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2010 Annual Report of the Chief Electoral Officer

*The Election Finances and Contributions Disclosure Act
For the Calendar Year 2010*



chief electoral office

Suite 100
11510 Kingsway NW
Edmonton, Alberta

September 2011

Mr. Chairman
Standing Committee on Legislative Offices
3rd Floor
Edmonton, Alberta T6H 0B2

Dear Mr. Chair:

It is an honour to submit to the Standing Committee on Legislative Offices through you, Mr. Chairman, Elections Alberta's 2010 Annual Report on the *Election Finances and Contributions Disclosure Act*.

This Report is submitted pursuant to Section 4(2) of the *Election Finances and Contributions Disclosure Act*, Revised Statutes of Alberta 2000, Chapter E-2. The Report includes this Office's financial statements as at March 31, 2011.

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

Sincerely,

[Original signed by O. Brian Fjeldheim]

Chief Electoral Officer

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Message from the Chief Electoral Officer

Communication with stakeholders was a major focus of the 2010 calendar year. Significant legislative amendments were proclaimed to the *Election Finances and Contributions Disclosure Act (the Act)*, with more to follow. The scope of change necessitated a complete review of all forms and guides available through this Office to support political entities in meeting their legal obligations under *the Act*. This process provided us with the opportunity to share notice of the changes with political parties and constituency associations, and to obtain their input on the updated resources. We value the input that we received and believe that the instructional materials were greatly enhanced through this consultative process.

Another significant legislative amendment occurred with the passage of the *Electoral Divisions Act* in December, 2010. New electoral division boundaries will come into effect for 87 electoral divisions upon the issue of the writs of election for the next provincial general election. This required the creation of a constituency association de-registration and pre-registration process, to assist the constituency association volunteers across Alberta. Those volunteers will be required to finalize financial matters for the constituency associations registered on the existing electoral division boundaries and to pre-register on the future electoral division boundaries prescribed by the *Electoral Divisions Act*. Our goal is to support a seamless and timely transition process, while ensuring financial accountability and disclosure.

The unique challenges of 2010 were ably met by the staff in this Office, and by the many volunteers and staff of political entities who provided their input and cooperation. Thank you to all.

O. Brian Fjeldheim
Chief Electoral Officer

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Section One – The Calendar Year 2010

Overview

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

- 347 registered constituency associations were included in the Register of Constituency Associations as at December 31, 2010.
- 322 registered constituency associations met their filing requirements by the due date of March 31, 2011. The other twenty five (25) filed their financial statements after the due date.
- Annual financial statements for the calendar year 2010 were received from six (6) registered parties by the due date of March 31, 2011. Two (2) registered parties filed their financial statements after the due date.

Registration Data

Political Parties

As at December 31, 2010, there were eight political parties included in the Register of Political Parties maintained by Elections Alberta in accordance with Section 7(1) of the *Election Finances and Contributions Disclosure Act (the Act)*. Registration information concerning these eight registered parties at the time of filing:

Name (Abbreviation)	Date Registered	President	Chief Financial Officer
Alberta Liberal Party (LIB)	February 3, 1978	Erick Ambtman	Charles Dechene
Alberta New Democratic Party (NDP)	January 3, 1978	Nancy Furlong	Brian Stokes
Alberta Party (AP)	October 30, 1990	Chris LaBossiere	Paul Ney
Alberta Social Credit Party (SC)	January 6, 1978	Gordon Barrett	Gordon Barrett
Communist Party - Alberta (CP-A)	January 31, 1979	Naomi Rankin	Blyth Nuttal
Progressive Conservative Association of Alberta (PC)	January 3, 1978	Bill Smith	Ron Renaud
Separation Party of Alberta (SPA)	November 2, 1999	Mike Bennison	Judy Hutton
Wildrose Alliance Party (WAP)	October 25, 2002	Hal Walker	Richard Wilkie

Reserved Political Party Names

This Office held one reserved political party name on file as at December 31, 2010. The applicant had indicated that they proposed to form a registered political party in accordance with the provisions of *the Act*. The time frame for submission of the registration petition has now passed and the application has been placed in the inactive file.

Constituency Associations - Registrations

During the 2010 calendar year, five applications for registration were approved.

