
Liabilities		
Bank Overdraft (Note 4)	3,612	-
Accounts Payable and Accrued Liabilities	2,134	1,040
	<u>5,746</u>	<u>1,040</u>
Net Assets		
Net Assets, Beginning of Year	-	-
Net Operating Results	349	-
Net Assets, End of Year	349	-
	<u>6,095</u>	<u>1,040</u>

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

**Persons with Developmental Disabilities
Michener Centre Facility Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In \$000s)**

Note 1 Authority and Purpose

The Michener Centre Facility Board (the Facility Board) is a corporation that was established on October 30, 1997 by way of a Ministerial Order. The Facility Board operates under the authority of the “*Persons with Developmental Disabilities Community Governance Act*” and the “*Government Organization Act*”.

The Facility Board provides program, health care services and accommodation in a home environment to adults with developmental disabilities through the operation of facilities located in Red Deer, Alberta and Youngstown, Alberta.

The services provided by the Facility Board are part of an array of services in Alberta available to adults with developmental disabilities. The Facility Board receives funding from the Department of Health and Wellness. Reporting to the Department of Health and Wellness through a Provincial Board, the Facility Board acts in an administrative capacity with respect to the operation and future direction of Michener Centre.

With respect to adults with developmental disabilities who receive services from the Facility, the role of the Facility Board is to determine priorities in the provision of the services, to develop, in accordance with the regulations and subject to the approval of the Provincial Board, a plan for the delivery of services, to oversee and evaluate the implementation of the plan and to manage funding and resources accordingly.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

The reporting entity is the Facility Board, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

Effective April 1, 1999, as a result of the government reorganization announced on May 25, 1999, the Facility Board became part of the Ministry of Health and Wellness.

Thus, during the year, the Facility Board was accountable to the Ministry of Health and Wellness through the Persons with Developmental Disabilities Provincial Board (the Provincial Board). Previously, the Facility Board was accountable to the Minister of Family and Social Services through the Provincial Board.

**Persons with Developmental Disabilities
Michener Centre Facility Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In \$000s)**

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

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Expenses

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

Certain expenses, primarily for legal advice and banking services, incurred on behalf of the Facility Board by other Ministries are not reflected in the Statement of Operations.

The associated accommodation estimated cost incurred by the Alberta Infrastructure is based on the actual expenditures as of February 29, 2000 and forecasted to March 31, 2000.

These costs are not reflected in the Statement of Operations. The total accommodation costs incurred by Alberta Infrastructure on behalf of the Facility Board for the year ended March 31, 2000 were \$4,399. Comparable costs are not available for the year ended March 31, 1999.

Assets

Financial assets of the Facility Board are limited to financial claims, such as receivables from other organizations, as well as inventories held for consumption.

Inventories are valued at the lower of cost and net realizable value, cost being determined by using the average cost method.

Capital assets of the Facility Board are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100 and the threshold for all other capital assets is \$15.

Liabilities

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

Net Assets

Net assets represent the difference between the value of assets held by the Facility Board and its liabilities.

Note 3 Accounts Receivable

Accounts receivable is represented by the remaining grant due from the Provincial Board.

**Persons with Developmental Disabilities
Michener Centre Facility Board
Notes to the Financial Statements
For the Year ended March 31, 2000
(In \$000s)**

Note 4 Bank Overdraft

In March 2000, funds were withdrawn from the Facility Board bank account to cover payments made on its behalf. The bank account was not replenished until early April 2000 thus creating this bank overdraft. The Facility Board did not enter into any lending arrangement nor pay interest on this overdraft.

Note 5 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services.

Note 6 Capital Assets Owned by the Facility Board

	2000				1999
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	10 years	\$242	\$24	\$218	\$43
Automotive Equipment	3 years	149	50	99	-
		<u>\$391</u>	<u>\$74</u>	<u>\$317</u>	<u>\$43</u>

Note 7 Commitments

As at March 31, 2000, the Facility Board has the following commitments:

	2000	1999
Service contracts (a)	\$7,069	\$12,397
Long-term leases (b)	440	120
	<u>\$7,509</u>	<u>\$12,517</u>

- (a) The actual amounts are dependent on the usage of service.
(b) The Facility Board leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amount payable for the unexpired terms of these leases are as follows:

2001	\$284
2002	52
2003	52
2004	52

**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Notes to the Financial Statements
 For the Year ended March 31, 2000
 (In \$000s)**

Note 8 Contingencies

At March 31, 2000, the Facility Board is a defendant in three legal claims that are being dealt with by Alberta Risk Management. At this time, it is not possible to determine the outcome of these claims or the amount of the resulting loss, if any.

Note 9 Trust Funds Under Administration

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

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

	<u>2000</u>	<u>1999</u>
Deposit to clients	\$ 702	\$ 655
Other trust funds	585	349
	<u>\$1,287</u>	<u>\$1,004</u>

Note 10 Changes in Accounting Policy - Inventory

The Facility Board changed its accounting policy with respect to inventory effective March 31, 2000. As a result, as at March 31, 2000, inventory in the amount of \$565 has been recorded in the Statement of Financial Position. The effect of the change is an increase in Net Operating Results by \$565 and decrease in the Supplies and Services' expense by the same amount. 1999 figures have not been restated as prior year inventory costs are not available.

Note 11 Comparative Figures

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

Note 12 Approval of Financial Statements

The financial statements were approved by the Facility Board.

**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Expense Detailed by Object
 For the year ended March 31, 2000**

Schedule 1

	(in \$000's)		1999
	2000		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower Costs (a)	32,869	33,882	32,209
Supplies and Services	8,443	8,069	8,457
Grants	155	155	145
Amortization of Capital Assets	-	74	-
Total Expenses	<u>41,467</u>	<u>42,180</u>	<u>40,811</u>

- (a) Manpower costs relate to employees seconded to the Facility Board from the Department of Health and Wellness and are not employees of the Facility Board.

**Persons with Developmental Disabilities
Michener Centre Facility Board
Schedule to Financial Statements
Budget
For the year ended March 31, 2000**

Schedule 2

(in \$000's)

	1999-2000 Original Budget	Transfers of Responsibility	1999-2000 Budget	Authorized Supplementary Budget	Increases from Department (a)	1999-2000 Authorized Budget
Revenue						
Grant from Persons with Developmental Disabilities Provincial Board	41,467	-	41,467	-	1,062	42,529
Expenses						
Board Governance Operated Facilities	139 41,328	- -	139 41,328	- -	- 713	139 42,041
	41,467	-	41,467	-	713	42,180
Net Operating Results	-	-	-	-	349	349
Capital Investments	16	-	16	-	333	349

(a) Additional funding provided by the Department of Health and Wellness to cover additional operating costs for the fiscal year.

**Persons with Developmental Disabilities
 Michener Centre Facility Board
 Disclosure of Payments to Board Members and Senior Executives
 For the Year Ended March 31, 2000**

Schedule 3

	2000			1999
	<u>Payments</u>	<u>Contributions</u>	<u>Total</u>	<u>Total</u>
Chair of the Board (a)	\$21,916	\$170	\$22,086	\$25,734
Board Members (8 members) (a)	\$37,548	\$377	\$37,925	\$50,631
Chief Executive Officer (b)	\$94,801	\$15,832	\$110,633	\$127,483

- a. These amounts represent honoraria payments made to the Chair and Members of the Michener Centre Facility Board.
- b. These payments are made to the Chief Executive Officer under contract with the Department of Health and Wellness. The Chief Executive Officer is seconded to the Michener Centre Facility Board under an arrangement with the Department Of Health and Wellness.

Contributions include payments for pension, health care, dental and medical coverage, group life insurance, long and short term disability plans.

