

# CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2024**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements for the year ended March 31, 2024 are the responsibility of management and have been reviewed and approved by senior management. The consolidated financial statements were prepared in accordance with Canadian Public Sector Accounting Standards and include certain disclosures required by the financial directives issued by Alberta Health, and of necessity include some amounts based on estimates and judgment.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public funds;
- safeguard the assets and properties of the "Province of Alberta" that are the responsibility of Alberta Health Services.

Alberta Health Services carries out its responsibility for the consolidated financial statements through the Finance, Audit and Risk Committee (the Committee). The Committee meets with management and the Auditor General of Alberta to review financial matters, and recommends the consolidated financial statements to the Alberta Health Services Board for approval upon finalization of the audit. The Auditor General of Alberta has free access to the Committee.

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

[Original signed by]

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Athana Mentzelopoulos  
President and Chief Executive Officer  
Alberta Health Services

[Original signed by]

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Michael Lam, CPA, CA, CHE  
Interim Vice President, Corporate Services and Chief  
Financial Officer  
Alberta Health Services

June 3, 2024

## Independent Auditor's Report

To the Members of the Alberta Health Services Board and the Minister of Health

### Report on the Consolidated Financial Statements

#### Opinion

I have audited the consolidated financial statements of Alberta Health Services (the Group), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, remeasurement gains and losses, change in net debt, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and the results of its operations, its remeasurement gains and losses, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

I draw attention to Note 29 of the consolidated financial statements, which describes the subsequent events and restructuring/refocusing of the Group. My opinion is not modified in respect of this matter.

#### Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the consolidated financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

### **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit

evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by]

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W. Doug Wylie FCPA, FCMA, ICD.D  
Auditor General

June 3, 2024  
Edmonton, Alberta

CONSOLIDATED STATEMENT OF OPERATIONS YEAR ENDED MARCH 31			
	2024		2023
	Budget (Note 3)	Actual	Actual
<b>Revenues:</b>			
Alberta Health transfers			
Base operating	\$ 15,137,611	\$ 15,138,434	\$ 13,446,558
One-time base operating	-	286,083	185,146
Other operating	1,655,938	1,712,435	2,467,695
Recognition of expended deferred capital revenue	113,400	106,297	104,165
Other government transfers (Note 4)	470,718	527,925	475,512
Fees and charges	586,000	625,668	536,774
Ancillary operations	110,000	87,178	103,324
Donations and non-government contributions (Note 5)	182,000	213,382	189,244
Investment and other income (Note 6)	214,800	330,376	240,285
<b>TOTAL REVENUES</b>	<b>18,470,467</b>	<b>19,027,778</b>	<b>17,748,703</b>
<b>Expenses:</b>			
Continuing care	1,373,300	1,375,360	1,381,494
Community care	2,073,700	1,983,628	1,888,404
Home care	902,800	843,709	740,152
Acute care	5,788,067	6,084,875	5,594,950
Emergency medical services	741,400	665,954	599,476
Diagnostic and therapeutic services	2,872,000	2,932,784	2,645,702
Population and public health	500,200	439,173	589,216
Research and education	363,500	352,707	341,797
Information technology	775,000	793,775	749,085
Support services (Note 7)	2,539,200	2,798,372	2,639,431
Administration (Note 8)	541,300	573,810	495,326
<b>TOTAL EXPENSES (Schedules 1 and 3)</b>	<b>18,470,467</b>	<b>18,844,147</b>	<b>17,665,033</b>
<b>ANNUAL OPERATING SURPLUS</b>	<b>-</b>	<b>183,631</b>	<b>83,670</b>
Accumulated surplus, beginning of year	1,120,827	1,120,827	1,037,157
<b>Accumulated surplus, end of year (Note 21)</b>	<b>\$ 1,120,827</b>	<b>\$ 1,304,458</b>	<b>\$ 1,120,827</b>