Alberta Social Credit Party

Edmonton-Calder Edmonton-Centre
Edmonton-Gold Bar Barhead-Morinville-Westlock

Independent

Calgary-Currie

Constituency Associations - Deregistrations

During the 2010 calendar year, there were no constituency association deregistrations.

Constituency Associations - Re-registrations

During the 2010 calendar year, there was no previously deregistered constituency association that re-registered.

Summary of Constituency Association Registrations

At December 31, 2010, there were 347 registered constituency associations. The chart below outlines the number per party and a chart showing the status, by electoral division, is presented on pages 13 and 14.

LIB	NDP	AP	SC	CP-A	IND	PC	SPA	WAP	TOTAL
83	83	3	9	0	1	83	2	83	347

Financial Statements

In accordance with Section 42 of *the Act*, political parties and constituency associations registered prior to September 1, 2010 were required to file annual financial statements with this Office on or before March 31, 2011. The following represents the number, monetary amount, and category of contributions received by registered political parties and registered constituency associations in the 2010 calendar year as represented by the contribution receipts issued. Figures in this report are rounded to the nearest dollar.

Political Parties - Annual Financial Statements

Eight political parties were registered with the Office of the Chief Electoral Officer as at December 31, 2010, and all were required to submit an audited 2010 Political Party Annual Financial Statement by March 31, 2011.

The eight registered parties are as follows:

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

In accordance with Section 6(6) of *the Act*, political parties that maintain a foundation are also required to file an annual report of the expenditures of that foundation. As at December 31, 2010, only the Progressive Conservative Association of Alberta maintained a foundation and it reported expenditures of \$8,854.

The Act permits registered political parties to maintain continuous annual financial activities between Senatorial Selection Campaigns. Registered parties may accept annual contributions, within prescribed limits, and expend funds for Senatorial Selection purposes.

The two registered parties (the Progressive Conservative Association of Alberta and the Wildrose Alliance Party, formerly the Alberta Alliance Party) that nominated candidates for the 2004 Senate Nominee Election reported no financial activity in the 2010 calendar year.

Political Party Contributions

Alberta Liberal Party

	Total Contributions	Average Contribution
Amounts to \$375.00:		
1,723 contributions from individuals	\$ 165,316	\$ 96
40 contributions from corporations	\$ 4,243	\$ 106
5 contributions from trade unions	\$ 630	\$ 126
Amounts of \$375.01 and greater:		
392 contributions from individuals	\$ 223,552	\$ 570
37 contributions from corporations	\$ 61,375	\$ 1,659
Total	\$ 455,116	

Alberta New Democratic Party

	Total Contributions	Average Contribution
Amounts to \$375.00:		
2,032 contributions from individuals	\$ 281,032	\$ 138
3 contributions from corporations	\$ 490	\$ 163
18 contributions from trade unions	\$ 3,448	\$ 192
Amounts of \$375.01 and greater:		
387 contributions from individuals	\$ 286,475	\$ 740
4 contributions from corporations	\$ 4,300	\$ 1,075
12 contributions from trade unions	\$ 35,360	\$ 2,947
Total	\$ 611,105	

Alberta Party

	Total Contributions	Average Contribution
Amounts to \$375.00:		
146 contributions from individuals	\$ 18,430	\$ 126
1 contribution from a corporation	\$ 325	\$ 325
Amounts of \$375.01 and greater:		
34 contributions from individuals	\$ 59,274	\$ 1,743
1 contribution from a corporation	\$ 1,000	\$ 1,000
Total	\$ 79,029	

Alberta Social Credit Party

	Total Contributions	Average Contribution
Amounts to \$375.00:		
6 contributions from individuals	\$ 920	\$ 153
Amounts of \$375.01 and greater:		
2 contributions from individuals	\$ 4,000	\$ 2,000
Total	\$ 4,920	

Communist Party – Alberta

	Total Contributions	Average Contribution
Amounts to \$375.00:		
6 contributions from individuals	\$ 675	\$ 113
Amounts of \$375.01 and greater:		
1 contribution from an individual	\$ 620	\$ 620
Total	\$ 1,295	

Progressive Conservative Association of Alberta

	Total Contributions	Average Contribution
Amounts to \$375.00:		
4,852 contributions from individuals	\$ 468,459	\$ 97
234 contributions from corporations	\$ 28,137	\$ 120
Amounts of \$375.01 and greater:		
1,106 contributions from individuals	\$ 791,416	\$ 716
717 contributions from corporations	\$ 1,524,431	\$ 2,126
1 contribution from a trade union	\$ 425	\$ 425
Total	\$ 2,812,868	

Separation Party of Alberta

No contributions were reported.