Persons with Developmental Disabilities
Foundation
FINANCIAL STATEMENTS
as at March 31, 2000

PERSONS WITH DEVELOPMENTAL DISABILITIES FOUNDATION

FINANCIAL STATEMENTS

MARCH 31, 2000

Auditor's Report

Statement of Operations and Changes in Fund Balances

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Disclosure of Payments to Board and Executives



AUDITOR'S REPORT

To the Board of Trustees of the Persons with Developmental Disabilities Foundation and the
Minister of Health and Wellness

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

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

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

[Original signed by Peter Valentine] FCA
Auditor General

Edmonton, Alberta
May 26, 2000

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

Persons with Developmental Disabilities Foundation

STATEMENT OF OPERATIONS and CHANGES IN FUND BALANCES

For the year ended March 31, 2000

	2000			1999		
	Endowment fund	General fund	Total	Endowment fund	General fund	Total
Revenues:						
Government Grants (note 5)	-	270,000	270,000	2,500,000	270,000	2,770,000
Investment income (note 6)	-	476,792	476,792	-	14,137	14,137
Other/donations	2,490	-	2,490	-	9,000	9,000
Contributed supplies and services (note 7)	-	80,000	80,000	-	80,000	80,000
	<u>2,490</u>	<u>826,792</u>	<u>829,282</u>	<u>2,500,000</u>	<u>373,137</u>	<u>2,873,137</u>
Expenses:						
Foundation operations	-	96,815	96,815	-	110,810	110,810
Investment costs	-	13,378	13,378	-	-	-
Foundation salaries	-	200,573	200,573	-	155,329	155,329
Contributed supplies and services (note 7)	-	80,000	80,000	-	80,000	80,000
	<u>-</u>	<u>390,766</u>	<u>390,766</u>	<u>-</u>	<u>346,139</u>	<u>346,139</u>
Excess of revenue over expense	<u>2,490</u>	<u>436,026</u>	<u>438,516</u>	<u>2,500,000</u>	<u>26,998</u>	<u>2,526,998</u>
Fund balances, beginning of period	2,500,000	277,691	2,777,691	-	250,693	250,693
Fund balances, end of period	<u>2,502,490</u>	<u>713,717</u>	<u>3,216,207</u>	<u>2,500,000</u>	<u>277,691</u>	<u>2,777,691</u>

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

Persons with Developmental Disabilities Foundation

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2000

	<u>2000</u>	<u>1999</u>
Operating transactions:		
Net operating results	\$ 436,026	\$ 26,998
Non cash items included in Net Operating Results:		
Loss on sale of investments	55,150	-
Increase / (decrease) in non-cash working capital	(3,697)	256,869
	<u>487,479</u>	<u>283,867</u>
Financing Activities		-
Endowments contributions	2,490	2,500,000
	<u>2,490</u>	<u>2,500,000</u>
Investing Activities		
(Increase) / decrease in accounts receivable	2,500,000	(2,500,000)
Investment purchases	(3,031,060)	(250,000)
Proceeds on sale of investment	250,000	-
	<u>(281,060)</u>	<u>(2,750,000)</u>
Net increase in cash and short term investments	208,909	33,867
Cash and short term investments, beginning of year	33,867	-
Cash and short term investments, end of year	<u>\$ 242,776</u>	<u>\$ 33,867</u>

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

Persons with Developmental Disabilities Foundation

STATEMENT OF FINANCIAL POSITION

As at March 31, 2000

	2000			1999		
	Endowment fund	General fund	Total	Endowment fund	General fund	Total
Assets:						
<u>Current</u>						
Cash and short term investments (note 8)	-	242,776	242,776	-	33,867	33,867
Accounts receivable	-	-	-	2,500,000	1,093	2,501,093
Prepaid expenses	-	3,201	3,201	-	2,025	2,025
<u>Non-current</u>						
Long term investments (note 8)	2,502,490	473,420	2,975,910	-	250,000	250,000
	<u>2,502,490</u>	<u>719,397</u>	<u>3,221,887</u>	<u>2,500,000</u>	<u>286,985</u>	<u>2,786,985</u>
Liabilities:						
Accounts payable and accrued liabilities		5,680	5,680	-	9,294	9,294
	<u>-</u>	<u>5,680</u>	<u>5,680</u>	<u>-</u>	<u>9,294</u>	<u>9,294</u>
Fund balances:						
Restricted (note 4)	2,502,490	-	2,502,490	2,500,000	-	2,500,000
Unrestricted	-	713,717	713,717	-	277,691	277,691
	<u>2,502,490</u>	<u>713,717</u>	<u>3,216,207</u>	<u>2,500,000</u>	<u>277,691</u>	<u>2,777,691</u>
	<u>2,502,490</u>	<u>719,397</u>	<u>3,221,887</u>	<u>2,500,000</u>	<u>286,985</u>	<u>2,786,985</u>

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

**Persons with Developmental Disabilities Foundation
Notes to the Financial Statements
For the Year Ended March 31, 2000**

NOTE 1 AUTHORITY

The Persons with Developmental Disabilities Foundation (the Foundation) is a non-taxable crown corporation that operates under the authority of the Persons with Developmental Disabilities Foundation Act and the Government Organization Act.

NOTE 2 PURPOSE

The purpose of the Foundation is to undertake, support and promote activities that will enhance the quality of life of persons with developmental disabilities in Alberta. In carrying out its purposes, the Foundation may, subject to the regulations, solicit and raise funds for capital projects, pilot projects or research.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES**

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

(a) Reporting Entity

The reporting entity is the Foundation, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

(b) Valuation of Financial Assets and Liabilities

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

The fair values of accounts receivable, prepaid expenses and accounts payable and accrued liabilities are estimated to approximate their book value.

**Persons with Developmental Disabilities Foundation
Notes to the Financial Statements
For the Year Ended March 31, 2000**

(c) Fund accounting

The Foundation follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Endowment Funds report resources contributed for endowment.

(d) Revenue Recognition

Contributions related to general operations are recognized as revenue of the General Fund in the year in which related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund when received.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on resources of the Endowment Funds are reported in the General Fund.

Contributions for endowment are recognized as revenue in the Endowment Fund when received.

Assets

Financial assets of the Foundation are limited to financial claims, such as receivables from other organizations.

Liabilities

Liabilities include all financial claims payable by the Foundation at fiscal year end.

NOTE 4 RESTRICTED FUNDS

Contributions to the endowment fund have been externally restricted to establish operating and capital endowment funds, the income from which is unrestricted. The Capital fund will be established to fund grants according to the Foundation's purpose. The Operating fund will be established to fund the Foundation's operations.

**Persons with Developmental Disabilities Foundation
Notes to the Financial Statements
For the Year Ended March 31, 2000**

NOTE 5 RELATED PARTY TRANSACTIONS

(a) The Foundation received \$270,000 operating funding for 1999/2000 from the Department of Health and Wellness.

(b) The General Fund paid for investment manager's fees of \$13,378.

NOTE 6 INVESTMENT INCOME

Investment income	\$531,942
Loss on sale of investments	<u>(55,150)</u>
	<u>\$476,792</u>

NOTE 7 CONTRIBUTED SUPPLIES AND SERVICES

(a) The Foundation received accommodation and capital assets from the Government of Alberta at no cost but had an estimated value of \$80,000.

(b) Volunteers contribute approximately 1000 hours per year to assist the Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

**Persons with Developmental Disabilities Foundation
Notes to the Financial Statements
For the Year Ended March 31, 2000**

NOTE 8 CASH AND INVESTMENTS

	2000			1999		
	Cost	Market	Yield to Market	Cost	Market	Yield to Market
Cash	\$ 242,164	\$ 242,164	-	\$ 13,593	\$ 13,593	-
Mutual Funds:						
Money market fund	612	612	5.67%	20,274	20,274	4.25%
Bond fund	<u>2,975,910</u>	<u>2,533,403</u>	6.54%	<u>250,000</u>	<u>252,220</u>	6.43%
Total cash and investments	3,218,686	<u>2,776,179</u>		283,867	<u>286,087</u>	
Held as non-current	<u>2,975,910</u>			<u>250,000</u>		
Held as current assets	<u>242,776</u>			<u>33,867</u>		

NOTE 9 BUDGET

The following 1999-2000 budget was approved by the Board of Trustees on September 21, 1999:

	(000's)	
	Actual	Budget
Revenue	<u>\$827</u>	<u>\$278</u>
Supplies and Services	<u>190</u>	<u>195</u>
Salaries and Benefits	<u>201</u>	<u>229</u>
Total Expense	<u>391</u>	<u>424</u>
Excess (deficiency) of revenue over expense	<u>\$436</u>	<u>\$(146)</u>

NOTE 10 COMPARATIVE FIGURES

Certain 1999 comparative figures have been reclassified to conform to 2000 presentation

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees of the Foundation.

Persons with Developmental Disabilities Foundation

DISCLOSURE OF PAYMENTS TO BOARD AND EXECUTIVES

Schedule 1

For the year ended March 31, 2000

	2000			1999
	Honoraria and salaries (1)	Benefits (2)	Total	Total
Chair	3,755	-	3,755	5,025
Board of trustees	7,670	-	7,670	16,650
	11,425	-	11,425	21,675
Chief Executive officer	78,375	14,108	92,483	88,500
Director of Grants, Finance and Administration	44,589	7,134	51,723	37,647
Director of Fund Development	27,498	4,400	31,898	-
	150,462	25,642	176,104	126,147
	161,887	25,642	187,529	147,822

(1) Salaries include honoraria payments to board members, including seven Trustees and one Chair

(2) Benefits include the Foundation's share of all employee benefits and contributions or payments made on behalf of employees including vacation pay-outs, pension, health care, dental coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans and professional memberships.

