



20th Anniversary
ENVIRONMENTAL LAW CENTRE

Annual Report 2002

www.elc.ab.ca



President's Message

This last year has been a watermark year for the Centre; it celebrated its 20th anniversary. To commemorate the auspicious occasion, celebrations were held in both Edmonton and Calgary. These were well attended by its many supporters and provided an opportunity for many of those who were so instrumental in the Centre's success to reconnect and remind themselves of the Centre's good work. A trip down memory lane makes it clear that the Centre has had a vital role to play in environmental protection in Alberta and Canada. The fact that the Centre has survived for 20 years through both good and bad economic times is a testament to the importance of the Centre to the Alberta and Canadian political landscapes.

The Centre, like many other institutions, has undergone many changes over the last 20 years and 2002 has been no different. Arlene Kwasniak, our past executive director, decided it was time to take her many skills to private practice and started her own consulting business. Cindy Chiasson, one of our capable staff lawyers, moved into the executive director position and has ably filled the very big shoes Arlene left behind. Cindy and a highly dedicated and talented staff have developed their own individual and collective identities and continue to do the exemplary work for which the Centre has become well known.

I have great confidence that the Centre will not rest on its laurels. It has positioned itself well to continue to do good work assisting Albertans and to guide government and industry on good environmental planning long into the future.

Jennifer Klimek

About the Centre

The Environmental Law Centre (Alberta) Society* is a registered charity that was incorporated in 1982 to operate the Environmental Law Centre. The Centre's express purpose is to provide Albertans with an objective source of information about environmental and natural resources law.

The Centre's goal is to make the law and legal processes work to protect the environment. To achieve this goal, the Centre pursues three policy objectives: to ensure that governments enact good environmental laws; to ensure that laws and policies give the public an effective role in environmental regulatory and legislative processes; and to ensure that those processes offer a level playing field to all participants.

The Centre carries out activities in three main program areas: public programs, fee for service, and search services. The net revenue from the latter two programs is applied to support the Centre's public programs and technology needs.

Permanent staff members undertake program delivery with assistance of contractors and volunteers, as needed. A volunteer Board of Directors oversees Centre operations. Members of the Board represent a full range of interests in environmental law in Alberta including law, business, industry, environmental organizations, academic institutions and the general public.

* Canadian Customs and Revenue Agency Registration Number 11890 0679 RR0001; Charitable Fund Raising Act (Alberta) Registration Number 210844

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2002 at the Centre

Highlights

The Centre celebrated its 20th anniversary, marking the occasion by holding receptions in Edmonton and Calgary for past and present friends and supporters. Long-term donors (10 years or more) were honoured at these receptions and are recognized on the Centre's website.

April 2002 marked the debut of the Centre's updated website, completed with funding support from the Alberta Law Foundation. The update has given a new look and better accessibility to the website and also allows the Centre to process charitable donations, publication sales and search service requests on-line. Visit the site at <www.elc.ab.ca>.

The Centre continued pilot work extending its public program activities. Work in this area included presentations and articles in rural areas and newspapers. The Alberta Law Foundation, funder of the pilot, approved incorporation of the funding into the Centre's annual operating grant.

The Regulatory Review, a monthly periodical published by the Centre, distributed its 100th issue. Congratulations to Dolores Noga, who has compiled every issue of *The Regulatory Review*!

The Centre published *Community Action on Industrial Facilities*, a guide to community involvement in environmental monitoring and enforcement related to industrial facilities, written by Cindy Chiasson and Brenda Heelan Powell. This publication was funded by the Alberta Law Foundation and the Edmonton Community Lottery Board, and is available in print and electronically as a free download from the Centre's website.

Public Programs

The public programs are the Environmental Law Centre's core activity. These include both ongoing activities and term projects, which encompass requests for assistance, monitoring and law reform, seminars, education, research, publications and the public library of environmental law.

Requests for Assistance

Through the Request for Assistance service, the Centre delivers a major component of its public programming and fills Albertans' environmental law information needs. This service, which is unique in Alberta, enables members of the public to contact the Centre and receive environmental law and policy information free of charge from a knowledgeable, independent source. In 2002, Centre staff answered over 500 requests for assistance.

