

CHINOOK REGIONAL HEALTH AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2003

**Chinook Regional Health
Authority**

Financial Statements

March 31, 2003

Auditor's Report

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

CHINOOK REGIONAL HEALTH AUTHORITY
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

FINANCIAL STATEMENTS

MARCH 31, 2003

AUDITOR'S REPORT

To the Members of the Chinook Regional Health Authority
and the Minister of Health and Wellness

I have audited the statement of financial position of the Chinook Regional Health Authority ("the Authority") as at March 31, 2003, and the statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Authority has recorded a long-term care facility that does not meet the definition of a capital asset because it is not owned or controlled by the Authority. The effect of this departure from Canadian generally accepted accounting principles is to overstate capital assets and unamortized external capital contributions by \$25.9 million as at March 31, 2003. Since the Authority accounts for all costs and revenues related to services carried out for which it is responsible, the incorrect recording of the asset in question has no effect on total expenses and revenues.

In my opinion, except for the effect of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original Signed by Fred J. Dunn, FCA] FCA
Auditor General

Edmonton, Alberta
May 28, 2003

The accompanying financial statements are the responsibility of management and have been approved by the Authority. The financial statements were prepared in accordance with Generally Accepted Accounting Principles and the Financial Directives issued by Alberta Health and Wellness, and of necessity include some amounts that are based on estimates and judgements.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards and procedures, a formal authorization structure, and satisfactory processes for reviewing internal controls. This system is designed to provide management with reasonable assurance that transactions are in accordance with governing legislation, are properly authorized, reliable financial records are maintained, and assets are adequately accounted for and safeguarded. The Authority has established a code of ethics and corporate directives, which require communication of the code to employees.

The Authority members carry out their responsibility for the financial statements through the Finance Committee. This Committee meets with management and the external auditor, the Auditor General of Alberta, to discuss and review financial matters, and recommends the financial statements to the Chinook Regional Health Authority Board for approval. The external auditor has full and free access to the Finance Committee.

The external auditor, the Auditor General of Alberta, provides an independent audit of the financial statements. Their examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and other procedures, which allow them to report on the fairness of the financial statements prepared by management.

[Original Signed]

July 17, 2003
Chief Executive Officer

[Original Signed]

July 17, 2003
Vice President, Finance and Administration

CHINOOK REGIONAL HEALTH AUTHORITY
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2003
(thousands of dollars)

	2003		2002
	Budget (Note 12)	Actual	Actual
ASSETS			
Current:			
Cash and investments (Note 3)	\$ -	\$ 11,670	\$ 15,701
Accounts receivable (Note 4)	7,331	6,146	7,104
Inventories	1,496	1,787	1,696
Prepaid expenses	492	822	462
	<u>9,319</u>	<u>20,425</u>	<u>24,963</u>
Non-current cash and investments (Note 3)	18,663	18,188	20,703
Capital assets (Note 5)	182,669	178,970	183,218
Other assets (Note 6)	8,462	5,382	8,643
	<u>219,113</u>	<u>222,965</u>	<u>237,527</u>
TOTAL ASSETS			
LIABILITIES AND NET ASSETS			
Current:			
Bank indebtedness	\$ 5,925	\$ -	\$ -
Accounts payable and accrued liabilities	11,641	14,262	13,830
Accrued vacation pay	8,333	8,538	8,733
Deferred contributions (Note 7)	1,201	3,927	2,262
Current portion of long-term debt (Note 9)	129	128	122
	<u>27,229</u>	<u>26,855</u>	<u>24,947</u>
Deferred contributions (Note 7)	\$ 6,701	\$ 7,092	\$ 7,732
Deferred capital contributions (Note 8)	938	5,529	8,450
Long-term debt (Note 9)	562	481	609
Unamortized external capital contributions (Note 10)	169,238	166,199	170,828
Other liabilities	-	68	58
	<u>177,439</u>	<u>179,369</u>	<u>187,677</u>
Net assets:			
Unrestricted	\$ 1,471	\$ 4,429	\$ 144
Internally restricted (Note 11)	-	-	12,950
Investment in capital assets	12,824	12,162	11,659
Operating net assets	14,295	16,591	24,753
Endowments	150	150	150
	<u>14,445</u>	<u>16,741</u>	<u>24,903</u>
	<u>219,113</u>	<u>222,965</u>	<u>237,527</u>
TOTAL LIABILITIES AND NET ASSETS			

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

CHINOOK REGIONAL HEALTH AUTHORITY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003		2002
	Budget (Note 12)	Actual	Actual
Revenue			
Alberta Health and Wellness contributions (Note 13)	\$ 201,581	\$ 201,632	\$ 194,970
Other government contributions (Note 14)	2,782	2,616	2,564
Fees and charges (Note 15)	13,700	14,201	13,540
Ancillary operations, net (Note 16)	291	325	349
Donations	156	346	266
Investment and other income (Note 17)	4,956	4,013	4,417
Amortization of external capital contributions (Note 10)	9,701	9,555	9,774
	<u>233,167</u>	<u>232,688</u>	<u>225,880</u>
TOTAL REVENUE			
Expenses (Schedule 1)			
Facility-based inpatient acute services	60,615	61,321	57,268
Facility-based emergency and outpatient services	14,751	14,948	13,560
Facility-based continuing care services	32,310	32,561	31,512
Community and home based services	18,742	17,703	14,829
Diagnostic and therapeutic services	43,038	42,260	39,470
Promotion, prevention and protection services	10,766	9,377	8,828
Administration (Note 18)	10,872	10,390	10,302
Information technology	4,987	4,689	4,252
Support services (Note 19)	40,561	40,702	38,654
Amortization of facilities and improvements	6,980	6,899	7,345
	<u>243,622</u>	<u>240,850</u>	<u>226,020</u>
TOTAL EXPENSES			
Deficiency of revenue over expenses	\$ (10,455)	\$ (8,162)	\$ (140)