Health Authority Highlights

This section highlights the financial results of the 17 regional health authorities, the Alberta Mental Health Board and the Alberta Cancer Board (the “health authorities”). This section is unaudited.

The health authorities’ audited financial statements for the year ended March 31, 2000, were used to compile this section. The statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP), the Ministry’s Financial Directive 16 and all subsequent directions from the ministry.

This section includes the following:

- Chart I Health authorities’ aggregated revenue by source.
- Chart II Health authorities’ aggregated expenses by category.
- Table I Analysis of Operations which shows changes in revenue and expenses from the previous year.
- Table II Financial Summary Statement of Operations, which summarizes the health authorities’ operating results.
- Table III Summary Statement of Financial Position and Statement of Cash Flows, which summarizes the health authorities’ balance sheets and cash flows.
- Table IV Summary of Other Financial Information.

Financial Results

- Total 1999/2000 health authority expense was \$3.8 billion (1998/1999 \$3.5 billion), representing an increase of \$303 million or 8.7% from the prior year (Table I).
- Alberta Health and Wellness provided \$3.4 billion to the health authorities in 1999/2000, an increase of 16.2% from the \$2.9 billion provided in 1998/1999.
- 1999/2000 Alberta Health and Wellness contributions included \$216 million as one-time funds to eliminate the accumulated deficits of seven health authorities and to reward those authorities that have managed within balanced budgets.
- Total 1999/2000 funding also included funding related to the recommendations made by the Long Term Care Review Policy Advisory Committee. Of the total \$15 million announced for this initiative, \$10.9 million was provided to the health authorities and the balance applied to other related initiatives.

- The health authorities, in aggregate, reported an annual surplus of \$197.7 million (1998/1999 deficit of \$24.1 million) (Table I). As a result of new one-time funding, 18 of the 19 health authorities reported a surplus in 1999/2000 (Table II).
- Administration costs, which exclude information technology and **alberta we//net** expenses, remained constant at 4.2% of 1999/2000 expenses (4.2% 1998/1999).
- In 1999/2000 the health authorities in total had a working capital ratio (current assets divided by current liabilities) of 1.25, up from 1.01 in 1999.
- Alberta Health and Wellness funding covered 89.2 % of total health authority expenses in 1999/2000, up from 83.4% in the previous year.
- The remaining average useful life of capital equipment in the health authorities at March 31, 2000 was 4.1 years (1999 – 3.8 years) (Table IV).
- The health authorities invested \$324.1 million in capital assets (1998/1999 \$223.2 million). Of this amount, \$272.9 million (1998/1999 166.8 million) was provided by external contributors, such as Alberta Infrastructure, the Lottery Fund and health foundations, while \$51.2 million (1998/1999 \$56.4 million) was funded from internal resources (Table IV).

Additional Information

- Copies of each health authority's audited financial statements are included in Section II of the Ministry Annual Report.

Chart I Health Authorities 1999/2000 Actual Revenue (\$millions)

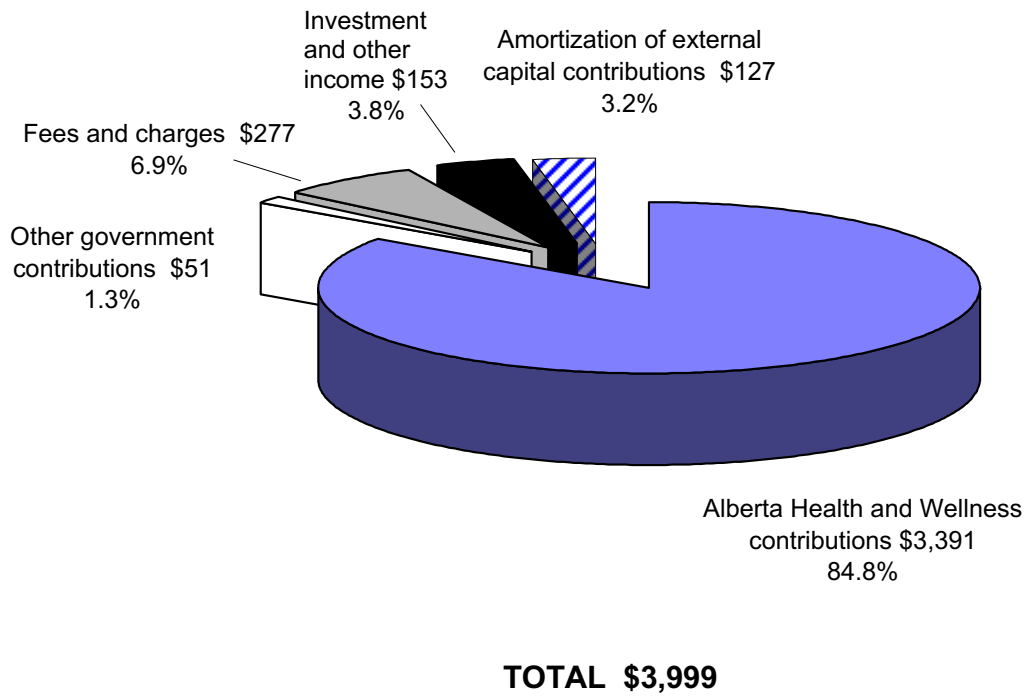
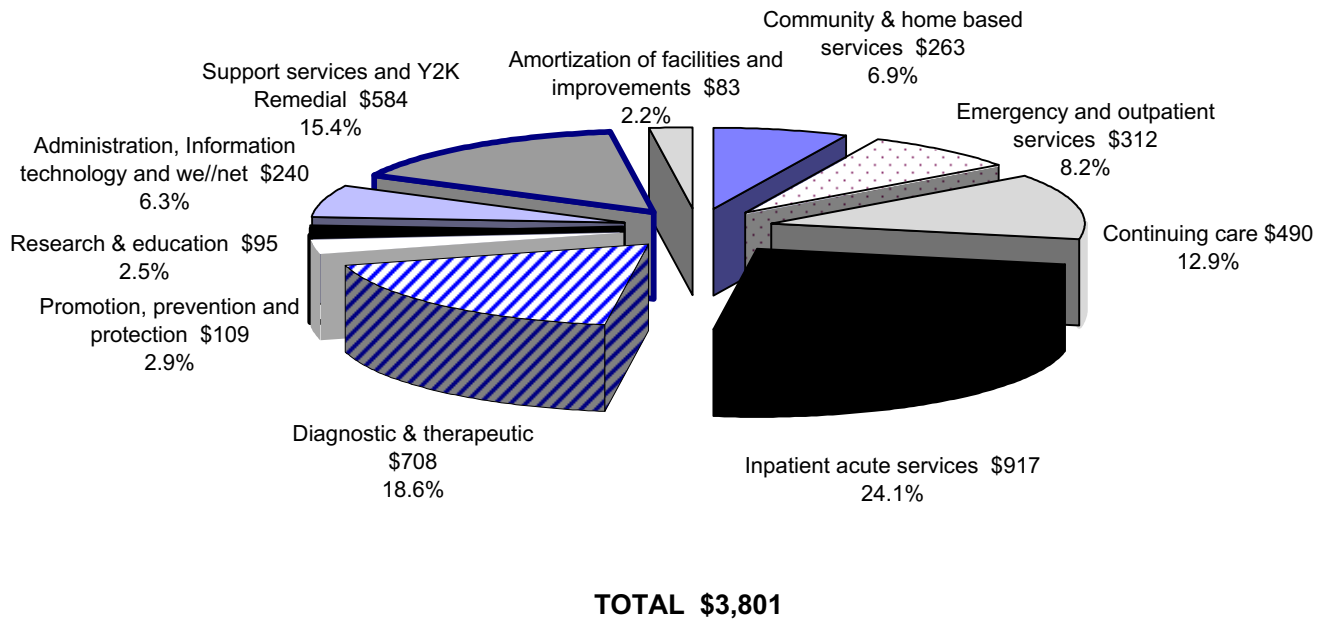


Chart II Health Authorities 1999/2000 Actual Expenses (\$millions)



**HEALTH AUTHORITY SUMMARY
ANALYSIS OF OPERATIONS
FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000**
(Thousands of dollars)