Monitoring and Law Reform

Through these activities, staff pursue the Centre's goal of making laws and policies work to protect the environment. Staff activities in this area include serving on law reform or monitoring committees, participating in law reform processes, and preparing reform briefs and commentaries.

In 2002, Centre staff provided briefs or comments on the following initiatives:

- Environment Canada draft *Thermal Electricity Generation Guidelines*;
- Alberta Environment's Water for Life strategy;
- Review of the *Freedom of Information and Protection of Privacy Act*;
- Proposed reclamation audit system for upstream oil and gas sites; and
- Alberta Community Development's recreation corridors legislative review.

The Centre also participated in a range of consultations during 2002, including:

- National Energy Board, Energy and Utilities Board, and Natural Resources Conservation Board procedures, policies and practices;
- Environmental regulation of electricity generation, through both the Clean Air Strategic Alliance and Environment Canada;
- Climate change;
- Charities and advocacy, through IMPACS (the Institute for Media, Policy and Civil Society);
- Alberta Environment's LEAD (Leaders Environmental Approval Document) program; and
- Creative sentencing, through Alberta Justice.

Seminars

Greater understanding of environmental laws and policies helps citizens protect the environment. The Centre's program staff add to this understanding by making presentations to a wide range of audiences on many topics. In 2002 presentations included the following:

- Water matters, including regulation of water quality, and water management plans;
- Air matters, including emissions trading, intensive livestock operations, flaring and risk management;
- Land and wildlife matters, including forestry law, contaminated land, and the *Species at Risk Act*;
- Energy matters, including oil and gas, flaring, and exploration on Indian reserves; and
- Community involvement in environmental protection, including researching environmental law, legal status of volunteer stewards, water management planning, and careers in environmental law.

The Centre also hosted four Brown Bag Lunch seminars during 2002, including its first in Calgary. Topics covered included Alberta forestry law and oil and gas exploration on Indian reserves.

Education

The Centre pursues opportunities to provide environmental law education services to various audiences. This includes providing assistance and information to students in the public education system and post-secondary institutions, community groups, and environmental and industry organizations through presentations, materials and the Centre's public library of environmental law. In 2002, Centre lawyers spoke as guests in classes at the University of Alberta Faculties of Law, Science, and Agriculture, Forestry and Home Economics, and Ross Sheppard High School.

The Centre also supported the study of environmental law in Canada through its sponsorship of the 11th annual Sir John A. Mactaggart Essay Prize in Environmental Law. The essay competition is open to students studying in a recognized law program at a Canadian university and is sponsored by the Mactaggart Third Foundation, Carswell and the Centre's charitable donors.

Publications

The Centre continues to provide access to environmental law and policy information through its publications. It publishes two ongoing periodical publications:

- *News Brief*, a quarterly newsletter which includes short articles and columns on environmental law and policy developments in Alberta and Canada; and
- *The Regulatory Review*, a monthly summary of developments in environmental law, policy and cases throughout western Canada and the territories.

After 12 years, the Centre ended its tenure as editor of the *Journal of Environmental Law and Practice*, with the publication of Volume 11. The *Journal*, which is the only scholarly environmental law journal in Canada, continues to be published by Carswell.

In 2002, the Centre also published *Community Action on Industrial Facilities*. This two-part package, available in print and electronically, assists community involvement in environmental monitoring and enforcement related to industrial facilities. The Guidebook provides users with the "how-to's" of involvement in monitoring and enforcement, while the Background Materials provide fact sheets on a wide range of topics related to air and water quality, law, and enforcement. This package was funded by the Alberta Law Foundation and the Edmonton Community Lottery Board.

Public Library of Environmental Law

The Centre's library is an invaluable source of environmental and natural resources law and policy materials in Canada. It is publicly accessible and loans materials free of charge. The Centre's information services coordinator and staff also provide assistance to library users in locating materials and carrying out their research. In 2002, the library collection grew to include over 20,000 records, including journals and periodicals, texts, decisions of courts and administrative tribunals, videotapes and legislation. This library catalogue is Internet searchable through the Centre's website.