CHINOOK REGIONAL HEALTH AUTHORITY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003					2002
	Unrestricted	Operating Internally Restricted (Note 11)	Invested in Capital Assets	Total Operating	Endowments	Total
Deficiency of revenue over expenses	\$ (8,162)	\$ -	\$ -	\$ (8,162)	\$ -	\$ (8,162)
Capital assets purchased with internal funds	-	(2,819)	2,819	-	-	-
Amortization on internally funded capital assets	2,438	-	(2,438)	-	-	-
Repayment of long-term debt used to fund capital assets	(122)	-	122	-	-	-
Net change	(5,846)	(2,819)	503	(8,162)	-	(8,162)
Transfer to unrestricted	13,147	(13,147)	-	-	-	-
Transfer from unrestricted	(3,016)	3,016	-	-	-	-
Balance at beginning of year	144	12,950	11,659	24,753	150	24,903
Balance at end of year	\$ 4,429	\$ -	\$ 12,162	\$ 16,591	\$ 150	\$ 16,741

CHINOOK REGIONAL HEALTH AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003		2002
	Budget	Actual	Actual
Cash generated from (used by):			
Operating activities			
Deficiency of revenue over expenses	\$ (10,455)	\$ (8,162)	\$ (140)
Non-cash transactions:			
Amortization of capital equipment - internally funded	2,744	2,229	2,425
- externally funded	2,826	2,761	2,593
Amortization of facilities and improvements	7,024	6,944	6,892
Gross Amortization of external capital contributions (Note 10)	(9,701)	(9,560)	(9,779)
(Gain) Loss on disposal of capital equipment	133	(32)	(65)
Loss on disposal of facilities and improvements	-	-	498
	(7,429)	(5,820)	2,424
Change in non-cash working capital account (Note 20)	485	85	2,460
Cash (used by) generated from operations	(6,944)	(5,735)	4,884
Investing activities:			
Purchase of capital assets:			
internally funded	(3,940)	(2,819)	(4,833)
externally funded - equipment	(3,989)	(3,832)	(3,613)
- facilities & improvements	(4,124)	(1,099)	(683)
Proceeds on sale of capital assets	-	96	186
(Increase) decrease in other assets	-	3,261	(6,023)
(Increase) decrease in non-current cash	(544)	2,515	(3,409)
Cash used by investing activities	(12,597)	(1,878)	(18,375)
Financing activities:			
Capital contributions received (Note 8)	601	2,010	7,267
Change in non-cash working capital account (Note 20)	-	2,324	(158)
Principal payments on long-term debt	(122)	(122)	(157)
Increase in long-term debt	(3,952)	-	-
Increase in other liabilities	(106)	10	58
Net change in non-current deferred contributions	(1,032)	(640)	2,230
Cash generated from financing activities	(4,611)	3,582	9,240
Decrease in cash and investments	(24,152)	(4,031)	(4,251)
Cash and investments, beginning of year	18,227	15,701	19,952
Cash and investments, end of year	\$ (5,925)	\$ 11,670	\$ 15,701
Cash and cash equivalents are defined as follows:			
Cash and investments	\$ -	\$ 11,670	\$ 15,701
Bank indebtedness	(5,925)	-	-
	\$ (5,925)	\$ 11,670	\$ 15,701

CHINOOK REGIONAL HEALTH AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2003

(Thousands of dollars)

Note 1 Authority, Purpose and Operations

The Chinook Regional Health Authority (the "Authority") was established on June 24, 1994 under the authority of the Regional Health Authority Act, Chapter R-10, Revised Statutes of Alberta 2000. The Authority is exempt from the payment of income tax and is also a registered charity under the Income Tax Act.

The Authority is responsible for the delivery of appropriate, accessible and affordable health services within the Chinook Region (the "Region"). This responsibility includes operating programs designed to promote, protect, maintain, restore and enhance physical and mental well-being.

The operations of the Authority include the following facilities and sites:

- Barons-Eureka-Warner Health Unit
- Border Counties General Hospital
- Cardston General Hospital
- Children's Assessment, Rehabilitation and Education Centre Society of Southwestern Alberta
- Chinook Health Unit
- Crowsnest Pass General and Auxiliary Hospital
- Fort Macleod Health Care Centre
- Fort Macleod Special Development Unit
- City of Lethbridge Health Unit
- Lethbridge Regional Hospital
- Magrath General Hospital
- Picture Butte Health Centre
- Pincher Creek Municipal Hospital
- Raymond General Hospital
- Taber and District Health Care Complex

These financial statements do not include the assets, liabilities and operations of any voluntary or private facilities providing health services in the region. Information on these facilities is disclosed in Note 21(f).

Note 2 Significant Accounting Policies and Reporting Practices

The financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and the reporting requirements of Financial Directive 20 issued by Alberta Health and Wellness. Following are the significant accounting policies:

(a) Basis of Presentation

These financial statements are prepared using the deferral method of accounting. The Foundations are not consolidated.

(b) Revenue Recognition

- (i) Unrestricted operating grants and other contributions are recognized as revenue when receivable.
- (ii) Externally restricted non-capital contributions are deferred and recognized as revenue in the year when related expenses are incurred.
- (iii) Externally restricted capital contributions are recorded as deferred capital contributions until the amount is invested in capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized external capital contributions. Unamortized external capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded capital asset is recorded.
- (iv) Restricted contributions for the purchase of capital assets which will not be amortized are recorded as direct increases to net assets.
- (v) Unrestricted investment income is recognized in the year it is earned.
- (vi) Investment income subject to external restrictions is, depending on the nature of the restrictions, recorded as a direct increase to net assets, or is deferred and recognized as revenue in the year the related expenses are incurred.
- (vii) Donations and contributions in kind are recorded at fair value when such value can reasonably be determined.