Wildrose Alliance Party

	Total Contributions	Average Contribution
Amounts to \$375.00:		
4,239 contributions from individuals	\$ 531,475	\$ 125
102 contributions from corporations	\$ 14,229	\$ 140
Amounts of \$375.01 and greater:		
693 contributions from individuals	\$ 647,962	\$ 935
142 contributions from corporations	\$ 255,428	\$ 1,799
Total	\$ 1,449,094	

Total / Average Contributions to All Parties

	Total Contributions	Average Contribution
Amounts to \$375.00:		
13,004 contributions from individuals	\$ 1,466,307	\$ 113
380 contributions from corporations	\$ 47,424	\$ 125
23 contributions from trade unions	\$ 4,078	\$ 177
Amounts of \$375.01 and greater:		
2,615 contributions from individuals	\$ 2,013,299	\$ 770
901 contributions from corporations	\$ 1,846,534	\$ 2,049
13 contributions from trade unions	\$ 35,785	\$ 2,753
Total	\$ 5,413,427	

Summary of 2010 Annual Financial Statements Registered Political Parties

Registered Political Parties	Amounts to \$375.00	Amounts of \$375.01 and greater	Other Revenue	Total Annual Revenue	Funds Transferred	Annual Expenses	Total Annual Expenses	Surplus (Deficit)
LIB	170,189	284,927	81,870	536,986	106,916	344,935	451,851	85,135
NDP	284,970	326,135	117,355	728,460	130,040	525,141	655,181	73,279
AP	18,755	60,274	12,697	91,726	Nil	65,059	65,059	26,667
SC	920	4,000	1,757	6,677	Nil	8,405	8,405	(1,728)
CP-A	675	620	Nil	1,295	Nil	1,103	1,103	192
PC	496,596	2,316,272	220,942	3,033,810	3,806	2,620,337	2,624,143	409,667
SPA	Nil	Nil	100	100	Nil	713	713	(613)
WAP	545,704	903,390	342,274	1,791,368	170,006	1,359,157	1,529,163	262,205

For detailed information, reference the Elections Alberta website at www.elections.ab.ca.

Constituency Associations - Annual Financial Statements

Of the 347 registered constituency associations:

- 322 constituency associations filed their financial statements by the due date of March 31, 2011; and
- 25 constituency associations filed their financial statements after the due date.

Constituency Association Contributions

The policy regarding the acceptance of contributions by constituency associations differs between parties. The following information reflects these policies during the 2010 calendar year.

Alberta Liberal Party

Registered constituency associations were not authorized to accept contributions. All contributions were accepted at the party level.

Alberta New Democratic Party

Registered constituency associations were not authorized to accept contributions. All contributions were accepted at the party level.

Alberta Party

Registered constituency associations were authorized to accept contributions. No contributions were received.

Alberta Social Credit Party

Registered constituency associations were authorized to accept contributions. No contributions were received.

Communist Party - Alberta

The Communist Party had no constituency associations registered in the 2010 calendar year.

Independent

The Independent Calgary-Currie constituency association reported receiving contributions.

	Total Contributions	Average Contribution
Amounts to \$375.00:		
7 contributions from individuals	\$ 565	\$ 81
Amounts of \$375.01 and greater:		
4 contributions from individuals	\$ 3,995	\$ 999
Total	\$ 4,560	

Progressive Conservative Association of Alberta

Registered constituency associations were authorized to accept contributions.

Seventy-seven of the eighty-three registered constituency associations reported receiving contributions:

	Total Contributions	Average Contribution
Amounts to \$375.00:		
4,196 contributions from individuals	\$ 472,478	\$ 113
1,478 contributions from corporations	\$ 235,759	\$ 160
2 contributions from trade unions	\$ 225	\$ 113
Amounts of \$375.01 and greater:		
644 contributions from individuals	\$ 326,513	\$ 507
754 contributions from corporations	\$ 416,775	\$ 553
2 contributions from trade unions	\$ 1,400	\$ 700
Total	\$ 1,453,150	

Separation Party of Alberta

Registered constituency associations were authorized to accept contributions.