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31		
	2024	2023
	Actual	Actual
<b>Financial Assets:</b>		
Cash and cash equivalents	\$ 243,462	\$ 334,649
Portfolio investments (Note 10)	2,587,692	2,184,694
Accounts receivable (Note 11)	755,525	750,083
	3,586,679	3,269,426
<b>Liabilities:</b>		
Accounts payable and accrued liabilities (Note 12)	1,855,955	1,773,424
Employee future benefits (Note 13)	818,539	787,643
Unexpended deferred operating revenue (Note 14)	697,922	572,628
Unexpended deferred capital revenue (Note 15)	214,072	177,901
Debt (Note 17)	415,813	434,088
Asset retirement obligations (Note 18)	539,421	583,172
	4,541,722	4,328,856
<b>NET DEBT</b>	<b>(955,043)</b>	<b>(1,059,430)</b>
<b>Non-Financial Assets:</b>		
Tangible capital assets (Note 19)	10,467,655	10,303,649
Inventories of supplies (Note 20)	197,169	307,725
Prepaid expenses, deposits, and other non-financial assets	355,181	231,254
	11,020,005	10,842,628
<b>NET ASSETS BEFORE EXPENDED DEFERRED REVENUE</b>	<b>10,064,962</b>	<b>9,783,198</b>
Expended deferred revenue (Note 16)	8,696,431	8,642,101
<b>NET ASSETS</b>	<b>1,368,531</b>	<b>1,141,097</b>
Net Assets is comprised of:		
Accumulated surplus (Note 21)	1,304,458	1,120,827
Accumulated remeasurement gains	64,073	20,270
	<b>\$ 1,368,531</b>	<b>\$ 1,141,097</b>

Contractual Obligations and Contingent Liabilities (Note 22)

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

Approved by:

[Original signed by]

**Dr. Lyle Oberg**  
Executive Board Chair  
Alberta Health Services

[Original signed by]

**Paul George Haggis**  
Finance, Audit & Risk Committee Chair  
Alberta Health Services

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT YEAR ENDED MARCH 31			
	2024		2023
	Budget (Note 3)	Actual	Actual
Annual operating surplus	\$ -	\$ 183,631	\$ 83,670
Effect of changes in tangible capital assets:			
Acquisition of tangible capital assets:			
Purchased	(530,000)	(452,501)	(497,852)
Purchased as part of DynaLIFEDX asset purchase	-	(71,760)	-
Leased	(10,000)	(37,753)	(19,031)
Constructed by Alberta Infrastructure on behalf of AHS	(457,000)	(198,774)	(262,429)
Contributed by others	-	(24)	(35)
Revision to asset retirement cost estimates	-	41,773	(41,164)
Amortization and loss on disposals/write-downs of tangible capital assets	527,500	555,033	514,897
Effect of other changes:			
Net increase in expended deferred capital revenue	485,600	170,966	246,496
Net decrease in expended deferred operating revenue	(161,000)	(116,636)	(220,336)
Net decrease (increase) in inventories of supplies	(123,000)	118,442	205,294
Net increase in prepaid expenses, deposits and other non-financial assets	(19,000)	(118,968)	(54,684)
Net increase in non-financial assets due to DynaLIFEDX acquisition	-	(12,845)	-
Net remeasurement gains (losses) for the year	(7,000)	43,803	(4,616)
<b>Decrease (increase) in net debt for the year</b>	<b>(293,900)</b>	<b>104,387</b>	<b>(49,790)</b>
Net debt, beginning of year	(1,059,430)	(1,059,430)	(1,009,640)
<b>Net debt, end of year</b>	<b>\$ (1,353,330)</b>	<b>\$ (955,043)</b>	<b>\$ (1,059,430)</b>

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



CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES YEAR ENDED MARCH 31		
	2024	2023
	Actual	Actual
Unrestricted unrealized gains (losses) attributable to:		
Derivatives	\$ 586	\$ 2,572
Portfolio investments		
Quoted in an active market	6,600	(3,208)
Designated at fair value	35,815	(36,392)
Amounts reclassified to the Consolidated Statement of Operations:		
Derivatives	(998)	(1,710)
Portfolio investments		
Quoted in an active market	-	-
Designated at fair value	1,800	34,122
<b>Net remeasurement gains (losses) for the year</b>	<b>43,803</b>	<b>(4,616)</b>
Accumulated remeasurement gains, beginning of year	20,270	24,886
<b>Accumulated remeasurement gains, end of year (Note 10)</b>	<b>\$ 64,073</b>	<b>\$ 20,270</b>