Other Services

The Centre offers three services, consistent with its goal and objectives, in addition to its public program activities. It offers two different environmental information search services, under agreements with Alberta Environment. These two services provide searches of databases for historical information in relation to environmental enforcement action and land reclamation regulatory action taken by Alberta Environment. The net revenues from these search services are used to support the Centre's public programs and technology needs. The Centre's program staff also continues to undertake fee for service work consistent with the Centre's goal and objectives.

Community Contributions

Based on their environmental law experience and expertise, Centre program staff are often asked to provide input on environmental law and policy and participate in related initiatives. In 2002, Centre program staff sat on these boards, committees and groups:

- Alberta Environmental Network: Steering Committee and Clean Air/Energy Caucus;
- Alberta Environmentally Sustainable Agriculture Council;
- City of Edmonton Preservation of Environmentally Significant Natural Sites Committee;
- Clean Air Canada Society Board of Directors;
- Clean Air Strategic Alliance: Board of Directors, Electricity Working Group, Electricity Project Team, and Vehicle Emissions Team;
- Forest Watch Alberta Steering Committee; and
- Public Legal Education Network of Alberta Board of Directors.



Thanks to Our Volunteers

The Environmental Law Centre's work cannot be done without the help of its many volunteers, who give generously of their time to assist in various projects and activities. The volunteer Board of Directors is the backbone of the Centre and the Directors freely gave their time to support its charitable goals. Many others helped the Centre as well:

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The Environmental Law Centre extends its gratitude to those individuals, companies and foundations who made a financial contribution to support the Centre's operations in 2002. They are:

Benefactors - \$5,000 +

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Up to \$125

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The Environmental Law Centre thanks the Alberta Law Foundation for its ongoing support since the Centre's inception in 1982.

Alberta **LAW**
FOUNDATION

The people of the Centre are dedicated and commit their time and energy to ensure that the law works to protect the environment. In order to fulfil its work with the public, the Environmental Law Centre, which is a registered charitable organization, depends on donations, grants, contract work and volunteers. Fully 100% of all donations received are applied directly to public programming. Environmental Law Centre donors will receive a tax receipt and donations are entitled to donor benefits.

Environmental Law Centre Annual Sponsorship Categories & Benefits for 2003

Benefactor (\$5,000 and over)

- Tax Receipt
- Notification of all Centre public seminars, conferences and new Centre publications
- ELC Annual Report and audited financial Statements
- Acknowledgment in the ELC Annual Report, News Brief and About the ELC publications and on the ELC website
- Website link on the ELC website
- Key Circle Invitation*
- Key Circle Exclusive Presentation**

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- Acknowledgment in the ELC Annual Report, News Brief and About the ELC publications and on the ELC website
- Key Circle Invitation*

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- ELC Annual Report and audited financial Statements
- Acknowledgment in the ELC Annual Report and on the ELC website

*Key Circle – annual presentation for corporate donors

- What is new in environmental law and policy
- Who is new
- What are your concerns

**Key Circle Exclusive Presentation for corporate donors

- A one on one presentation of:
- What is new in environmental law and policy
 - Who is new

A tax-creditable donation can be made to the Environmental Law Centre by fax to (780) 424-5133, by mail to 204, 10709 Jasper Avenue, Edmonton, AB T5J 3N3, or electronically through our website at <www.elc.ab.ca>.

Jervis Afanasiff & Redinger

CHARTERED ACCOUNTANTS

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Edmonton, Alberta T6E 5V5
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T. Greg Jervis, C.A.*
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Murray E. Redinger, C.A.*
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AUDITORS' REPORT

TO THE MEMBERS OF ENVIRONMENTAL LAW CENTRE (ALBERTA) SOCIETY

We have audited the statement of financial position of the Environmental Law Centre (Alberta) Society as at December 31, 2002 and the statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit included examining, on a test basis, evidence supporting the amounts and disclosure 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 common with many charitable organizations, the Society derives part of its income from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of income from this source was limited to accounting for the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to donation revenue, net revenue, assets and fund balances.