(c) Full cost

The Authority accounts for all costs and revenues related to services carried out for which it is responsible.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

The fair value of costs of services are recorded. The fair value transactions recorded consist of the following:

- (i) Revenues earned by contracted health service operators from Ministry of Health and Wellness designated fees and charges are recorded as fees and charges of the Authority. An equivalent amount is recorded as contracted health service operator expense of the Authority.
 - (ii) Payments made by Alberta Health directly to contracted health service operators for health programs are recorded as revenues and an equivalent amount recorded as program expenses as these payments represent part of the cost of the Authority's health programs.
 - (iii) The fair value for the use of non-acute care facilities not owned by the Authority and provided to the Authority at zero or nominal rent is recorded as other government contributions and as program expenses.
 - (iv) Other assets, supplies and service contributions that would otherwise have been purchased are recorded as revenue and expenses, at fair value at the date of contribution, when a fair value can be reasonably determined. Volunteers contribute a significant amount of time each year to assist the Authority in carrying out its programs and services. However, contributed services of volunteers are not recognized as revenues and expenses in these financial statements because fair value cannot be reasonably determined.
- (d) Employee Future Benefits

The Authority participates in the Local Authorities Pension Plan. This is a multi-employer defined benefit plan that provides pensions for the Authority's participating employees, based on years of service and earnings.

Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Authority has insufficient information to apply defined benefit plan accounting.

Pension costs included in these financial statements comprise the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The Authority's portion of the pension plans' deficit or surplus is not recorded by the Authority.

The Authority fully accrues its obligations for employee non-pension future benefits.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(e) Investments

Temporary investments are recorded at lower of cost and market. Non-current investments are recorded at cost. Where there has been a loss in the value of an investment other than a temporary decline, the investment is written down to recognize the loss. The written down value is deemed to be the new cost.

(f) Financial Instruments

The carrying value of accounts receivable, accounts payable and accrued liabilities approximates their fair value as of March 31, 2003 because of the short-term maturity of these items.

The carrying value of long-term debt (obligations under capital leases) approximates their fair values as of March 31, 2003.

(g) Inventories

Inventories are valued at the lower of cost, determined on a first-in, first-out basis, or net realizable value.

(h) Capital Assets

Capital assets and construction projects in progress are recorded at cost. Capital assets costing less than five thousand dollars are expensed.

Capital assets except land, construction in progress and art are amortized over their estimated useful lives on a straight line basis as follows:

	<u>Useful Life</u>
Land improvements	10 - 25 years
Buildings	20 - 40 years
Equipment	5 - 20 years

Construction projects in progress are not amortized until the project is complete.

Leases transferring substantially all of the benefits and risks of ownership of capital assets to the Authority are accounted for as acquisitions of capital assets financed by long-term obligations.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(i) Measurement Uncertainty

The financial statements, by their nature, contain estimates and are subject to measurement uncertainty. The amounts recorded for amortization of external capital contributions are based on estimates of the useful life of related assets. Actual results could differ from these estimates. Also, the Authority is currently included in the Goods and Services (GST) free list of Alberta Government entities and therefore does not record or pay GST on purchased supplies and services. This situation could change in the future if the Authority ceases to be part of the GST free list of the Alberta Government.

Note 3 Cash and Investments

	2003		2002	
	Market Value	Carrying Value	Market Value	Carrying Value
Cash and equivalents	\$ 12,189	\$ 12,189	\$ 5,371	\$ 5,371
Term deposits ⁽¹⁾	-	-	13,053	13,053
Bonds	15,227	14,881	14,423	14,459
Equities ⁽²⁾	3,001	2,788	3,816	3,521
	<u>\$ 30,417</u>	<u>29,858</u>	<u>\$ 36,663</u>	<u>36,404</u>
Amount held for non-current purposes		(18,188)		(20,703)
		<u>\$ 11,670</u>		<u>\$ 15,701</u>

⁽¹⁾Term deposits with Alberta Treasury Branches maturing within 60 to 90 days and bearing interest at an average rate of 2.89%.

⁽²⁾ Within the investment portfolio, equities, at an aggregate market value of \$3,001 (2002 - \$3,816) are \$788 less than cost. The carrying value of certain securities have been written down to market value because management has concluded, based on review of market information, that there is indication of decline in value that is other than temporary (Note 17).

- (i) Income and financial returns are exposed to credit and price risks. Credit risk relates to the possibility that a loss may occur when another party fails to perform according to terms of the contract. Price risk comprises interest rate risk and market risk. Interest rate risk relates to the possibility that investments will change in value with future fluctuations in market interest rates. Market risk relates to the possibility that investments will change in value due to fluctuations in market prices.

To earn optimal financial returns at an acceptable level of risk, management has established a policy asset mix of 65% to 100% for fixed-income instruments, 0% to 25% for equities, and 0% to 20% for cash and cash equivalents. Risk is reduced through asset class diversification, diversification within each asset class and quality constraints on fixed-income and equity instruments.

Note 3 Cash and Investments (continued)

- (ii) Publicly traded fixed-income instruments are managed with the objective of providing optimal returns while maintaining maximum security of capital. Return is optimized within risk constraints on the portfolio by management of portfolio duration and issuer mix.

Fixed-income securities, such as bonds, have an average effective yield of 2.8% per annum based on the market for securities maturing in a year, and 5.9% per annum for securities maturing between 1 and 10 years. As at March 31, 2003, the securities have the following term structure based on par:

	%
Under 1 year	3.1
1 to 5 years	25.0
5 to 10 years	53.9
Over 10 years	18.0

Non-current cash and investments represent the following:

	2003	2002
Endowments	\$ 150	\$ 150
Externally restricted for capital purposes	5,079	3,845
Internally restricted for capital purposes	-	12,774
Internally restricted for education	-	177
Externally restricted for specific purposes	3,338	3,699
Long-term investment	68	58
Other	9,553	-
	<u>\$ 18,188</u>	<u>\$ 20,703</u>

Note 4 Accounts Receivable

	2003	2002
Contributions receivable	\$ 1,594	\$ 4,773
Accounts receivable - patients and other	4,580	6,522
	6,174	11,295
Amounts held for non-current purposes	(28)	(4,191)
	<u>\$ 6,146</u>	<u>\$ 7,104</u>

Note 5 Capital Assets

	2003		2002	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 2,402	\$ -	\$ 2,402	\$ 2,402
Land improvements	4,192	3,487	705	807
Buildings	241,484	86,174	155,310	161,358
Equipment	69,044	50,208	18,836	17,531
Construction in progress	1,671	-	1,671	1,074
Art	46	-	46	46
	<u>\$ 318,839</u>	<u>\$ 139,869</u>	<u>\$ 178,970</u>	<u>\$ 183,218</u>

(a) Land

Land at the following sites has been provided to the Authority at nominal values:
Crowsnest Pass General and Auxiliary Hospital and Picture Butte Health Centre.