No contributions were received.

Wildrose Alliance Party

Registered constituency associations were authorized to accept contributions.

Sixty-two of the eighty-three registered constituency associations reported receiving contributions:

	Total Contributions	Average Contribution
Amounts to \$375.00:		
1,158 contributions from individuals	\$ 143,947	\$ 124
151 contributions from corporations	\$ 27,121	\$ 180
Amounts of \$375.01 and greater		
217 contributions from individuals	\$ 129,865	\$ 598
112 contributions from corporations	\$ 69,182	\$ 618
Total	\$ 370,115	

Total / Average Contributions to All Constituency Associations

	Total Contributions	Average Contribution
Amounts to \$375.00:		
5,361 contributions from individuals	\$ 616,990	\$ 115
1,629 contributions from corporations	\$ 262,880	\$ 161
2 contributions from trade unions	\$ 225	\$ 113
Amounts of \$375.01 and greater:		
865 contributions from individuals	\$ 460,373	\$ 532
866 contributions from corporations	\$ 485,957	\$ 561
2 contributions from trade unions	\$ 1,400	\$ 700
Total	\$ 1,827,825	

Total Combined Contributions to Political Parties and Constituency Associations

Total contributions received by registered parties and constituency associations during 2010 were:

	Party	Constituency Associations	Total
Alberta Liberal Party	\$ 455,116	\$ Nil	\$ 455,116
Alberta New Democratic Party	\$ 611,105	\$ Nil	\$ 611,105
Alberta Party	\$ 79,029	\$ Nil	\$ 79,029
Alberta Social Credit Party	\$ 4,920	\$ Nil	\$ 4,920
Communist Party – Alberta	\$ 1,295	\$ Nil	\$ 1,295
Independent	\$ n/a	\$ 4,560	\$ 4,560
Progressive Conservative Association of Alberta	\$ 2,812,868	\$ 1,453,150	\$ 4,266,018
Separation Party of Alberta	\$ Nil	\$ Nil	\$ Nil
Wildrose Alliance Party	\$ 1,449,094	\$ 370,115	\$ 1,819,209
Total	\$ 5,413,427	\$ 1,827,825	\$ 7,241,252

**Status of Registered Constituency Associations
of Registered Political Parties
as at December 31, 2010**

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

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

**Status of Registered Constituency Associations
of Registered Political Parties
as at December 31, 2010**

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

Constituency Association	LIB	NDP	AP	SC	IND	PC	SPA	WAP
43 Airdrie-Chestermere	R	R	-	-	-	R	-	R
44 Athabasca-Redwater	R	R	-	-	-	R	-	R
45 Banff-Cochrane	R	R	-	-	-	R	-	R
46 Barrhead-Morinville-Westlock	R	R	-	R	-	R	-	R
47 Battle River-Wainwright	R	R	-	-	-	R	-	R
48 Bonnyville-Cold Lake	R	R	-	-	-	R	-	R
49 Cardston-Taber-Warner	R	R	-	-	-	R	-	R
50 Cypress-Medicine Hat	R	R	-	-	-	R	-	R
51 Drayton Valley-Calmar	R	R	-	-	-	R	-	R
52 Drumheller-Stettler	R	R	-	-	-	R	-	R
53 Foothills-Rocky View	R	R	-	-	-	R	-	R
54 Fort McMurray-Wood Buffalo	R	R	-	-	-	R	-	R
55 Fort Saskatchewan-Vegreville	R	R	-	-	-	R	-	R
56 Grande Prairie-Smoky	R	R	-	-	-	R	-	R
57 Grande Prairie-Wapiti	R	R	-	-	-	R	-	R
58 Highwood	R	R	-	-	-	R	-	R
59 Innisfail-Sylvan Lake	R	R	R	R	-	R	-	R
60 Lac La Biche-St. Paul	R	R	-	-	-	R	-	R
61 Lacombe-Ponoka	R	R	-	-	-	R	-	R
62 Leduc-Beaumont-Devon	R	R	-	R	-	R	-	R
63 Lesser Slave Lake	R	R	-	-	-	R	-	R
64 Lethbridge-East	R	R	-	-	-	R	-	R
65 Lethbridge-West	R	R	-	-	-	R	-	R
66 Little Bow	R	R	-	-	-	R	-	R
67 Livingstone-Macleod	R	R	-	-	-	R	-	R
68 Medicine Hat	R	R	-	-	-	R	-	R
69 Olds-Didsbury-Three Hills	R	R	-	-	-	R	-	R
70 Peace River	R	R	-	-	-	R	-	R
71 Red Deer-North	R	R	-	-	-	R	-	R
72 Red Deer-South	R	R	-	-	-	R	-	R
73 Rocky Mountain House	R	R	-	-	-	R	R	R
74 Sherwood Park	R	R	-	R	-	R	-	R
75 Spruce Grove-Sturgeon-St. Albert	R	R	-	-	-	R	-	R
76 St. Albert	R	R	-	-	-	R	-	R
77 Stony Plain	R	R	-	-	-	R	-	R
78 Strathcona	R	R	-	-	-	R	-	R
79 Strathmore-Brooks	R	R	-	R	-	R	R	R
80 Vermilion-Lloydminster	R	R	-	-	-	R	-	R
81 West Yellowhead	R	R	-	-	-	R	-	R
82 Wetaskiwin-Camrose	R	R	-	-	-	R	-	R
83 Whitecourt-Ste. Anne	R	R	-	-	-	R	-	R
83	83	3	9	1	83	2	83	