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

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31		
	2024 Actual	2023 Actual
<b>Operating transactions:</b>		
Annual operating surplus	\$ 183,631	\$ 83,670
Non-cash items:		
Amortization and loss on disposals/write-downs of tangible capital assets	555,033	514,897
Revenue recognized for acquisition of land	-	(3,934)
Recognition of expended deferred capital revenue	(355,407)	(328,651)
Recognition of expended deferred operating revenue	(116,636)	(289,853)
(Gain) loss on disposal of portfolio investments	(13,736)	32,218
Change in employee future benefits	24,268	9,765
(Increase) decrease in:		
Accounts receivable related to operating transactions	(14,564)	(155,654)
Inventories of supplies	118,442	205,294
Prepaid expenses, deposits, and other non-financial assets	(118,968)	(54,684)
Increase (decrease) in:		
Accounts payable and accrued liabilities	23,669	(171,577)
Unexpended deferred operating revenue	115,570	59,541
Asset retirement obligations	(1,978)	(2,409)
Cash provided by (applied to) operating transactions	399,324	(101,377)
<b>Capital transactions:</b>		
Purchased tangible capital assets	(452,501)	(497,852)
DynaLIFEDX purchase consideration net of cash acquired	(29,388)	-
Cash applied to capital transactions	(481,889)	(497,852)
<b>Investing transactions:</b>		
Purchase of portfolio investments	(5,284,617)	(4,110,544)
Proceeds on disposals of portfolio investments	4,948,882	4,476,003
Cash (applied to) provided by investing transactions	(335,735)	365,459
<b>Financing transactions:</b>		
Restricted operating contributions received	-	69,517
Restricted capital contributions received	367,372	345,074
Unexpended deferred capital revenue returned	(3,626)	(73)
Proceeds from debt	20,000	11,500
Principal payments on debt	(38,275)	(32,405)
Payments on obligations under capital leases	(17,745)	(25,639)
Net repayment of life lease deposits	(613)	(246)
Cash provided by financing transactions	327,113	367,728
<b>(Decrease) increase in cash and cash equivalents</b>	<b>(91,187)</b>	<b>133,958</b>
Cash and cash equivalents, beginning of year	334,649	200,691
<b>Cash and cash equivalents, end of year</b>	<b>\$ 243,462</b>	<b>\$ 334,649</b>

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

### Note 1 Authority, Purpose and Operations

Alberta Health Services (AHS) was established under the *Regional Health Authorities Act* (Alberta), effective April 1, 2009, as a result of the merger of 12 formerly separate health entities in Alberta.

Pursuant to Section 5 of the *Regional Health Authorities Act* (Alberta), AHS is responsible in Alberta to:

- promote and protect the health of the population and work toward the prevention of disease and injury;
- assess on an ongoing basis the health needs of the population;
- determine priorities in the provision of health services and allocate resources accordingly;
- ensure that reasonable access to quality health services is provided and;
- promote the provision of health services in a manner that is responsive to the needs of individuals and communities and supports the integration of services and facilities.

Additionally, AHS is accountable to the Minister of Health (the Minister) for the delivery and operation of the public health system.

The AHS consolidated financial statements include the assets, liabilities, revenues and expenses associated with its responsibilities.

### Note 2 Significant Accounting Policies and Reporting Practices

#### (a) Basis of Presentation

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. In addition, the consolidated financial statements include certain disclosures required by the financial directives issued by Alberta Health (AH).

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of the organizations controlled by AHS as noted below:

#### (i) Controlled Entities

AHS controls the following three wholly owned subsidiaries:

- Alberta Precision Laboratories Ltd. - provides medical diagnostic services throughout Alberta.
- CapitalCare Group Inc. - manages continuing care programs and facilities in the Edmonton area.
- Carewest - manages continuing care programs and facilities in the Calgary area.

AHS has majority representation on, or the right to appoint, the governance boards, indicating control of the following entities:

- Foundations:

The largest foundations controlled by AHS are the Alberta Cancer Foundation and the Calgary Health Foundation. AHS also controls 33 other foundations that facilitate fundraising for various initiatives including enhancements to healthcare delivery (including equipment), programs, renovations, and research and education.

- Provincial Health Authorities of Alberta Liability and Property Insurance Plan (LPIP):

The LPIP's main purpose is to share the risks of general and professional liability to lessen the impact on any one healthcare subscriber. Effective April 1, 2020, the LPIP ceased providing new liability coverage and continues in operation for the limited purpose of winding up its affairs.