TABLE I

	1999/2000 BUDGET	1999/2000 ACTUAL	% OF TOTAL	1998/1999 ACTUAL	% OF TOTAL
REVENUE					
Alberta Health and Wellness contributions	3,378,585	3,391,035	84.8%	2,918,303	84.0%
Other government contributions	50,060	51,309	1.3%	41,728	1.2%
Fees and charges	279,086	277,254	6.9%	264,740	7.6%
Ancillary operations, net	14,025	14,950	0.4%	11,717	0.3%
Donations	8,313	10,558	0.3%	9,951	0.3%
Investment and other income	106,267	127,046	3.2%	111,944	3.2%
Amortization of external capital contributions	124,496	126,742	3.2%	115,622	3.3%
TOTAL REVENUE	3,960,832	3,998,894	100.0%	3,474,005	100.0%
EXPENSE					
Facility-based inpatient acute services	906,573	917,122	24.0%	852,894	24.4%
Facility-based emergency and outpatient services	311,822	312,530	8.2%	284,346	8.1%
Facility-based continuing care services	511,976	490,094	12.9%	456,291	13.0%
Community & home based services	278,460	262,837	6.9%	240,252	6.9%
Diagnostic & therapeutic services	713,396	708,023	18.6%	648,338	18.5%
Promotion, prevention and protection services	110,406	108,648	2.9%	103,592	3.0%
Research & education	88,791	94,174	2.5%	80,485	2.3%
Administration	169,129	159,327	4.2%	147,751	4.2%
Information technology and we/net	74,088	81,277	2.1%	61,793	1.8%
Y2K Remedial costs	18,680	22,645	0.6%	16,708	0.5%
Support services	541,637	561,259	14.8%	524,719	15.0%
Amortization of facilities and improvements	83,628	82,952	2.2%	80,656	2.3%
Capital assets write-down	-	278	0.1%	61	0.0%
TOTAL EXPENSE	3,808,586	3,801,166	100.0%	3,497,886	100.0%
Excess (deficiency) of revenue over expense before extraordinary items	152,246	197,728		(23,881)	
Extraordinary item	-	-		(242)	
Excess (deficiency) of revenue over expense	152,246	197,728		(24,123)	
				(24,123)	
				221,851	(919,728)
				303,280	8.7%
				524,889	15.1%
				472,732	16.2%
				9,581	23.0%
				12,514	4.7%
				3,233	27.6%
				607	6.1%
				15,102	13.5%
				11,120	9.6%
				64,228	7.5%
				28,184	9.9%
				33,803	7.4%
				22,585	9.4%
				59,685	9.2%
				5,056	4.9%
				13,689	17.0%
				11,576	7.8%
				19,484	31.5%
				5,937	35.5%
				36,540	7.0%
				2,296	2.8%
				217	355.7%

**HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000**
(Thousands of dollars)

TABLE II

	CHINOOK			PALLISER			HEADWATERS			CALGARY		
	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	151,818	152,248	138,874	84,492	84,492	75,566	49,870	49,806	43,364	1,035,605	1,030,183	849,791
Other government contributions	2,363	2,222	2,287	2,135	2,135	2,049	1,816	1,606	1,160	13,052	11,399	7,246
Fees and charges	11,854	12,660	12,116	10,419	10,419	9,976	6,901	7,143	7,001	98,100	88,474	83,852
Ancillary operations, net	336	498	372	274	274	255	-	129	34	9,327	10,303	7,768
Donations	252	313	372	319	319	289	256	297	398	5,271	5,755	5,577
Investment and other income	1,676	3,241	2,608	2,091	2,091	2,048	1,034	1,315	1,341	35,957	33,295	34,398
Amortization of external capital contributions	8,175	7,427	7,325	3,745	3,745	3,725	2,185	2,103	2,097	28,000	32,216	26,812
TOTAL REVENUE	176,474	178,609	163,954	103,475	103,475	93,908	62,062	62,399	55,395	1,225,312	1,211,625	1,015,444
EXPENSE												
Facility-based inpatient acute services	41,179	43,556	42,057	24,162	24,162	22,812	9,720	9,782	8,955	301,786	297,081	270,383
Facility-based emergency and outpatient services	9,841	9,394	8,655	4,124	4,124	3,725	2,399	2,834	2,304	127,066	124,764	116,349
Facility-based continuing care services	33,874	25,228	23,447	16,141	16,141	15,183	9,361	9,357	8,806	151,824	140,529	133,504
Community & home based services	9,437	9,419	8,857	5,362	5,362	4,731	3,963	3,919	3,370	69,247	61,289	52,702
Diagnostic & therapeutic services	28,634	32,008	29,248	17,393	17,393	16,541	9,702	10,097	9,357	247,985	232,457	214,883
Promotion, prevention and protection services	6,093	5,829	5,411	2,691	2,691	2,426	2,647	2,667	2,162	24,918	23,169	26,942
Research & education	-	-	-	-	-	-	-	-	-	14,251	15,548	14,200
Administration	10,745	8,008	7,483	4,696	4,696	4,324	4,172	3,844	3,357	50,370	44,533	36,057
Information technology and we/net	-	3,142	1,513	1,263	1,263	1,182	1,437	751	923	33,968	33,112	26,837
Y2K remedial costs	-	637	1,259	658	658	1,007	255	168	237	8,717	2,084	1,299
Support services	24,659	31,750	30,157	20,130	20,130	19,353	14,415	14,346	12,997	131,730	135,350	123,789
Amortization of facilities and improvements	6,577	5,912	5,884	3,171	3,171	3,164	1,825	1,961	1,959	18,015	18,617	16,711
Capital assets write-down	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	171,039	174,883	163,971	99,791	99,791	94,448	59,896	59,726	54,427	1,179,877	1,128,533	1,033,656
Excess (deficiency) of revenue over expense before extraordinary items	5,435	3,726	(17)	3,684	3,684	(540)	2,166	2,673	968	45,435	83,092	(18,212)
Extraordinary item	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenue over expense	5,435	3,726	(17)	3,684	3,684	(540)	2,166	2,673	968	45,435	83,092	(18,212)

HEALTH AUTHORITY FINANCIAL SUMMARY
 STATEMENT OF OPERATIONS
 FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000
 (Thousands of dollars)

TABLE II

	REGIONAL HEALTH AUTHORITY 5			DAVID THOMPSON			EAST CENTRAL			WESTVIEW		
	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	41,767	41,770	36,823	156,912	159,482	143,986	112,586	110,958	100,644	49,769	50,098	38,445
Other government contributions	271	294	134	716	1,459	934	5,622	4,883	3,911	1,092	1,032	523
Fees and charges	4,202	4,469	4,421	11,237	12,115	11,497	11,268	11,222	11,195	3,699	3,993	3,851
Ancillary operations, net	-	(73)	(128)	429	521	539	114	78	49	(39)	(155)	(162)
Donations	25	23	18	900	866	990	-	310	164	10	118	-
Investment and other income	327	651	447	3,434	4,902	3,390	1,041	1,537	1,227	10	471	231
Amortization of external capital contributions	1,842	1,780	1,680	6,652	5,114	5,287	4,044	3,826	4,040	1,470	1,196	1,233
TOTAL REVENUE	48,434	48,914	43,395	180,280	184,459	166,623	134,675	132,814	121,230	56,011	56,753	44,121
EXPENSE												
Facility-based inpatient acute services	6,958	6,960	6,422	41,513	43,635	39,665	22,039	22,801	21,719	6,176	6,095	5,671
Facility-based emergency and outpatient services	1,658	1,690	1,557	9,340	9,444	8,560	3,483	3,334	3,158	3,198	3,451	3,116
Facility-based continuing care services	8,931	8,817	8,549	21,574	21,198	19,823	24,744	24,848	23,950	5,185	3,692	3,454
Community & home based services	2,896	2,602	2,291	8,854	8,307	8,794	12,736	12,925	11,108	5,323	5,355	4,966
Diagnostic & therapeutic services	6,735	6,989	6,593	34,037	34,414	31,494	17,853	18,100	17,321	8,483	8,300	8,095
Promotion, prevention and protection services	2,027	2,029	1,763	5,120	5,184	4,940	2,532	2,797	2,685	3,994	4,062	3,422
Research & education	-	-	-	-	-	-	58	65	58	13	-	15
Administration	2,479	2,348	2,063	8,512	8,595	8,285	8,376	8,370	7,908	3,333	3,257	3,069
Information technology and we/net	588	785	613	3,208	3,240	2,257	1,147	1,717	1,097	586	875	132
Y2K remedial costs	137	107	260	-	2,544	2,403	2,972	1,364	961	206	394	273
Support services	11,330	10,951	10,361	35,207	35,940	33,557	31,157	30,712	28,392	11,328	12,180	10,631
Amortization of facilities and improvements	1,420	1,326	1,330	4,674	4,446	4,494	3,275	3,152	3,275	1,080	855	855
Capital assets write-down	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	45,159	44,604	41,802	172,039	176,947	164,272	130,372	130,185	121,632	48,905	48,516	43,699
Excess (deficiency) of revenue over expense before extraordinary items	3,275	4,310	1,593	8,241	7,512	2,351	4,303	2,629	(402)	7,106	8,237	422
Extraordinary item	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenue over expense	3,275	4,310	1,593	8,241	7,512	2,351	4,303	2,629	(402)	7,106	8,237	422

HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000
(Thousands of dollars)

TABLE II

	CROSSROADS			CAPITAL HEALTH				ASPEN			LAKELAND		
	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1999/2000	1998/1999	1999/2000	1998/1999	
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUE													
Alberta Health and Wellness contributions	37,508	38,149	32,996	1,084,376	1,100,000	950,786	53,075	53,131	46,648	97,679	96,917	86,066	
Other government contributions	250	1,251	260	12,485	12,780	11,401	921	1,774	1,661	2,413	2,454	2,227	
Fees and charges	2,386	2,339	2,326	86,791	90,668	85,989	4,988	5,195	4,822	9,211	9,543	9,993	
Ancillary operations, net	(74)	(108)	(82)	3,421	3,432	2,882	(100)	(27)	(114)	-	(35)	(79)	
Donations	75	122	72	-	-	-	200	241	217	-	410	215	
Investment and other income	325	277	358	40,304	51,632	43,006	1,003	1,868	1,201	1,120	1,694	1,140	
Amortization of external capital contributions	2,376	2,543	2,378	35,000	35,608	31,738	3,121	2,956	3,102	4,595	4,653	3,993	
TOTAL REVENUE	42,846	44,573	38,308	1,262,377	1,294,120	1,125,802	63,208	65,138	57,537	115,018	115,636	103,555	
EXPENSE													
Facility-based inpatient acute services	7,892	8,250	8,033	331,728	330,934	314,545	8,995	8,713	8,695	16,509	16,544	15,938	
Facility-based emergency and outpatient services	2,521	2,709	2,351	96,517	96,893	87,230	3,239	3,496	3,144	5,589	6,007	6,488	
Facility-based continuing care services	4,242	4,433	4,160	174,289	174,760	162,223	10,519	10,307	9,377	22,230	21,784	21,371	
Community & home based services	1,689	1,749	1,602	63,841	64,183	59,783	5,324	5,445	5,024	7,796	7,945	7,455	
Diagnostic & therapeutic services	7,271	7,304	6,866	230,477	233,872	208,689	9,536	9,855	9,046	17,772	18,333	17,387	
Promotion, prevention and protection services	2,078	2,039	1,848	32,209	32,499	27,438	2,749	2,851	2,596	5,464	5,265	5,156	
Research & education	-	-	-	60,654	63,264	52,552	-	-	-	-	-	382	
Administration	2,476	2,814	2,665	36,599	36,175	35,146	4,093	3,930	4,035	5,675	5,707	7,473	
Information technology and we/net	1,702	1,600	1,375	19,000	22,351	15,876	446	420	292	1,002	1,306	981	
Y2K remedial costs	-	439	154	-	7,599	5,865	-	807	799	2,702	1,913	541	
Support services	8,499	9,667	8,463	142,063	143,595	135,886	12,712	13,964	12,742	21,387	22,716	21,000	
Amortization of facilities and improvements	2,212	1,950	2,026	20,001	19,939	20,437	1,966	2,236	1,954	4,229	4,036	3,646	
Capital assets write-down	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENSE	40,582	42,954	39,543	1,207,378	1,226,064	1,125,670	59,579	62,024	57,704	110,355	111,556	107,818	
Excess (deficiency) of revenue over expense before extraordinary items	2,264	1,619	(1,235)	54,999	68,056	132	3,629	3,114	(167)	4,663	4,080	(4,263)	
Extraordinary item	-	-	(242)	-	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenue over expense	2,264	1,619	(1,477)	54,999	68,056	132	3,629	3,114	(167)	4,663	4,080	(4,263)	

**HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000**
(Thousands of dollars)

TABLE II

	MISTAHIA			PEACE			KEEWEETINOK LAKES			NORTHERN LIGHTS		
	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1999/2000	1999/2000	1999/2000	1998/1999
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	78,273	78,122	69,588	21,940	21,955	20,101	18,867	19,034	16,578	27,585	28,029	24,658
Other government contributions	470	476	495	-	20	307	-	371	229	120	204	115
Fees and charges	7,076	7,606	7,292	1,489	1,553	1,524	928	1,124	1,039	2,615	2,765	1,946
Ancillary operations, net	252	336	328	20	56	54	-	141	75	(49)	(30)	(30)
Donations	-	93	130	35	135	-	-	53	166	-	110	136
Investment and other income	1,230	2,151	2,069	743	857	892	632	737	799	258	556	632
Amortization of external capital contributions	5,531	5,136	5,531	1,032	1,036	1,120	764	1,047	996	2,029	2,266	1,818
TOTAL REVENUE	92,832	93,920	85,433	25,259	25,612	23,998	21,191	22,507	19,882	32,558	33,900	29,275
EXPENSE												
Facility-based inpatient acute services	21,158	21,809	20,500	4,547	4,672	4,474	3,170	3,391	3,208	7,585	7,846	7,459
Facility-based emergency and outpatient services	5,658	5,785	5,409	767	836	816	1,446	1,521	1,414	2,637	2,742	2,575
Facility-based continuing care services	7,693	7,867	7,288	3,614	3,736	3,701	1,248	1,116	1,095	1,308	1,332	1,320
Community & home based services	5,628	5,517	4,927	1,532	1,434	1,315	1,247	1,127	1,106	932	955	881
Diagnostic & therapeutic services	16,368	16,662	16,101	3,799	4,166	3,609	3,139	3,179	3,015	6,453	6,560	6,113
Promotion, prevention and protection services	3,419	3,357	3,122	1,581	1,578	1,522	1,703	1,831	1,602	1,820	1,746	1,636
Research & education	74	78	81	68	61	71	-	-	-	-	-	-
Administration	5,822	5,532	5,375	1,582	1,704	1,609	1,244	1,290	1,177	1,779	1,979	1,865
Information technology and we/net	1,593	1,744	1,786	312	347	295	254	263	189	556	696	483
Y2K remedial costs	1,331	1,180	273	221	213	125	144	350	70	115	622	268
Support services	18,849	19,209	18,624	5,343	5,740	5,682	5,672	6,648	5,917	6,028	5,935	5,557
Amortization of facilities and improvements	4,078	4,187	4,146	974	762	987	764	847	816	1,555	1,770	1,536
Capital assets write-down	-	-	-	-	-	61	-	-	-	-	-	-
TOTAL EXPENSE	91,671	92,927	87,632	24,340	25,249	24,227	20,031	21,563	19,609	30,768	32,183	29,693
Excess (deficiency) of revenue over expense before extraordinary items	1,161	993	(2,199)	919	363	(229)	1,160	944	273	1,790	1,717	(418)
Extraordinary item	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenue over expense	1,161	993	(2,199)	919	363	(229)	1,160	944	273	1,790	1,717	(418)

TABLE II

HEALTH AUTHORITY FINANCIAL SUMMARY
 STATEMENT OF OPERATIONS
 FOR THE FISCAL YEAR 1999/2000 ENDED MARCH 31, 2000
 (Thousands of dollars)