(b) Leased Equipment

Included in the equipment are items acquired through capital leases at a cost of \$1,123 (2002 - \$1,527) with accumulated amortization of \$866 (2002 - \$1,094).

Capital assets have been funded from the following sources:

	2003	2002
Financed by capital leases	\$ 609	\$ 731
Externally funded	166,199	170,828
Internally funded	12,162	11,659
	<u>\$ 178,970</u>	<u>\$ 183,218</u>

Note 6 Other Assets

	2003	2002
Long term receivable	\$ 5,354	\$ 4,447
Contributions receivable	28	4,191
Deposits - Housekeeping	-	5
	<u>\$ 5,382</u>	<u>\$ 8,643</u>

The long-term receivable is forgivable for services rendered by the contracted health service provider over the life of the Continuing Care Agreement. The Continuing Care Agreement is for a term of 20 years effective from the date of commencement of operations, unless otherwise terminated.

Note 7 Deferred Contributions

	2003	2002
Amounts received:		
Alberta Health and Wellness	\$ 6,845	\$ 4,987
Other government	2,273	4,301
Donations	514	1,201
Investment income (Note 17)	84	247
Other	1,451	889
	<u>11,167</u>	<u>11,625</u>
Amounts recognized as revenue:		
Alberta Health and Wellness (Note 13)	(5,687)	(4,501)
Other government (Note 14)		
Person's with Developmental Disabilities	(2,085)	(1,948)
Other	(198)	(316)
Donations	(346)	(266)
Investment and other income (Note 17)	(1,324)	(1,237)
	<u>(9,640)</u>	<u>(8,268)</u>
Returned to Alberta Health and Wellness	-	(25)
Transferred to other Health Authority	-	(83)
Amounts transferred (to) from deferred		
Capital contributions (Note 8)		
Other	(134)	65
Donations	(368)	(541)
	<u>(10,142)</u>	<u>(8,852)</u>
Change during the year	1,025	2,773
Balance, beginning of year	9,994	7,221
	<u>\$ 11,019</u>	<u>\$ 9,994</u>
Unspent amounts at end of year are restricted for the following purposes:		
Current:		
Special purpose program funding		
Specialist on Call	\$ 526	\$ -
Service Delivery	1,000	-
Ambulance Training	127	206
Health Innovation Projects	36	313
Person's with Developmental Disabilities	137	158
Young Family Wellness	563	450
Transition	365	-
System Security	209	-
Other	444	394
	<u>3,407</u>	<u>1,521</u>
Restricted donations	520	741
	<u>3,927</u>	<u>2,262</u>
Long-term:		
Special purpose program funding		
Speech Initiative	2,969	2,896
Healthy Aging Partnership Initiative	3,725	3,936
Taber Project	373	900
Student Health Partnership Initiative	25	-
	<u>7,092</u>	<u>7,732</u>
	<u>\$ 11,019</u>	<u>\$ 9,994</u>

Note 8 Deferred Capital Contributions

Deferred capital contributions balance represents amounts accounted for in accordance with accounting policy described in Note 2(b).

	2003	2002
Amounts received:		
Restricted Alberta Health and Wellness	\$ -	\$ 2,324
Restricted other government	1,484	4,420
Restricted investment income (Note 17)	13	24
Refund to Alberta Infrastructure	-	(67)
Proceeds on sale of building	-	75
Contributed capital	11	15
Transferred from (to) deferred contributions (Note 7)		
Donations	368	541
Other	134	(65)
	<u>2,010</u>	<u>7,267</u>
Transferred (to) from:		
Unamortized external capital contributions (Note 10)		
Other	(4,563)	(3,755)
Donations	(368)	(541)
Change during the year	(2,921)	2,971
Balance, beginning of year	8,450	5,479
	<u>\$ 5,529</u>	<u>\$ 8,450</u>
Balance at end of year is restricted for the following purposes:		
Equipment replacement	489	3,804
New construction	5,040	4,646
	<u>\$ 5,529</u>	<u>\$ 8,450</u>

Note 9 Long-term Debt

	<u>2003</u>	<u>2002</u>
Obligations under capital leases	\$ 609	\$ 731
Less current portion	<u>(128)</u>	<u>(122)</u>
Long-term portion	<u>\$ 481</u>	<u>\$ 609</u>
	<u>Total</u>	
Future payments:		
For the year ended March 31:		
2004	\$ 174	
2005	174	
2006	248	
2007	28	
2008	28	
2009 and thereafter	<u>111</u>	
	763	
Amount representing interest	<u>(154)</u>	
	<u>\$ 609</u>	

The capital leases expire on various dates to March 15, 2012. The implicit interest rates payable on these leases are 8% to 9.5%.

Note 10 Unamortized External Capital Contributions

Unamortized external capital contributions reflect transactions accounted for in accordance with the accounting policy described in Note 2(b). The balance at end of year represents the external capital contribution that will be recognized as revenue in future years.