The LPIP has a fiscal year end of December 31, 2023. Significant transactions occurring between this date and March 31, 2024 have been recorded in these consolidated financial statements.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)**

All inter-entity accounts and transactions between these organizations and AHS are eliminated upon consolidation.

**(ii) Government Partnerships**

AHS proportionately consolidates its 50% ownership interests in 39 (2023 – 40) Primary Care Network (PCN) partnerships with physician groups, its 50% ownership interest in the Northern Alberta Clinical Trials Centre (NACTRC) partnership with the University of Alberta, and its 33.33% ownership interest in the Institute for Reconstructive Sciences in Medicine (IRSM) partnership with the University of Alberta and Covenant Health (Note 24).

AHS entered into local primary care initiative agreements to jointly manage and operate the delivery of primary care services to achieve the PCN plan objectives, and to contract and hold property interests required in the delivery of PCN services.

All inter-entity accounts and transactions between these organizations and AHS are eliminated upon consolidation.

**(iii) Trusts under Administration**

These consolidated financial statements do not include trusts administered on behalf of others (Note 25).

**(iv) Other**

AHS is responsible for the delivery and operation of the public health system in Alberta (Note 1) and contracts with various voluntary and private health service providers to provide health services throughout Alberta. The largest of these service providers is Covenant Health, a denominational health care organization, providing a full spectrum of care including operating several hospitals and long-term care facilities. Covenant Health is an independent, separate legal entity with a separate Board of Directors and accordingly, these consolidated financial statements do not include their assets, liabilities or results of operations. However, the payments for contracts with health service providers such as Covenant Health are recorded as expenses in the Consolidated Statement of Operations.

In addition, AHS provides administrative services to certain foundations and contracted health care providers not included in these consolidated financial statements.

**(b) Revenue Recognition**

All revenues are recorded on an accrual basis, except when the accrual cannot be determined within a reasonable degree of certainty or when estimation is impracticable. Revenues from transactions with performance obligations are recognized when AHS provides the promised goods and/or services to a payor. Revenue from transactions with no performance obligations are recognized at their realizable value when AHS has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset. Unallocated costs comprising of materials and services contributed by related parties in support of AHS' operations, are not recognized in these consolidated financial statements.

**(i) Government Transfers**

Transfers from AH, other Province of Alberta ministries and agencies, and other government entities are referred to as government transfers.

Government transfers and, if applicable, the associated externally restricted investment income are recorded as deferred revenue if the eligibility criteria for the use of the transfer, or the stipulations together with AHS' actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, AHS complies with the communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and AHS meets the eligibility criteria.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)**

Deferred revenue consists of unexpended deferred operating revenue (Note 14), unexpended deferred capital revenue (Note 15), expended deferred capital revenue (Note 16(a)) and expended deferred operating revenue (Note 16(b)). The term deferred revenue in these consolidated financial statements refers to the components of deferred revenue as described.

**(ii) Donations and Non-Government Contributions**

Donations and non-government contributions are received from individuals, corporations, registered charities, and other not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations, and non-government contributions are recorded as revenue in the year received or in the year the funds are committed to AHS if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions, and the associated externally restricted investment income are recorded as deferred revenue if the terms for their use, or the terms along with AHS' actions and communications as to their use create a liability. These resources are recognized as revenue as the terms are met and, when applicable, AHS complies with the communicated use.

In-kind contributions of services and materials from non-related parties are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist AHS, the value of their services is not recognized as revenue and expenses in the consolidated financial statements because fair value cannot be reasonably determined.

Endowment contributions are recognized in the Consolidated Statement of Operations in the period in which they are received or receivable.

**(iii) Transfers and Donations related to Land**

Transfers and donations for the purchase of land are recorded as deferred revenue when received and as revenue when the land is purchased. In-kind donations of land from non-related entities are recorded as revenue at the fair value of the land. When AHS cannot determine the fair value, it records such donations at nominal value. In-kind donations of land from related entities are recorded as revenue at the net book value of the transferring entity.

**(iv) Fees and Charges, Ancillary Operations, and Other Income**

Fees and charges, ancillary operations, and other income are considered revenue arising from exchange transactions with performance obligations. These are recognized in the year that goods are delivered or services are provided by AHS. Amounts received for which goods or services have not been provided by year end are recorded as deferred revenue.