	NORTHWESTERN			ALBERTA MENTAL HEALTH BOARD			ALBERTA CANCER BOARD			HEALTH AUTHORITY TOTAL		
	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999	1999/2000	1999/2000	1998/1999
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	14,457	14,731	12,024	173,877	173,156	150,705	88,129	88,774	80,660	3,378,585	3,391,035	2,918,303
Other government contributions	579	492	439	5,330	6,014	5,921	425	443	429	50,060	51,309	41,728
Fees and charges	318	256	338	2,862	3,467	2,627	2,742	2,243	2,935	279,086	277,254	264,740
Ancillary operations, net	36	(10)	19	(49)	(537)	(200)	127	157	137	14,025	14,950	11,717
Donations	-	5	11	20	51	58	950	1,337	1,138	8,313	10,558	9,951
Investment and other income	97	198	99	3,151	3,441	3,406	11,834	16,132	12,652	106,267	127,046	111,944
Amortization of external capital contributions	1,129	1,179	827	3,826	3,396	3,420	8,980	9,515	8,500	124,496	126,742	115,622
TOTAL REVENUE	16,616	16,851	13,757	189,017	188,988	165,937	113,187	118,601	106,451	3,960,832	3,998,894	3,474,005
EXPENSE												
Facility-based inpatient acute services	3,583	3,699	3,094	37,935	46,667	40,487	9,938	10,525	8,777	906,573	917,122	852,894
Facility-based emergency and outpatient services	302	306	256	7,454	7,097	6,096	24,583	26,103	21,143	311,822	312,530	284,346
Facility-based continuing care services	936	693	418	14,263	14,256	8,622	-	-	-	511,976	490,094	456,291
Community & home based services	2,030	1,949	1,571	61,126	53,361	50,712	9,497	9,994	9,057	278,460	282,837	240,252
Diagnostic & therapeutic services	1,671	1,753	1,437	16,397	16,621	15,294	29,691	29,960	27,249	713,396	708,023	648,338
Promotion, prevention and protection services	952	787	809	3,023	3,131	2,904	5,386	5,136	5,208	110,406	108,648	103,592
Research & education	-	146	29	645	305	87	13,028	14,707	13,010	88,791	94,174	80,485
Administration	1,180	1,440	1,421	12,343	11,157	10,830	3,653	3,948	3,609	169,129	159,327	147,751
Information technology and welf/net	233	258	274	4,999	4,711	4,403	1,794	2,696	1,325	74,088	81,277	61,793
Y2K remedial costs	272	241	23	-	445	569	950	880	322	18,680	22,645	16,708
Support services	2,641	2,818	2,350	25,754	26,543	27,084	12,733	13,065	12,177	541,637	561,259	524,719
Amortization of facilities and improvements	766	501	509	2,572	2,403	2,674	4,474	4,881	4,253	83,628	82,952	80,656
Capital assets write-down	-	278	-	-	-	-	-	-	-	-	-	61
TOTAL EXPENSE	14,566	14,869	12,191	186,511	186,697	169,762	115,727	121,895	106,130	3,808,586	3,801,166	3,497,886
Excess (deficiency) of revenue over expense before extraordinary items	2,050	1,982	1,566	2,506	2,291	(3,825)	(2,540)	(3,294)	321	152,246	197,728	(23,881)
Extraordinary item	-	-	-	-	-	-	-	-	-	-	-	(242)
Excess (deficiency) of revenue over expense	2,050	1,982	1,566	2,506	2,291	(3,825)	(2,540)	(3,294)	321	152,246	197,728	(24,123)

HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS

MARCH 31, 2000

(Thousands of dollars)

TABLE III

	CHINOOK	PALLISER	HEADWATERS	CALGARY	HEALTH AUTHORITY	DAVID THOMPSON	EAST CENTRAL	WESTVIEW	CROSSROADS	CAPITAL HEALTH	ASPEN
ASSETS											
Cash and temporary investments	20,138	11,341	4,769	121,791	5,496	29,245	16,549	7,657	6,241	118,744	9,707
Accounts receivable	7,112	5,475	782	37,197	818	1,765	1,765	2,024	1,060	34,241	1,539
Inventories	1,369	665	731	10,205	554	2,523	514	585	1,238	10,941	592
Prepaid expenses	475	263	222	1,770	-	-	-	670	254	19,875	373
Current Assets	29,094	17,744	6,533	170,963	7,090	39,150	18,828	10,936	8,793	183,801	12,211
Non-current cash and investments	10,788	14,343	3,131	25,870	9,974	6,505	1,233	995	-	65,782	8,305
Capital assets	188,968	75,372	35,221	570,761	41,278	110,421	79,830	39,136	39,993	727,440	53,282
Other assets	5	-	-	33,314	-	558	-	-	362	47,394	-
TOTAL ASSETS	228,855	107,459	44,885	800,908	58,342	156,634	99,891	51,067	49,148	1,024,417	73,798
LIABILITIES, NET ASSETS AND ENDOWMENTS											
Bank indebtedness	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	11,145	6,483	2,742	68,554	2,887	14,180	6,928	4,889	5,210	89,939	3,167
Accrued vacation pay	6,922	4,084	2,084	37,222	1,920	7,203	3,759	1,707	1,877	32,619	2,766
Current deferred contributions	2,614	4,437	758	11,547	861	2,310	2,310	1,123	1,279	57,708	2,408
Current portion of long term debt	131	-	-	222	-	786	-	17	-	3,348	-
Current Liabilities	20,812	15,004	5,564	117,545	5,668	23,429	12,997	7,736	8,366	183,614	8,341
Non-current deferred contributions	3,727	-	-	33,200	-	4,897	-	-	-	-	-
Deferred capital contributions	3,282	-	1,395	25,020	7,574	1,608	1,233	995	159	62,791	1,854
Long-term debt	744	-	-	488	-	1,473	-	11	-	15,605	-
Pension plan obligation	362	300	92	1,883	87	351	185	72	98	1,982	133
Unamortized external capital contributions	180,062	69,833	30,271	489,621	38,744	96,022	77,795	35,106	37,194	655,697	48,330
Other liabilities	-	-	-	12,805	-	-	-	-	-	8,641	-
TOTAL LIABILITIES	208,989	85,137	37,322	680,562	52,073	127,780	92,210	43,920	45,817	928,330	58,658
NET ASSETS AND ENDOWMENTS											
Unrestricted	7,603	2,144	272	37,316	735	1,413	5,646	3,145	132	-	2,771
Internally restricted	4,082	14,639	2,341	2,600	3,000	15,726	-	-	400	51,367	7,417
Investment in capital assets	8,031	5,539	4,950	80,430	2,534	11,715	2,035	4,002	2,799	44,720	4,952
Endowments	150	-	-	-	-	-	-	-	-	-	-
TOTAL NET ASSETS AND ENDOWMENTS	19,866	22,322	7,563	120,346	6,269	28,854	7,681	7,147	3,331	96,087	15,140
TOTAL LIABILITIES, NET ASSETS AND ENDOWMENTS	228,855	107,459	44,885	800,908	58,342	156,634	99,891	51,067	49,148	1,024,417	73,798

CASH FLOWS

Cash generated from (used by) operating activities	695	6,547	2,128	70,329	4,675	10,808	(13)	6,340	641	76,786	3,602
Cash generated from (used by) investing activities	(30,226)	(5,492)	(4,990)	(81,180)	(18,366)	(12,494)	(2,910)	(12,423)	(1,625)	(91,732)	(3,102)
Cash generated from (used by) financing activities	24,841	2,239	2,569	66,533	15,372	10,260	2,117	11,839	889	30,299	2,460
Increase (decrease) in cash and cash equivalent	(4,690)	3,294	(293)	55,702	1,681	8,574	(806)	5,756	(95)	15,353	2,960
Cash and cash equivalent, net of bank indebtedness, beginning of year	24,828	8,047	5,062	66,089	3,815	20,671	17,355	1,901	6,336	103,391	6,747
Cash and cash equivalent, net of bank indebtedness, end of year	20,138	11,341	4,769	121,791	5,496	29,245	16,549	7,657	6,241	118,744	9,707
Non-current cash and investments at end of period	10,788	14,343	3,131	25,870	9,974	6,505	1,233	995	-	65,782	8,305
Total cash, cash equivalent and non-current investments at end of year	30,926	25,684	7,900	147,661	15,470	35,750	17,782	8,652	6,241	184,526	18,012