Section Two – General Information

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

On December 31, 2010, the Chief Electoral Officer held funds in trust for the Alberta Greens Constituency Associations in the amount of \$4,676.61. The registration for the Alberta Greens party and related constituency associations was cancelled effective July 16, 2009. Funds are held in trust in compliance with Section 10(12) of *the Act*.

As at the date of this publication, funds have been transferred to the General Revenue Fund in compliance with Section 10(12) of *the Act*.

Public Files

The Public Files contain information concerning political financing of registered political organizations in Alberta. The Public Files now contain data for thirty-four consecutive calendar years including nine general elections starting March 14, 1979, the nineteen by-elections held starting November 21, 1979 and three Senate Nominee elections held in 1989, 1998, and 2004.

All financial statements are contained in the Public Files maintained by this Office and are available for examination from 8:15 a.m. to 12:00 p.m. and 1:00 p.m. to 4:30 p.m., Monday to Friday. Photocopies of data maintained in the Public Files are available at a rate prescribed under authority of Section 11 of *the Act*.

Reports published by the Chief Electoral Officer are available to the public at no cost and are also available on the Elections Alberta website: www.elections.ab.ca. Information from the 2004 General Election and forward is also available to the public on the website under the Financial Disclosure tab.

Events of Interest since January 1, 2011

The following events have taken place between the end of the year and the date this report was published. Additional details will be provided in the 2011 Annual Report of the Chief Electoral Officer.

A number of amendments have been made to the *Election Finances and Contributions Disclosure Act* as sections of the *Election Statutes Amendment Act, 2010* (the *ESA Act*) have come into effect.

Elections Alberta is currently integrating amendments into the forms, guides and other resources that will be provided to political parties, candidates and constituency associations. Upon completion, these resources will be available through our office and via our website (<http://www.elections.ab.ca>).

Highlights of the significant changes that will particularly affect political parties appear in the following chart. We have indicated the effective date of the amendment for those amendments which have not yet come into force.

Please note that the chart below provides a brief overview of some of the legislative amendments; however, it is important to review the laws governing elections and election finances in their entirety. The amendments that are now in force have been consolidated into the legislation available on the Queen's Printer website (<http://www.qp.alberta.ca/Laws Online.cfm>) and through the Queen's Printer Bookstore.

The 2010 amendments to the legislation represent the most significant change to electoral administration since the legislation was rewritten 30 years ago. We are well underway in preparing for the implementation of these changes and appreciate this opportunity to enhance service to Albertans within the context of the statutory direction we have received.