	<u>2003</u>	<u>2002</u>
Balance at beginning of year	<u>\$ 170,828</u>	<u>\$ 176,311</u>
Add amounts transferred from:		
Deferred capital contributions (Note 8)		
Other	4,563	3,755
Donations	<u>368</u>	<u>541</u>
	<u>4,931</u>	<u>4,296</u>
Less amounts recognized as revenue		
General operations	(9,555)	(9,774)
Ancillary operations (Note 16)	<u>(5)</u>	<u>(5)</u>
	<u>(9,560)</u>	<u>(9,779)</u>
	<u>\$ 166,199</u>	<u>\$ 170,828</u>

Note 11 Net Assets Internally Restricted

Net assets internally restricted represent amounts restricted by the Authority for the following purposes:

	<u>2003</u>	<u>2002</u>
Future equipment replacement	\$ -	\$ 1,831
Information technology upgrade	-	3,922
Building service equipment	-	520
Supportive Living	-	3,000
Infrastructure	-	3,500
Education fund	-	177
	<u>\$ -</u>	<u>\$ 12,950</u>

Note 12 Budget

	<u>Approved Budget⁽¹⁾</u>
Revenue:	
Alberta Health and Wellness contributions	\$ 201,581
Other government contributions	2,782
Fees and charges	13,700
Net ancillary operations	291
Donations	156
Investment and other revenue	4,956
Amortization of deferred capital contributions	<u>9,701</u>
Total revenue	<u>233,167</u>
Expenses:	
Facility-based inpatient services	60,615
Facility-based emergency and outpatient services	14,751
Facility-based continuing care services	32,310
Community and home based services	18,742
Diagnostic and therapeutic services	43,038
Promotion, prevention and protection services	10,766
Administration	10,872
Information technology	4,987
Support services	40,561
Amortization of facilities and improvements	<u>6,980</u>
Total expenses	<u>243,622</u>
Excess of revenues over expenses	<u>\$ (10,455)</u>

⁽¹⁾ The budget was approved by the members of the Authority on May 14, 2002 and approved by the Minister of Health and Wellness on June 27, 2002.

Note 13 Alberta Health and Wellness Contributions

	Budget	2003	2002
Unrestricted Global Contributions	\$ 195,076	\$ 195,767	\$ 190,289
Transfers from deferred contributions (Note 7)	6,326	5,687	4,501
Restricted contributions made directly by Alberta Health and Wellness to contracted health service operators	179	178	180
	<u>\$ 201,581</u>	<u>\$ 201,632</u>	<u>\$ 194,970</u>

Note 14 Other Government Contributions

	Budget	2003	2002
Person's with Development Disabilities South Alberta Board (Note 7)	\$ 2,224	\$ 2,085	\$ 1,948
Transfers from deferred contributions (Note 7)	259	198	316
Fair value of rent less rent charges for non-acute care facilities used by the Authority	299	333	300
	<u>\$ 2,782</u>	<u>\$ 2,616</u>	<u>\$ 2,564</u>

Note 15 Fees and Charges

	Budget	2003	2002
Acute Care			
Non-entitled revenue - inpatients	\$ 1,301	\$ 1,587	\$ 1,572
Non-entitled revenue - outpatients	1,009	1,251	1,152
Preferred accomodation	375	195	400
Other	140	202	239
Continuing Care			
Non-entitled revenue	-	22	-
Accommodation charges	21	18	19
Preferred accommodation	3,607	3,397	3,305
Home care fees	4	9	10
Federal government	51	63	66
Workers Compensation Board (WCB)	999	1,331	1,177
Fair value adjustments (Note 21(f))	6,193	6,126	5,600
	<u>\$ 13,700</u>	<u>\$ 14,201</u>	<u>\$ 13,540</u>

Note 16 Ancillary Operations

	2003				2002		
	Non-Patient Food Services Operations	Laundry Operations	Parking Operations	Other Operations	Total	Budget	Total
Revenues							
Revenues	\$ 978	\$ 83	\$ 360	\$ 210	\$ 1,631	\$ 1,484	\$ 1,545
Amortization of deferred capital contributions	-	1	4	-	5	-	5
	<u>978</u>	<u>84</u>	<u>364</u>	<u>210</u>	<u>1,636</u>	<u>1,484</u>	<u>1,550</u>
Expenses							
Other expenses	877	83	50	252	1,262	1,149	1,152
Amortization	2	1	46	-	49	44	49
	<u>879</u>	<u>84</u>	<u>96</u>	<u>252</u>	<u>1,311</u>	<u>1,193</u>	<u>1,201</u>
Excess of revenues over expenses 2002-2003	<u>\$ 99</u>	<u>\$ -</u>	<u>\$ 268</u>	<u>\$ (42)</u>	<u>\$ 325</u>	<u>\$ 291</u>	<u>\$ 349</u>
Excess of revenues over expenses 2001-2002	<u>\$ 85</u>	<u>\$ -</u>	<u>\$ 266</u>	<u>\$ (2)</u>	<u>\$ 349</u>		

Note 17 Investment and Other Income

	<u>Budget</u>	<u>2003</u>	<u>2002</u>
Investment Income Earned			
Unrestricted resources	\$ 1,450	\$ 1,362	\$ 1,396
Restricted resources for capital assets	-	13	24
Restricted resources for special purpose programs	-	84	247
Resources held for endowment	-	4	5
Write down of investments	-	(1,001)	-
	<u>1,450</u>	<u>462</u>	<u>1,672</u>
Other Income			
Transfers from deferred contributions (Note 7)	-	1,324	1,237
Other	3,506	2,324	1,779
	<u>4,956</u>	<u>4,110</u>	<u>4,688</u>
Less amounts deferred:			
Restricted for capital asset acquisition (Note 8)	-	(13)	(24)
Restricted for special purpose programs (Note 7)	-	(84)	(247)
	<u>\$ 4,956</u>	<u>\$ 4,013</u>	<u>\$ 4,417</u>

Investment income is comprised of interest and dividends.

Other income is comprised of recoveries from sources external to the Health Authority for compensation, material and supplies.