* Adjusted to exclude non-current cash

**HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
MARCH 31, 2000**
(Thousands of dollars)

TABLE III

	LAKELAND	MISTAHIA	PEACE	KEEWEETINOK LAKES	NORTHERN LIGHTS	NORTHWESTERN	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	TOTAL OF ALL HEALTH AUTHORITIES 2000	TOTAL OF ALL HEALTH AUTHORITIES 1999
ASSETS										
Cash and temporary investments	13,600	8,176	1,318	6,688	2,745	4,403	31,752	18,254	438,614	355,672
Accounts receivable	1,688	2,251	1,040	1,232	1,767	400	3,374	6,403	116,747	64,923
Inventories	857	356	649	226	195	233	794	36,164	32,832	32,832
Prepaid expenses	337	540	188	92	255	74	1,459	477	28,408	25,421
Current Assets	16,482	11,616	2,741	8,238	5,143	5,110	37,379	26,071	619,933	478,846
Non-current cash and investments	1,671	5,771	9,932	1,851	3,621	2,371	10,388	24,941	207,472	199,238
Capital assets	63,135	113,430	32,071	30,546	29,171	16,593	54,358	119,691	2,420,697	2,269,929
Other assets	-	667	240	-	-	-	-	-	82,540	1,882
TOTAL ASSETS	81,298	131,484	44,984	40,635	37,935	24,074	102,125	172,703	3,330,642	2,949,897
LIABILITIES, NET ASSETS AND ENDOWMENTS										
Bank indebtedness	-	-	-	-	-	-	-	-	-	-
Accounts payable	5,861	5,494	272	1,512	1,826	1,217	12,152	15,505	259,963	239,211
Accrued vacation pay	3,197	3,860	1,142	766	1,279	398	7,593	3,690	124,068	113,365
Current deferred contributions	2,475	883	65	1,483	258	226	4,881	9,789	106,365	116,335
Current portion of long term debt	1,290	-	-	-	-	19	-	-	5,813	4,723
Current Liabilities	12,823	10,237	1,479	3,761	3,363	1,860	24,626	28,984	496,209	473,634
Non-current deferred contributions	-	-	-	534	7	-	-	-	42,365	10,234
Deferred capital contributions	1,671	4,835	7,882	229	3,614	2,371	553	10,413	137,479	140,099
Long-term debt	85	-	-	-	-	6	-	-	18,412	24,719
Pension plan obligation	185	213	69	44	74	24	686	235	7,075	12,137
Unamortized external capital contributions	57,898	109,500	29,678	27,678	27,952	15,341	43,757	110,104	2,180,583	2,043,961
Other liabilities	-	78	-	-	-	-	-	-	21,524	15,826
TOTAL LIABILITIES	72,662	124,863	39,108	32,246	35,010	19,602	69,622	149,736	2,903,647	2,720,610
NET ASSETS AND ENDOWMENTS										
Unrestricted	4,774	740	1,433	3,899	1,706	-	12,273	7,569	93,571	4,186
Internally restricted	-	1,951	2,050	1,622	-	3,245	9,629	5,811	125,880	33,102
Investment in capital assets	3,862	3,930	2,393	2,868	1,219	1,227	10,801	9,587	207,394	191,849
Endowments	-	-	-	-	-	-	-	-	150	150
TOTAL NET ASSETS AND ENDOWMENTS	8,636	6,621	5,876	8,389	2,925	4,472	32,503	22,967	426,995	229,287
TOTAL LIABILITIES, NET ASSETS AND ENDOWMENTS	81,298	131,484	44,984	40,635	37,935	24,074	102,125	172,703	3,330,642	2,949,897

3,437	3,247	(192)	2,029	(69)	2,761	4,778	195,060	510	195,060	121,615
(3,895)	(495)	(15,289)	(1,688)	(2,798)	(5,485) *	(15,786)	(330,439)	(20,543)	(330,439)	(269,294)
2,885	1,044	14,851	1,341	2,673	4,770	4,789	214,321	12,550	214,321	223,152
2,427	3,796	(630)	1,682	(154)	2,066 *	(6,198)	(7,483)	82,942	82,942	75,473
11,173	4,380	1,948	5,006	2,899	2,337 *	37,950	355,672	25,737	355,672	280,199
13,600	8,176	1,318	6,688	2,745	4,403	31,752	438,614	18,254	438,614	355,672
1,671	5,771	9,932	1,851	3,621	2,371	10,388	207,472	24,941	207,472	199,238
15,271	13,947	11,250	8,539	6,366	6,774	42,140	646,086	43,195	646,086	554,910

CASH FLOWS

Cash generated from (used by) operating activities
Cash generated from (used by) investing activities
Cash generated from (used by) financing activities
Increase (decrease) in cash and cash equivalent

Cash and cash equivalent, net of bank indebtedness, beginning of year
Cash and cash equivalent, net of bank indebtedness, end of year

Non-current cash and investments at end of period
Total cash, cash equivalent and non-current investments at end of year

* Adjusted to exclude non-current cash

TABLE IV

HEALTH AUTHORITY SUMMARY OF
OTHER FINANCIAL INFORMATION
MARCH 31, 2000
(Thousands of dollars)

	CHINOOK	PALLISER	HEADWATERS	CALGARY	HEALTH AUTHORITY 5	DAVID THOMPSON	EAST CENTRAL	WESTVIEW	CROSSROADS	CAPITAL HEALTH	ASPEN
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	4.6%	4.7%	6.4%	3.9%	5.3%	4.9%	6.4%	6.7%	6.6%	3.0%	6.3%
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II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES
excludes information technology and we/net

II. WORKING CAPITAL

Current Assets	29,084	17,744	6,533	170,963	7,090	39,150	18,828	10,936	8,793	183,801	12,211
Current Liabilities	20,812	15,004	5,564	117,545	5,668	23,429	12,997	7,736	8,366	183,614	8,341
WORKING CAPITAL RATIO	1.40	1.18	1.17	1.45	1.25	1.67	1.45	1.41	1.05	1.00	1.46

III. ALBERTA HEALTH AND WELLNESS FUNDING
COVERAGE RATIO

	87.1%	84.7%	83.4%	91.3%	93.6%	90.1%	85.2%	103.3%	86.8%	89.7%	85.7%
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IV. AVERAGE REMAINING USEFUL LIFE
OF CAPITAL EQUIPMENT IN YEARS

	3.5	3.5	5.5	3.4	4.4	8.5	4.1	3.6	3.8	4.1	3.9
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V. CAPITAL INVESTMENTS DURING THE YEAR
Funded from internal resources
Funded by external parties

	3,016	2,035	1,048	13,569	626	1,736	807	389	736	17,437	1,189
	26,324	2,239	1,174	59,423	10,125	11,002	1,111	13,347	889	97,473	1,461
	29,340	4,274	2,222	72,992	10,751	12,738	1,918	13,736	1,625	114,910	2,650

TABLE IV

HEALTH AUTHORITY SUMMARY OF
OTHER FINANCIAL INFORMATION
MARCH 31, 2000
(Thousands of dollars)

LAKELAND	MISTAHIA	PEACE	KEEWEETINOK LAKES	NORTHERN LIGHTS	NORTHWESTERN	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	TOTAL OF ALL HEALTH AUTHORITIES 2000	TOTAL OF ALL HEALTH AUTHORITIES 1999
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I. ADMINISTRATION COST AS A % OF TOTAL EXPENSES
excludes information technology and we/net

5.1%	6.0%	6.7%	6.0%	6.1%	9.7%	6.0%	3.2%	4.2%	4.2%
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II. WORKING CAPITAL

16,482	11,616	2,741	8,238	5,143	5,110	37,379	28,071	619,933	478,848
12,823	10,237	1,479	3,761	3,363	1,860	24,626	28,984	496,209	473,634
1,29	1,13	1,85	2,19	1,53	2,75	1,52	0,97	1,25	1,01

III. ALBERTA HEALTH AND WELLNESS FUNDING
COVERAGE RATIO

86.9%	84.1%	87.0%	88.3%	87.1%	99.1%	92.7%	72.8%	89.2%	83.4%
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IV. AVERAGE REMAINING USEFUL LIFE
OF CAPITAL EQUIPMENT IN YEARS

5.0	3.4	3.7	3.4	4.5	3.6	5.2	5.3	4.1	3.8
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V. CAPITAL INVESTMENTS DURING THE YEAR
Funded from internal resources
Funded by external parties

1,044	366	466	240	112	689	2,892	2,803	51,200	56,382
2,451	3,369	11,251	679	2,960	6,489	4,695	16,393	272,855	166,858
3,495	3,735	11,717	919	3,072	7,178	7,587	19,196	324,055	223,240

Government Organization Changes: 1999/2000

This schedule gives a road map of the major program/entity changes as a result of the government reorganizations in 1999/2000. The left column identifies the ministries after the government reorganizations. Some ministries are new, merged or renamed. The center column identifies the major programs/entities in which there was a change in administration to the reorganized ministries. The right column identifies which ministry these programs/entities were located in before the government reorganizations.