Amendments to the *Election Finances and Contributions Disclosure Act*

ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT				POLITICAL ENTITY		
ITEM NO.	PROVISION	IN FORCE	SECTION	PARTY	CA	CANDIDATE
1.	Where audited financial statements are required, the audit must be conducted by a person authorized by the <i>Regulated Accounting Profession Act</i> .	Apr 22, 2010	1(1)(a)	✓		
2.	Contributions are limited to money, real property or goods, or the use of real property or goods. Services, including volunteer services, are not deemed to be contributions, and therefore are not subject to contribution limits or eligible for a tax receipt.	Apr 22, 2010	1(1)(e)	✓	✓	✓
3.	Political party name changes must be approved by the Chief Electoral Officer.	Apr 22, 2010	7(3.1)	✓		
4.	Financial records must be kept for 3 years.	Apr 22, 2010	10.1	✓	✓	✓
5.	Surpluses must be managed in accordance with prudent investor rules under the <i>Trustee Act</i> .	Apr 22, 2010	12(1)			✓
6.	Funds contributed in breach of the legislation must be returned to the contributor.	Apr 22, 2010	51.1(1)	✓	✓	✓
7.	Chief financial officers who fail to comply with the requirements for filing financial statements may be prohibited from acting in that capacity for a period of up to 8 years.	next General Election	76 of the <i>ESA Act</i>	✓	✓	✓
8.	All tax receipts for political contributions must be in the form provided by the Chief Electoral Officer.	Jan 1, 2011	79 of the <i>ESA Act</i>	✓	✓	✓
9.	Loan payments made by any person or organization are treated as contributions of that person or organization, unless they are repaid before the filing deadline.	next General Election	84 of the <i>ESA Act</i>	✓	✓	✓

ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT				POLITICAL ENTITY		
ITEM NO.	PROVISION	IN FORCE	SECTION	PARTY	CA	CANDIDATE
10.	Audited financial statements are not required from political parties unless party revenue, party expenses, or both, exceed \$1000.	Jan 1, 2011	85 of the <i>ESA Act</i>	✓		
11.	Annual financial statement reporting requirements have expanded to include revenue, expenses, assets, and liabilities.	Jan 1, 2011	85(a), 85(b) of the <i>ESA Act</i>	✓	✓	
12.	Campaign financial statement reporting requirements have expanded to include revenue, expenses, assets, and liabilities.	next General Election	86(b) of the <i>ESA Act</i>			✓
13.	Candidates who run a campaign deficit must retire that deficit and report on the manner by which it is retired. Candidates who do not retire a campaign deficit within three months after the due date of the financial statement (with a possibility of a 3 month extension) may be prohibited from running as a candidate for up to eight years.	next General Election	87 of the <i>ESA Act</i>			✓

Third Party Election Advertising Rules

This legislation (which came into effect September 15, 2011) establishes rules for third parties that advertise during provincial election periods. Eligible individuals, corporations and groups must register with Elections Alberta if they place election advertisements (broadcast, print or electronic) and if contributions or expenses exceed \$1,000. The new rules also require disclosure of contributors' information, which will be made available to the public.

The legislation establishes restrictions for contributions, as well. Only eligible contributors may make contributions to third parties, and must observe prescribed contribution limits.

Third party advertising rules will ensure that Albertans are aware of who is paying for, and posting, political advertising.

Highlights of the new rules on third party advertising during provincial election periods:

- Every third party advertisement must identify the sponsor's name and phone number, and must indicate that the sponsor authorizes the advertisement.
- A registered third party advertiser must file an election advertising report, including a financial statement, with Elections Alberta.
- Both registration information and election advertising reports will be available to the public.
- Offence provisions exist for third party advertisers who do not comply with the new legislation. Fines up to \$100,000 may be imposed, so all potential third party advertisers should familiarize themselves with the new legislation.

A "Guide to the Election Finances and Contributions Disclosure Act for Third Party Advertisers" is posted on the Elections Alberta website at www.elections.ab.ca.

Section 1 of this Guide provides information to prospective contributors.

Section 2 of this Guide provides information to prospective third parties, and provides specific direction to their Chief Financial Officers, who have legal obligations to fulfil.

Section Three – Office of the Chief Electoral Officer Financial Statements

On the following pages is a copy of the Audited Annual Financial Statements for the Office of the Chief Electoral Officer for the year ended March 31, 2011.