Note 18 Administration

	<u>Budget</u>	<u>2003</u>	<u>2002</u>
General administration	\$ 5,902	\$ 5,628	\$ 5,577
Finance	1,499	1,443	1,366
Personnel	1,742	1,515	1,604
Administration - contract operators	1,729	1,804	1,755
	<u>\$ 10,872</u>	<u>\$ 10,390</u>	<u>\$ 10,302</u>

Note 19 Support Services

	<u>Budget</u>	<u>2003</u>	<u>2002</u>
Building maintenance, operations and security	\$ 11,317	\$ 10,921	\$ 10,531
Communications	587	494	472
Education	810	828	647
Housekeeping	3,760	3,995	3,704
Laundry and linen	1,319	1,406	1,269
Materials management	3,792	3,674	3,441
Patient food services	6,659	6,689	6,470
Patient health records	2,491	2,436	2,308
Patient registration	1,232	1,254	1,215
Patient transportation	1,257	1,691	1,593
Volunteer services	305	321	292
Support-contract operators	<u>7,032</u>	<u>6,993</u>	<u>6,712</u>
	<u>\$ 40,561</u>	<u>\$ 40,702</u>	<u>\$ 38,654</u>

Note 20 Changes in Non-Cash Working Capital Accounts

	<u>2003</u>	<u>2002</u>
Accounts receivable	\$ 958	\$ (2,943)
Inventories	(91)	(154)
Prepaid expenses	(360)	179
Accounts payable	432	3,417
Accrued vacation pay	(195)	1,260
Current portion of deferred contributions	<u>1,665</u>	<u>543</u>
	<u>\$ 2,409</u>	<u>\$ 2,302</u>
Reflected in the Statement of Cash Flows as:		
Operating activities	\$ 85	\$ 2,460
Financing activities	<u>2,324</u>	<u>(158)</u>
	<u>\$ 2,409</u>	<u>\$ 2,302</u>

Note 21 Related Parties

(a) Provincial Government

The Authority operates under the authority of the Province of Alberta. Two thirds of the members of the Authority are elected. The Minister of Health and Wellness appoints the remaining members. Transactions between the Authority and the Province of Alberta are described in notes 4, 6, 7, 8, 13, 14, and 15 to the financial statements.

(b) Foundations

The Authority exercises control over the following Foundations by virtue of its ability to appoint a majority of the voting members of the Boards of Directors. These Foundations were established under the Regional Health Authorities Act and are registered charities under the Income Tax Act.

The controlled Foundations are not consolidated in these financial statements.

(i) Crowsnest Pass Health Foundation (established August 28, 1996)

	2003	2002
Total assets	\$ 88	\$ 78
Total liabilities	<u>(12)</u>	<u>(9)</u>
Net assets	<u>\$ 76</u>	<u>\$ 69</u>
Revenue	\$ 108	\$ 119
Expenses	<u>(119)</u>	<u>(129)</u>
Deficiency of revenue over expenses	<u>\$ (11)</u>	<u>\$ (10)</u>

The resources of the Foundation amounting to \$42 have been restricted by the donors for the exclusive use of Crowsnest Pass Health Care Facility.

The financial statements for the Crowsnest Pass Health Foundation are prepared using the Restricted Fund method.

Note 21 Related Parties (continued)

(ii) Cardston and District Health Foundation (established August 28, 1996)

	2003	2002
Total assets	\$ 43	\$ 18
Total liabilities	<u>(2)</u>	<u>-</u>
Net assets	<u>\$ 41</u>	<u>\$ 18</u>
Revenue	\$ 48	\$ 41
Expenses	<u>(25)</u>	<u>(47)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 23</u>	<u>\$ (6)</u>

The resources of the Foundation amounting to \$11 have been restricted by the donors for the exclusive use of Cardston Health Care Facility.

The financial statements for the Cardston and District Health Foundation are prepared using the Restricted Fund method.

(iii) North County Health Foundation (established October 16, 1997)

	2003	2002
Total assets	<u>\$ 48</u>	<u>\$ 21</u>
Net assets	<u>\$ 48</u>	<u>\$ 21</u>
Revenue	\$ 43	\$ 42
Expenses	<u>(16)</u>	<u>(46)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 27</u>	<u>\$ (4)</u>

The resources of the Foundation amounting to \$3 have been restricted by the donors for the exclusive use of Picture Butte Health Care Facility.

The financial statements for the North County Health Foundation are prepared using the Restricted Fund method.

Note 21 Related Parties (continued)

(iv) Fort Macleod and District Health Foundation (established April 21, 1998)

	2003	2002
Total assets	\$ 35	\$ 13
Net assets	<u>\$ 35</u>	<u>\$ 13</u>
Revenue	\$ 61	\$ 51
Expenses	<u>(39)</u>	<u>(62)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 22</u>	<u>\$ (11)</u>

The resources of the Foundation amounting to \$2 have been restricted by the donors for the exclusive use of Fort Macleod Health Care Facility.

The financial statements for the Fort Macleod and District Health Foundation are prepared using the Restricted Fund method.

(v) Windy Slopes Health Foundation (established April 28, 1998)

	2003	2002
Total assets	\$ 76	\$ 21
Total liabilities	<u>-</u>	<u>(1)</u>
Net assets	<u>\$ 76</u>	<u>\$ 20</u>
Revenue	\$ 88	\$ 63
Expenses	<u>(32)</u>	<u>(69)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 56</u>	<u>\$ (6)</u>

The resources of the Foundation amounting to \$10 have been restricted by the donors for the exclusive use of Pincher Creek Health Care Facility.

The financial statements for the Windy Slopes Health Foundation are prepared using the Restricted Fund method.

Note 21 Related Parties (continued)

	Contributions Received by Health Authority		Resources held by Foundation	
	Year ended March 31		At March 31, 2003	
	2003	2002	Externally Restricted	Unrestricted
Crowsnest Pass Health Foundation	\$ 41	\$ 95	\$ 42	\$ 34
Cardston and District Health Foundation	5	25	11	30
North County Health Foundation	-	20	3	45
Fort Macleod and District Health Foundation	29	34	2	33
Windy Slopes Health Foundation	<u>28</u>	<u>40</u>	<u>10</u>	<u>66</u>
	<u>\$ 103</u>	<u>\$ 214</u>	<u>\$ 68</u>	<u>\$ 208</u>

(d) Other Foundations

The Authority has an economic interest in the Lethbridge Regional Hospital Foundation and the Taber and District Health Foundation by virtue of its representation on the Board of Directors. The Foundations were established to raise funds for use in the respective community. The Foundations were continued under the Regional Health Authorities Act and are registered charities under the income Tax Act. Financial information for these foundations is as follows:

Note 21 Related Parties (continued)

	Contributions Received by Health Authority		Resources held by Foundation	
	Year ended March 31,		At March 31, 2003	
	2003	2002	Externally Restricted	Unrestricted
Lethbridge Regional Hospital Foundation	\$ 280	\$ 682	\$ 4,497	\$ 83
Taber and District Health Foundation	4	130	547	253
	<u>\$ 284</u>	<u>\$ 812</u>	<u>\$ 5,044</u>	<u>\$ 336</u>

Contributions include externally restricted amounts for equipment, programs, research, and education for the specific communities supported by the Foundations.