Ministry	Program/Entity Changes	Previous Location
Agriculture, Food & Rural Development	<ul style="list-style-type: none"> • Alberta Opportunity Company 	Economic Development
Children's Services (New)	<ul style="list-style-type: none"> • Social Support to Families With Children • Family & Community Support Services • Handicapped Children's Service & Daycare 	Former Family & Social Services
Community Development	<ul style="list-style-type: none"> • Francophone Secretariat • Protection for Persons in Care • Housing & Alberta Social Housing Corporation 	Former Intergovernmental & Aboriginal Affairs Former Family & Social Services Municipal Affairs
Economic Development	<ul style="list-style-type: none"> • Foreign Agriculture Marketing 	Agriculture, Food & Rural Development
Executive Council	<ul style="list-style-type: none"> • Government Protocol 	Former Intergovernmental & Aboriginal Affairs
Gaming (New)	<ul style="list-style-type: none"> • Community Lottery Grant Program • Lottery Fund and some Lottery Funded Programs • Alberta Gaming and Liquor Commission 	Community Development Economic Development
Government Services (New)	<ul style="list-style-type: none"> • Consumer & Corporate Services and Registry Services • Regulatory Review 	Municipal Affairs Treasury
Health & Wellness (Formerly Health)	<ul style="list-style-type: none"> • Alberta Alcohol & Drug Abuse Commission • Services to Persons with Development Disabilities 	Community Development Former Family & Social Services

Ministry	Program/Entity Changes	Previous Location	
Human Resources & Employment (New)	<ul style="list-style-type: none"> • Income Support to Individuals & Families • Employment & Training Support • Supports to Dependent Adults 	Former Family & Social Services	
	<ul style="list-style-type: none"> • Workplace Services • Labour Relations 	Former Labour	
	<ul style="list-style-type: none"> • Personnel Administration Office • Career Development • Labour Market Development Agreement 	Former Advanced Education & Career Development	
	<hr/>		
	Infrastructure (Merger of Public Works, Supply & Services and Transportation & Utilities)	<ul style="list-style-type: none"> • School & Post-Secondary Facilities 	Former Education and Advanced Education & Career Development
		<hr/>	
Innovation & Science (Formerly Science, Research & Information Technology)	<ul style="list-style-type: none"> • Alberta Agricultural Research Institute 	Agriculture, Food & Rural Development	
	<ul style="list-style-type: none"> • Information Technology Services 	Former Public Works, Supply and Services	
	<ul style="list-style-type: none"> • University Research Excellence • University Intellectual Infrastructure (now in University Research Investments) 	Former Advanced Education & Career Development	
	<ul style="list-style-type: none"> • Technology Commercialization Initiatives 	Economic Development	
	<hr/>		
Justice	<ul style="list-style-type: none"> • Mediation Services 	Former Family & Social Services	
<hr/>			
Municipal Affairs	<ul style="list-style-type: none"> • Safety Services • Freedom of Information & Protection of Privacy 	Former Labour	
	<ul style="list-style-type: none"> • Disaster Services 	Former Transportation & Utilities	
	<hr/>		
Resource Development (Formerly Energy)	<ul style="list-style-type: none"> • Northern Development • Forest Products Development 	Executive Council Economic Development & Environment	
	<hr/>		
Treasury	<ul style="list-style-type: none"> • Employment Pensions 	Former Labour	
<hr/>			

Other Renamed or Merged Ministries

Environment

(formerly Environmental Protection)

International and Intergovernmental Relations

(formerly Intergovernmental & Aboriginal Affairs)

Learning

(merger of Education and Advanced Education & Career Development)

Index of All Government Entities

Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency

Agriculture Financial Services Corporation
Alberta Agricultural Research Institute
Alberta Alcohol and Drug Abuse Commission
Alberta Dairy Control Board
Alberta Energy and Utilities Board
Alberta Foundation for the Arts
Alberta Gaming and Liquor Commission
Alberta Government Telephones Commission, The
Alberta Heritage Foundation for Medical Research Endowment Fund
Alberta Heritage Savings Trust Fund
Alberta Heritage Scholarship Fund
Alberta Historical Resources Foundation, The
Alberta Informatics Circle of Research Excellence Inc.
Alberta Insurance Council
Alberta Municipal Financing Corporation
Alberta Oil Sands Technology and Research Authority
Alberta Opportunity Company
Alberta Pensions Administration Corporation
Alberta Petroleum Marketing Commission
Alberta Research Council Inc.
Alberta Risk Management Fund
Alberta School Foundation Fund
Alberta Science, Research and Technology Authority
Alberta Securities Commission
Alberta Social Housing Corporation
Alberta Sport, Recreation, Parks and Wildlife Foundation
Alberta Treasury Branches
ATB Investment Services Inc.
Awasak Child and Family Services Authority
Calgary Rocky View Child and Family Services Authority
Child and Family Services Authority — Region 13
Child and Family Services Authority — Region 14
Credit Union Deposit Guarantee Corporation
Crop Reinsurance Fund of Alberta
Department of Agriculture, Food and Rural Development
Department of Children's Services
Department of Community Development
Department of Environment
Department of Gaming
Department of Health and Wellness
Department of Innovation and Science
Department of Justice
Department of Learning
Department of Resource Development
Department of Treasury
Diamond Willow Child and Family Services Authority
Environmental Protection and Enhancement Fund
Gainers Inc.

Ministry Annual Report

Agriculture, Food and Rural Development
Innovation and Science
Health and Wellness
Agriculture, Food and Rural Development
Resource Development
Community Development
Gaming
Treasury
Treasury
Treasury
Treasury
Community Development
Innovation and Science
Treasury
Treasury
Innovation and Science
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Agriculture, Food and Rural Development
Children's Services
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Children's Services
Environment
Treasury

Ministry, Department, Fund or Agency

Government House Foundation, The
Hearthstone Child and Family Services Authority
Historic Resources Fund
Human Rights, Citizenship and Multiculturalism Education Fund
Keystone Child and Family Services Authority
Lottery Fund
Ma'Mowe Capital Region Child and Family Services Authority
Metis Settlements Child and Family Services Authority
Ministry of Agriculture, Food and Rural Development
Ministry of Children's Services
Ministry of Community Development
Ministry of Economic Development¹
Ministry of Environment
Ministry of Executive Council¹
Ministry of Gaming
Ministry of Government Services¹
Ministry of Health and Wellness
Ministry of Human Resources and Employment¹
Ministry of Infrastructure¹
Ministry of Innovation and Science
Ministry of International and Intergovernmental Relations¹
Ministry of Justice
Ministry of Learning
Ministry of Municipal Affairs¹
Ministry of Resource Development
Ministry of Treasury
N.A. Properties (1994) Ltd.
Natural Resources Conservation Board
Neeqan Awas'sak Child and Family Services Authority
Persons with Developmental Disabilities Calgary Region Community Board
Persons with Developmental Disabilities Central Alberta Community Board
Persons with Developmental Disabilities Edmonton Community Board
Persons with Developmental Disabilities Foundation
Persons with Developmental Disabilities Michener Centre Facility Board
Persons with Developmental Disabilities Northeast Alberta Community Board
Persons with Developmental Disabilities Northwest Alberta Community Board
Persons with Developmental Disabilities Provincial Board
Persons with Developmental Disabilities South Alberta Community Board
Ribstone Child and Family Services Authority
S C Financial Ltd.
Sakaigun Asky Child and Family Services Authority
Sakaw Askiy Child and Family Services Authority
Silver Birch Child and Family Services Authority
Southeast Alberta Child and Family Services Authority
Sun Country Child and Family Services Authority
Supplementary Retirement Plan Reserve Fund
Victims of Crime Fund
West Yellowhead Child and Family Services Authority
Wild Rose Foundation, The
Windsong Child and Family Services Authority

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Community Development
Children's Services
Community Development
Community Development
Children's Services
Gaming
Children's Services
Children's Services
Agriculture, Food and Rural Development
Children's Services
Community Development
Economic Development
Environment
Executive Council
Gaming
Government Services
Health and Wellness
Human Resources and Employment
Infrastructure
Innovation and Science
International and Intergovernmental Relations
Justice
Learning
Municipal Affairs
Resource Development
Treasury
Treasury
Environment
Children's Services
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Health and Wellness
Children's Services
Treasury
Children's Services
Children's Services
Children's Services
Children's Services
Children's Services
Treasury
Justice
Children's Services
Community Development
Children's Services

¹Ministry includes only the department so separate department financial statements are not necessary.

Entities NOT included in the consolidated government reporting entity

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts Trust Account	Municipal Affairs
Local Authorities Pension Plan	Treasury
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Treasury
Provincial Judges and Masters in Chambers Pension Plan	Treasury
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Treasury
Public Service Pension Plan	Treasury
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Treasury
Universities Academic Pension Plan	Treasury
Workers' Compensation Board	Human Resources and Employment