**(v) Investment Income**

Investment income includes dividend income, interest income, and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments (excluding gains or losses from restricted transfers, endowments, or donations) are recognized in the Consolidated Statement of Remeasurement Gains and Losses until the related portfolio investments are sold. When realized, these gains or losses are recognized in the Consolidated Statement of Operations. Investment income and unrealized gains and losses from restricted transfers including endowments or donations are deferred until recognized according to the provisions within the individual funding agreements.

**(c) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed. Interest expense includes debt servicing costs.

Expenses include grants and transfers under shared cost agreements. Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)****(d) Financial Instruments**

Financial instruments comprise financial assets and financial liabilities. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity or to exchange financial instruments with another entity under conditions that are potentially unfavourable to AHS.

All of AHS' financial assets and financial liabilities are initially recorded at their fair value. The following table identifies AHS' financial assets and financial liabilities and identifies how they are subsequently measured:

Financial Assets and Financial Liabilities	Subsequent Measurement and Recognition
Portfolio investments	Measured at fair value with unrealized changes in fair values recognized in the Consolidated Statement of Remeasurement Gains and Losses or deferred revenue until realized, at which time the cumulative changes in fair value are recognized in the Consolidated Statement of Operations.
Cash and cash equivalents, accounts receivable, payroll payable and related accrued liabilities, trade accounts payable and accrued liabilities, other liabilities and debt	Measured at cost or amortized cost.

Amortized cost is the amount at which a financial instrument asset or a financial instrument liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

AHS records equity investments quoted in an active market at fair value and may choose to record other financial assets under the fair value category if there is an investment strategy to evaluate the performance of a group of these financial assets on a fair value basis. AHS has elected to record all portfolio investments at fair value. The three levels of information that are used to measure fair value are disclosed in Note 10.

Derivatives are recorded at fair value in the Consolidated Statement of Financial Position. Derivatives with a positive or negative fair value are recognized as increases or decreases to portfolio investments respectively. Unrealized gains and losses from changes in the fair value of derivatives are recognized in the Consolidated Statement of Remeasurement Gains and Losses until realized, at which time the gains or losses are recognized in the Consolidated Statement of Operations.

Contractual obligations are evaluated for the existence of embedded derivatives. AHS measures and recognizes embedded derivatives separately from the host contract when the economic characteristics and risk of the embedded derivative are not closely related to those of the host contract, when it meets the definition of a derivative and when the entire contract is not measured at fair value. An election can be made to either measure the entire contract at fair value or measure the value of the derivative component separately when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for AHS' normal course of business are not recognized as financial assets or liabilities. AHS does not have any embedded derivatives.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported as a realized loss on the Consolidated Statement of Operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

A financial liability or a part thereof is derecognized when it is extinguished.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)**

Transaction costs associated with the acquisition and disposal of portfolio investments are expensed as incurred. Investment management fees are expensed as incurred. The purchase and disposition of portfolio investments are recognized on the trade date.

**(e) Cash and Cash Equivalents**

Cash is comprised of cash on hand and demand deposits. Cash equivalents include amounts in interest bearing accounts and are subject to an insignificant risk of change in value. Cash and cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

**(f) Accounts receivable**

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

**(g) Inventories of Supplies**

Purchased inventories of supplies are valued at lower of cost (defined as moving average cost) and replacement cost. Contributed inventories of supplies are recorded at fair value when such value can reasonably be determined.

**(h) Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead directly attributable to construction and development as well as interest costs that are directly attributable to the acquisition or construction of the asset, and asset retirement cost. Costs incurred by Alberta Infrastructure (AI) to construct tangible capital assets on behalf of AHS are recorded by AHS as work in progress as AI incurs costs.

Contributed tangible capital assets from non-related entities are recognized at their fair value at the date of the contribution when fair value can be reasonably determined. When AHS cannot determine the fair value, it records such contributions at nominal value.

The costs less residual values of tangible capital assets, excluding land, are amortized over their estimated useful lives on a straight-line basis as follows:

	<u>Useful Life</u>
Facilities and improvements	10-70 years
Equipment	3-20 years
Information systems	3-15 years
Building service equipment	5-40 years
Land improvements	5-40 years

Work in progress, which includes facility and improvement projects and development of information systems, is not amortized until after a project is substantially complete and the tangible capital assets are available for use.