In our opinion, except for the effect of adjustments, if any, which might have been determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2002 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta
February 14, 2003

Jervis Afanasiff & Redinger

CHARTERED ACCOUNTANTS

*Practicing as a Professional Corporation

Note: For original copies of the audited financial statements, contact the Environmental Law Centre

Environmental Law Centre (Alberta) Society

Statement of Financial Position
December 31, 2002

	Public Program Fund	Technology Fund	Search Service Fund	Fee for Service Fund	Administration Fund	Total 2002	Total 2001
	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS							
Cash	67,132	36,576	84	132	27,857	131,781	193,575
Term Investments (note 3)	71,714			36,000	-	107,714	102,728
Accounts receivable	4,688	-	-	-	8,151	12,839	63,714
Prepaid expenses	-	-	-	-	2,200	2,200	2,975
	143,534	36,576	84	36,132	38,208	254,534	362,992
LONG TERM INVESTMENTS (note 3)							
	96,950	-	-	50,000	-	146,950	81,950
	240,484	36,576	84	86,132	38,208	401,484	444,942
CURRENT LIABILITIES							
Accounts payable	435	854	84	-	8,885	10,258	5,498
Deferred revenue (note 4)	70,886	-	-	-	-	70,886	150,532
	71,321	854	84	-	8,885	81,144	156,030
FUND BALANCES							
Unrestricted funds	-	-	-	-	29,323	29,323	20,554
Externally restricted funds (note 5)	11,950	-	-	-	-	11,950	11,950
Board restricted funds	157,213	35,722	-	86,132	-	279,067	256,408
	169,163	35,722	-	86,132	29,323	320,340	288,912
	240,484	36,576	84	86,132	38,208	401,484	444,942

APPROVED BY THE BOARD

Environmental Law Centre (Alberta) Society

*Statement of Operations and Change in Fund Balances
For the Year Ended December 31, 2002*

	Public Program Fund	Technology Fund	Search Service Fund	Fee for Service Fund	Administration Fund	Total 2002	Total 2001
	\$	\$	\$	\$	\$	\$	\$
REVENUE							
Alberta Law Foundation (note 7)	189,800	-	-	-	85,200	275,000	275,000
Search service fees	-	-	227,284	-	-	227,284	185,905
Grants and Fee for Service	109,415	31,350	-	10,100	400	151,265	163,573
Charitable donations	58,044	-	-	-	-	58,044	58,774
Publications and Subscriptions	19,606	-	-	-	-	19,606	32,827
Miscellaneous revenue	660	-	-	-	14,564	15,224	23,859
Western Economic Diversification	6,686	-	-	-	-	6,686	50,493
	<u>384,211</u>	<u>31,350</u>	<u>227,284</u>	<u>10,100</u>	<u>100,164</u>	<u>753,109</u>	<u>790,431</u>
EXPENSES							
Human resources - Salaries	240,923	8,910	39,490	6,513	126,327	422,163	492,741
Consultants	35,497	45,283	12	5,030	12,719	98,541	39,642
Employer Contributions	40,323	1,515	9,202	1,107	21,302	73,449	76,171
Office Space & Insurance	9,270	-	-	-	26,752	36,022	40,863
Supplies and Services	4,322	7,028	5,483	16	14,836	31,685	27,453
Library Materials and Searches	19,426	414	-	-	273	20,113	23,629
Copying	13,371	7	964	80	2,317	16,739	16,900
Travel and meetings	10,598	-	162	20	5,781	16,561	27,595
(Reimbursed expenses)	(8,649)	-	-	-	-	(8,649)	(19,132)
Office Equipment & Technology	-	8,365	-	-	6,692	15,057	22,981
Administration Fee	101,991	3,831	16,981	2,801	(125,604)	-	-
	<u>467,072</u>	<u>75,353</u>	<u>72,294</u>	<u>15,567</u>	<u>91,395</u>	<u>721,681</u>	<u>748,843</u>
Net Revenue	(82,861)	(44,003)	154,990	(5,467)	8,769	31,428	41,588
Fund balances at beginning of year	142,034	34,725	-	91,599	20,554	288,912	247,324
Interfund transfers (note 6)	109,990	45,000	(154,990)	-	-	-	-
FUND BALANCES AT END OF YEAR	<u>169,163</u>	<u>35,722</u>	<u>-</u>	<u>86,132</u>	<u>29,323</u>	<u>320,340</u>	<u>288,912</u>