Note 21 Related Parties (continued)

The value of administrative support provided to Foundations, and the accounts receivable from the Foundations at year end are as follows:

	Administrative Support		Accounts Receivable	
	Year ended March 31,		As at March 31,	
	2003	2002	2003	2002
Controlled Foundations:				
Crowsnest Pass				
Health Foundation	\$ 14	\$ 19	\$ 12	\$ 8
Cardston and District Health Foundation	14	19	1	-
North County Health Foundation	14	19	-	-
Fort Macleod and District Health Foundation	8	19	-	-
Windy Slopes Health Foundation	12	19	-	1
Other Foundations:				
Lethbridge Regional Hospital Foundation	180	180	101	96
Taber and District Health Foundation	14	19	-	-
	<u>\$ 256</u>	<u>\$ 294</u>	<u>\$ 114</u>	<u>\$ 105</u>

(e) Society of Friends of the Lethbridge Regional Hospital (the "Society")

The Authority significantly influences the Society through its provision of administrative and financial services and by representation on the Board. The Society is incorporated under the Societies Act of Alberta and operates the gift shop, telephone and television rentals, and other various fund-raising activities. All funds earned are used to support the activities of the Lethbridge Regional Hospital Site of the Authority by transferring funds through the Lethbridge Regional Hospital Foundation.

As at March 31, 2003, \$32 (2002 - \$40) was due to the Authority for net inter-entity transactions.

Note 21 Related Parties (continued)

(f) Voluntary and Private Health Service Operators

The Authority contracts with voluntary and private health service operators to provide health services in the Region. The health service operators and the amount of the contracted health services for the year are as follows:

	2003			2002	
	Direct Authority Funding	Direct Alberta Health Funding	Approved Patient Fees and Charges	Total	Total
Voluntary					
St. Michael's Health Centre	\$ 9,395	\$ -	\$ 2,383	\$ 11,778	\$ 11,636
Coaldale Health Care Centre	3,808	-	506	4,314	4,494
Victorian Order of Nurses	88	-	30	118	132
Private					
Edith Cavell Nursing Home	4,691	-	1,413	6,104	5,818
Extendicare - Lethbridge	4,550	-	1,257	5,807	5,524
Extendicare - Fort Macleod	1,884	178	537	2,599	2,498
Designated Assisted Living					
Good Samaritan Society	1,493	-	-	1,493	-
Home Care Providers	5,053	-	-	5,053	4,746
	<u>\$ 30,962</u>	<u>\$ 178</u>	<u>\$ 6,126</u>	<u>\$ 37,266</u>	<u>\$ 34,848</u>

Reporting in the following expense categories:

Facility-based inpatient acute services	\$ 771	\$ 748
Facility-based emergency and outpatient services	602	589
Facility-based continuing care services	17,979	17,334
Community and home based services	6,821	5,485
Diagnostic and therapeutic services	2,195	2,124
Administration	1,804	1,755
Information Technology	101	101
Support services	6,993	6,712
	<u>\$ 37,266</u>	<u>\$ 34,848</u>

The Authority has an economic interest in the above organizations.

Note 22 Pension Costs

The Authority participates in the Local Authorities Pension Plan, which is a multi-employer defined benefit plan. The pension expense recorded in these financial statements is equivalent to the Authority's annual contributions payable of \$4,480 for the year ended March 31, 2003 (2002 – \$4,046).

At December 31, 2002, the Local Authorities Pension Plan reported a deficiency of \$444,980 (2001 – surplus of \$634,960).

Note 23 Commitments

The Authority is committed to future capital upgrade projects in the amount of \$4,695.

The Authority has in place an exclusive supply agreement with Producers Marketing Ltd., which expires November 1, 2003. Pursuant to the agreement, Producers Marketing Ltd. is the exclusive supplier to the Authority of natural gas, at the Lethbridge Regional Hospital, for 1000 gigajoules per day from April 1 to October 31 and 1250 gigajoules per day from November 1 to March 31.

The Authority has entered into various commitments for the purchase of consumables, reagents and chemicals. The commitments expire at various dates to March, 2006.

Note 24 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 25 Operating Deficit

The Authority is prohibited by Section 2.9(2) of the Regional Health Authorities Regulation from incurring an annual operating deficit. The Authority incurred an operating deficit of \$8,162 for the year ended March 31, 2003. In accordance with Section 2.9(3) of the Regulation, the Authority used previously accumulated unrestricted net assets to offset the deficit.

Note 26 Approval of Financial Statements

These financial statements have been approved by the Board of the Authority.

Note 27 Subsequent Event

On December 31, 2002, the Minister of Health and Wellness announced the divestment of the Alberta Mental Health Board to the Regional Health Authorities effective April 1, 2003.

The assets and liabilities of the Alberta Mental Health Board will be transferred to the Chinook Regional Health Authority at carrying value. These values are not readily available at this time.