Office of the Chief Electoral Officer

Financial Statements

Year Ended March 31, 2011

OFFICE OF THE CHIEF ELECTORAL OFFICER

FINANCIAL STATEMENTS

AS AT MARCH 31, 2011

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expense Detailed by Object

Schedule 2 - Salary and Benefits Disclosure

Schedule 3 - Schedule of Allocated Costs



Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying financial statements of the Office of the Chief Electoral Officer, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Office of the Chief Electoral Officer as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher]

CA

Auditor General

July 7, 2011

Edmonton, Alberta

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
ASSETS		
Assets		
Cash	\$ 150	\$ 150
Accounts Receivable	-	13,491
Inventory (Note 3)	-	389,832
Tangible Capital Assets (Note 4)	<u>1,193,379</u>	<u>1,231,471</u>
	<u>\$ 1,193,529</u>	<u>\$ 1,634,944</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 450,689	\$ 324,539
Accrued vacation pay	<u>186,648</u>	<u>163,011</u>
	<u>637,337</u>	<u>487,550</u>
Net Assets		
Net Assets (Liabilities) at Beginning of Year	1,147,394	770,104
Net Operating Results	(4,898,884)	(3,802,399)
Net Financing Provided from General Revenues	<u>4,307,682</u>	<u>4,179,689</u>
Net Assets at End of Year	<u>556,192</u>	<u>1,147,394</u>
	<u>\$ 1,193,529</u>	<u>\$ 1,634,944</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2011

	<u>2011</u>		<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Other Revenue		\$ 3,988	\$ 21,101
Expenses (Schedules 1 & 3):			
Voted:			
Election office	\$ 4,186,000	4,003,640	3,611,960
Elections	<u>1,440,000</u>	<u>875,596</u>	<u>185,636</u>
	<u>\$ 5,626,000</u>	<u>4,879,236</u>	<u>3,797,596</u>
Statutory:			
Valuation adjustment			
Provision for Vacation Pay		<u>23,636</u>	<u>25,904</u>
		<u>4,902,872</u>	<u>3,823,500</u>
Net Operating Results		<u>\$ (4,898,884)</u>	<u>\$ (3,802,399)</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
Operating transactions:		
Net operating results	\$ (4,898,884)	\$ (3,802,399)
Add non-cash charges		
Amortization of tangible capital assets	532,435	523,198
	<u>(4,366,449)</u>	<u>(3,279,201)</u>
(Increase) Decrease in accounts receivable	13,491	(13,439)
(Increase) Decrease in inventory	389,832	(56,725)
Increase (Decrease) in accounts payable and accrued liabilities	126,151	(600,586)
Increase in accrued vacation pay	<u>23,636</u>	<u>25,904</u>
Cash Applied to Operating Transactions	(3,813,339)	(3,924,047)
Capital transactions:		
Purchase of capital assets	(494,343)	(460,172)
Tangible Capital Assets transferred to other Government agencies	-	204,530
	<u>-</u>	<u>204,530</u>
Cash Applied to Capital Transactions	(494,343)	(255,642)
Financing transactions:		
Net transfer from general revenues	<u>4,307,682</u>	<u>4,179,689</u>
Net cash used	<u>-</u>	<u>-</u>
Cash, beginning of year	<u>150</u>	<u>150</u>
Cash, end of year	<u>\$ 150</u>	<u>\$ 150</u>

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

OFFICE OF THE CHIEF ELECTORAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Authority

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

Note 2 Purpose

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

Note 3 Summary of Significant Accounting Policies and Reporting Practices

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

a) Reporting Entity

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

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

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

b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Expenses

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

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

Assets

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

Inventories of numerous small items have been held for use in provincial elections. These items have been carried as assets in prior years however the dollar value of individual items are deemed negligible and the cost of maintaining an accurate count exceeds the benefit gained from this activity. The cost of the inventory was expensed in the current year and will continue to be in future years.

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

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

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

Liabilities

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

Net Assets/ Net Liabilities

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

b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

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

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

Valuation Adjustment

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

Note 4 Tangible Capital Assets

	2011		2010	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware and software	\$3,398,585	\$ 2,291,299	\$ 1,107,286	\$ 1,157,096
Warehouse equipment	13,400	13,400	-	-
Furniture and other office equipment	164,206	91,827	72,379	60,660
Election assets	142,434	128,720	13,714	13,715
	<u>\$3,718,625</u>	<u>\$ 2,525,246</u>	<u>\$ 1,193,379</u>	<u>\$ 1,231,471</u>

Note 5 Defined Benefit Plans

The Office participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The Office also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of \$169,251 for the year ended March 31, 2011 (2010 - \$155,640).