Environmental Law Centre (Alberta) Society
Notes to Financial Statements For the Year Ended December 31, 2002

1. PURPOSE OF THE SOCIETY

Environmental Law Centre (Alberta) Society is incorporated under the Societies Act of Alberta as a not-for-profit organization and is a registered charity under the Income Tax Act. It works to ensure that the law serves to protect and preserve the environment through public information, education, research and law reform.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These financial statements also include the following significant accounting policies:

a. Fund Accounting

The purposes of the funds for the allocation of revenue and expenses are as follows:

- i) The Public Program Fund is to ensure that the law serves to protect and preserve the environment through public information, education, research and law reform.
- ii) The Technology Fund is to provide the Society with the technical resources to carry out the Society's programs.
- iii) The Search Service Fund is to provide the Society with additional revenue to carry out charitable programs.
- iv) The Fee for Service Fund is to provide services to the general public who have requested special services of the Society.
- v) The Administration Fund is to segregate administrative functions of the Society from the programs provided.

b. Revenue Recognition

The Society follows the deferral method of accounting for contributions.

- i) Unrestricted Contributions
Unrestricted contributions consist of revenue for general purposes and are recognized in the year received.
- ii) Restricted Contributions
Restricted contributions consist of revenue for specific projects. The revenue is recognized in the appropriate fund as expenses are incurred over the life of the project.

c. Capital Assets

The Society capitalizes the cost of capital assets over \$5,000 in the year of acquisition. The costs are amortized over one year on a straight-line basis. All other capital assets are expensed in the year of acquisition.

3. INVESTMENTS

- a. Term investments (term under one year) and the long term investments (term over one Year) represent term deposits bearing interest rates of 2.50% to 7.25% and maturing at various dates between July 7, 2003 and September 17, 2007. The carrying amount of the investments approximates their market value.
- b. The Society has invested \$100,000 with the Edmonton Community Foundation, Administered Fund program. These funds are held and invested by the Foundation for charitable organizations as a community service. The carrying amount of the investment approximates the market value.

4. DEFERRED REVENUE

Deferred revenue represents funds net of related expenses, which have been designated for projects extending beyond the fiscal year end.

	2002	2001
Balance at beginning of year	\$150,532	\$92,645
Amount recognized as revenue during the year	(118,161)	(31,433)
Amount received related to future years	38,515	89,320
Balance at end of year	<u>\$70,886</u>	<u>\$150,532</u>

5. EXTERNALLY RESTRICTED FUND

The Mactaggart Essay Prize Fund is a fund for the annual disbursement of an essay prize pursuant to an agreement with the Mactaggart Third Fund. The prize amount reflects investment income earned.

6. BOARD RESTRICTED FUNDS AND INTERFUND TRANSFERS

The Board of Environmental Law Centre (Alberta) Society has internally restricted resources of \$279,067 for use in specific funds as shown in the statement of financial position. The Board further authorized a total transfer of \$154,990 from the Search Service Fund. \$45,000 was transferred to the Technology Fund for technology enhancement, and \$109,990 was transferred to the Public Program Fund for program funding.

7. REVENUE

During the year, the Society received \$275,000 (2001 - \$275,000) of its total revenue of \$753,109 (2001 - \$790,432) from the Alberta Law Foundation as a general grant. Additional grants totaling \$22,700 were received from the same organization, of which, \$22,500 are included in deferred revenue. While project grants are repayable to the extent they are not spent, the Society considers that all project funds will be used.

8. LEASE COMMITMENTS

On April 26, 1996, the Society committed to a ten-year lease for office space. Future payments under this lease are \$31,715 per annum, plus escalations. The Society has an equipment lease expiring January, 2006 with annual payments of \$3,204.

9. STATEMENT OF CHANGES IN FINANCIAL POSITION

A statement of changes in financial position has not been provided as the information contained in these financial statements is considered to adequately disclose the changes in the Society's financial position.

10. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, investments and accounts payable. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.



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