CHINOOK REGIONAL HEALTH AUTHORITY
SCHEDULE OF SALARIES, HONORARIA, BENEFITS, ALLOWANCES AND SEVERANCE
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

Schedule 2

	2002					2003				
	Average Individuals ⁽¹⁾	Number of Honoraria ⁽²⁾	Salaries and Benefits ⁽³⁾	Allowances ⁽⁴⁾	Sub-total	Average Individuals ⁽¹⁾	Number of Honoraria ⁽²⁾	Salaries and Benefits ⁽³⁾	Allowances ⁽⁴⁾	Sub-total
Authority/Member Compensation										
Chairperson	1	1	\$ 28	-	28	1	1	\$ 11	-	11
Ady, Jack	-	-	-	-	-	-	-	-	-	-
Elden, Frank	-	-	-	-	-	-	-	-	-	-
Bennett, Michael	-	-	-	-	-	-	-	-	-	-
Borgen, Peter	-	-	-	-	-	-	-	-	-	-
Bianchi, Alko	-	-	-	-	-	-	-	-	-	-
Bier, Donna	1	1	16	-	16	1	1	7	-	7
Bischoff, Phyllis	1	1	9	-	9	1	1	5	-	5
Burnham, Richard C.	-	-	-	-	-	-	-	-	-	-
Ezriaga, Ruth	-	-	-	-	-	-	-	-	-	-
Farr, James	1	1	13	-	13	1	1	6	-	6
Kelly, Inez	1	1	9	-	9	1	1	3	-	3
Klassen, Stanley C.	1	1	8	-	8	1	1	8	-	8
Lowy, David	1	1	11	-	11	1	1	3	-	3
Marr, Sam	1	1	10	-	10	1	1	13	-	13
Olsen, Thane	1	1	13	-	13	1	1	12	-	12
Patterson, Beverly	1	1	7	-	7	1	1	2	-	2
Rosa, Hovoy	1	1	8	-	8	1	1	5	-	5
Roll, Roy	1	1	10	-	10	1	1	9	-	9
Sarfood, Arthur	1	1	10	-	10	1	1	5	-	5
Schindler, Douglas J.	-	-	-	-	-	-	-	-	-	-
Williams, Richard	-	-	-	-	-	-	-	-	-	-
Staff Compensation										
Chief Executive Officer	1	1	236	36	272	1	1	267	-	267
Management reporting to CEO:										
Vice President Medical Services	1	1	270	-	270	1	1	252	-	252
Vice President Community Health (MOH)	1	1	196	18	214	1	1	211	-	211
Senior Vice President	1	1	155	33	188	1	1	181	-	181
Vice President Finance & Administration	1	1	127	23	150	1	1	144	-	144
Vice President Support Services	1	1	24	5	29	1	1	134	-	134
Executive Director Corp.Comm. & Fund Raising	1	1	97	18	115	1	1	113	-	113
Management reporting to above	107	2666	2,357	490	2,847	28	28	2,903	299	3,202
Other Management	90	9519	7,231	1,343	8,574	85	99	8,392	-	8,392
Medical Doctors	58	4311	2,346	174	2,520	56	39	2,200	-	2,200
Regulated Nurses	70	888,02	52,628	9,587	62,215	65	892	57,720	-	57,720
Other Health Technical and Professionals	73	348,20	21,498	3,814	25,312	66	337	22,104	-	22,104
Unregulated Health Service Providers	34	161,26	4,641	844	5,485	32	176	5,610	-	5,610
Other Staff	39	777,57	25,928	4,736	30,664	788	29,527	29,527	1	29,528
Total Staff Compensation	2,347,01	1,17,734	11,724	21,121	138,855	2,366	129,759	129,759	300	130,059
Total	2,350,01	\$ 117,876	\$ 21,121	\$ 138,897	65	\$ 882	\$ 138,879	300	\$ 130,195	

Schedule 1

CHINOOK REGIONAL HEALTH AUTHORITY
SCHEDULE OF EXPENSES BY OBJECT
FOR YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	Budget	2003	2002
Salaries, benefits, allowances and severance (Schedule 2)	\$ 140,350	\$ 139,879	\$ 130,195
Contracts with health service operators (Note 21(f))	36,442	37,266	34,848
Drugs, gases, medical and surgical supplies	10,009	10,116	9,680
Other contracted services	18,105	16,473	13,530
Interest on long term debt	75	59	43
Other ⁽¹⁾	27,191	26,466	26,582
Amortization and gain/loss on disposal:			
Capital equipment - internally funded	2,748	2,197	2,360
Capital equipment - externally funded	2,826	2,761	2,593
Facilities and improvements	7,025	6,944	7,390
	244,771	242,161	227,221
Less amounts reported in ancillary operations (Note 16)	(1,149)	(1,311)	(1,201)
	<u>\$ 243,622</u>	<u>\$ 240,850</u>	<u>\$ 226,020</u>
(1) Other			
Included in other expense are the following:			
Supplies	\$ 13,085	\$ 13,276	\$ 13,194
Minor equipment and maintenance	5,339	5,755	5,317
Travel	2,865	3,222	3,236
Utilities	4,614	4,161	4,183
Other	1,288	52	652
	<u>\$ 27,191</u>	<u>\$ 26,466</u>	<u>\$ 26,582</u>

SCHEDULE OF SALARIES, BENEFITS, ALLOWANCES AND SEVERANCE
FOR THE YEAR ENDED MARCH 31, 2003

- 1) The average number of individuals is calculated based on a total worked and benefit hour, excluding overtime, for a classification divided by the number of hours in a standard work year, except for named individuals. The number of hours in a standard work year, by classification, is as follows:

Category	Number of Hours	
	Hospital	Community
Other management	2,023	2,023
Medical doctors	2,023	-
Regulated nurses	1,920	2,023 and 1,920
Other health technical and professionals	2,023	1,827
Unregulated health service providers	2,023	1,827
Other staff	2,023 and 2,088	2,023 and 1,827

Total actual discrete number of individuals employed March 31, 2003 was 3,582 (2002 – 3,576).

- 2) Salaries include regular base pay, overtime, lump sum payments, honoraria, and any other direct cash remuneration including sick leave, short-term disability and vacation.
- 3) Benefits and Allowances include the employers share of all employee benefits and contributions or payments paid or payable on behalf of employees including pension, health care, dental and vision coverage, out-of-country medical benefits, group life insurance, accidental death and dismemberment, long-term and short-term disability plans, Canada Pension Plan, employment insurance, workers compensation, car allowance, professional membership and recruitment and relocation expenses.
- 4) The Chief Executive Officer is provided with an automobile; no dollar amount is included under benefits and allowances.
- 5) Severance includes all monies paid or payable directly or on behalf of an employee upon termination that do not relate to salaries and benefits. The number of individuals receiving severance's disclosed in the schedule is the discrete number of individuals.
- 6) Average salary and benefits amounts exclude severance payments.
- 7) The total amount is reported in Schedule 1.