At December 31, 2010, the Management Employees Pension Plan reported a deficiency of \$397,087,000 (2009 deficiency - \$483,199,000) and the Public Service Pension Plan reported a deficiency of \$2,067,151,000 (2009 - deficiency of \$1,729,196,000). At December 31, 2010, the Supplementary Retirement Plan for

Public Service Managers had a deficiency of \$39,559,000 (2009 - deficiency of \$39,516,000).

The Office also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of \$4,141,000 (2010 - deficiency of \$8,335,000) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$7,020,000 (2010 - surplus \$7,431,000). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 6 Budget

The budget shown on the statement of operations is based on the budgeted expenses presented to the Legislative Assembly on February 9, 2010. The following table compares the Office's actual expenditures to the voted budget.

	2010-11 Voted Budget	2010-11 Actual	Unexpended
Voted operating expenses	\$ 5,626,000	\$ 4,879,236	\$ 746,764
Voted equipment purchases	300,000	494,343	(194,343)
Total	<u>\$ 5,926,000</u>	<u>\$ 5,373,579</u>	<u>\$ 552,421</u>

Note 7 Contractual Obligations

	<u>2011</u>	<u>2010</u>
Obligations under contracts	\$3,392,313	\$1,628,346
2010-11	\$ -	\$ 769,600
2011-12	2,670,873	749,106
2012-13	695,040	82,440
2013-14	9,600	9,600
2014-15	9,600	9,600
Thereafter	<u>7,200</u>	<u>8,000</u>
	<u>\$3,392,313</u>	<u>\$1,628,346</u>

Note 8 Approval of Financial Statements

These financial statements were approved by the Chief Electoral Officer.

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF EXPENSE DETAILED BY OBJECTYEAR ENDED MARCH 31, 2011

	2011		2010
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Voted:			
Salaries, wages and employee benefits		\$ 2,188,303	\$ 2,014,718
Supplies and services		<u>2,690,933</u>	<u>1,782,878</u>
Total voted operating expenses	<u>\$ 5,626,000</u>	<u>4,879,236</u>	<u>3,797,596</u>
Statutory:			
Valuation adjustment:			
Provision for Vacation Pay		<u>23,636</u>	<u>25,904</u>
Total expenses		<u>\$ 4,902,872</u>	<u>\$ 3,823,500</u>

OFFICE OF THE CHIEF ELECTORAL OFFICERSALARY AND BENEFITS DISCLOSUREYEAR ENDED MARCH 31, 2011

	2011			2010	
	Base Salary (1)	Other Cash Benefits (2)	Other Non-cash Benefits (3)	Total	Total
CURRENT EXECUTIVES					
Senior official					
Chief Electoral Officer ⁽⁴⁾	\$ 170,520	\$ 11,904	\$ 6,347	\$ 188,771	\$ 51,973
Executive					
Deputy Chief Electoral Officer	\$ 132,566	\$ 1,750	\$ 32,627	\$ 166,943	\$ 171,245

- (1) Base salary includes regular base pay.
- (2) Other cash benefits include vacation payouts, car allowances and lump sum payments. There were no bonuses paid in 2011.
- (3) Other non-cash benefits include the office's share of all employee benefits and contributions or payments made on behalf of employees including pensions, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition.
- (4) The position was filled December 9, 2009. The 2010 comparable number reflects only 4 months remuneration.

OFFICE OF THE CHIEF ELECTORAL OFFICERSCHEDULE OF ALLOCATED COSTSYEAR ENDED MARCH 31, 2011

Program	2011					2010	
	Expenses ⁽¹⁾	Expenses - Incurred by Others		Valuation Adjustment Accrued ⁽³⁾ Vacation Pay	Total Expenses	Total Expenses	
		Accommodation Costs ⁽²⁾	Legal Costs				
Operations	\$ 4,879,236	\$ 522,551	\$ -	\$ 23,636	\$ 5,425,423	\$ 4,365,418	

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

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

(3) Valuation adjustment as per Statements of Operations. Employee benefits provision allocated by employee.