Leases of tangible capital assets which transfer substantially all benefits and risks of ownership to AHS are accounted for as leased tangible capital assets and leasehold improvements and are amortized over the shorter of the term of the lease or their estimated useful lives. Obligations under capital leases are recorded at the present value of the minimum lease payments excluding executory costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of AHS' rate for incremental borrowing and the interest rate implicit in the lease.

Tangible capital assets are written down to their net recoverable amount when conditions indicate that they no longer contribute to AHS' ability to provide goods and services or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Write-downs are recorded as part of amortization and loss on disposals / write-downs of tangible capital assets.

Intangibles and other assets inherited by right and that have not been purchased are not recognized in these consolidated financial statements. Similarly, works of art, historical treasures, and collections are not recognized as tangible capital assets.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)****(i) Employee Future Benefits****(i) Defined Benefit Pension Plans****Local Authorities Pension Plan (LAPP) and Management Employees Pension Plan (MEPP)**

AHS participates in the LAPP and MEPP which are multi-employer registered defined benefit pension plans. AHS accounts for these plans on a defined contribution basis. Accordingly, the pension expense recorded for these plans in these consolidated financial statements is comprised of the employer contributions that AHS is required to pay for its employees during the fiscal year. LAPP and MEPP set the employer contribution rates on an annual basis based on actuarially pre-determined amounts that are expected to provide the plans' future benefits.

**Supplemental Executive Retirement Plan (SERP)**

The SERP covers certain employees and supplements the benefits under AHS' registered plans that are limited by the *Income Tax Act* (Canada). The SERP has been closed to new entrants since April 1, 2009. The SERP provides future pension benefits to participants based on years of service and earnings.

As required under the *Income Tax Act* (Canada), approximately half of the assets are held in a non-interest bearing Refundable Tax Account with the Canada Revenue Agency. The remaining assets of the SERP are invested in a combination of Canadian equities and Canadian fixed income securities.

**(ii) Defined Contribution Pension Plans****Group Registered Retirement Savings Plans (GRRSPs)**

AHS sponsors GRRSPs for certain employee groups. Under the GRRSPs, AHS matches a certain percentage of any contribution made by plan participants up to certain limits. AHS also sponsors a defined contribution pension plan for certain employee groups where the employee and employer each contribute specified percentages of pensionable earnings.

**Supplemental Pension Plan (SPP)**

Subsequent to April 1, 2009, staff that would have otherwise been eligible for SERP have been enrolled in a defined contribution SPP. The SPP supplements the benefits under AHS registered plans that are limited by the *Income Tax Act* (Canada). AHS contributes a percentage of an eligible employee's pensionable earnings, in excess of the limits of the *Income Tax Act* (Canada). The SPP provides participants with an account balance at retirement based on the contributions made to the plan and investment income earned on the contributions based on investment decisions made by the participant.

**(iii) Other Benefit Plans****Accumulating Non-Vesting Sick Leave**

Sick leave benefits accumulate with employees' service and are provided by AHS to certain employee groups of AHS, as defined by employment agreements, to cover illness related absences that are outside of short-term and long-term disability coverage. Benefit amounts are determined and accumulate with reference to employees' earnings at the time they are paid out. The cost of the accumulating non-vesting sick leave benefits is expensed as the benefits are earned.

AHS recognizes a liability and expense for accumulating non-vesting sick leave benefits using an actuarial cost method as the employees render services to earn the benefits. The liability and expense is determined using the projected benefit method pro-rated for service and management's best estimates of expected discount rate, inflation, rate of compensation increase, termination and retirement dates, sick leave accumulation and utilization, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

AHS does not record a liability for sick leave benefits that do not accumulate beyond the current reporting year as these are renewed annually.



**Note 2 Significant Accounting Policies and Reporting Practices (continued)****Other Benefits**

AHS provides its employees with basic life, accidental death and dismemberment, short-term disability, long-term disability, extended health, dental, and vision benefits through benefits carriers. AHS fully accrues its obligations for employee non-pension future benefits.

**(j) Asset Retirement Obligations**

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

- (i) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) the past transaction or event giving rise to the liability has occurred;
- (iii) it is expected that future economic benefits will be given up; and
- (iv) a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized on a straight-line basis over the estimated useful life of the underlying tangible capital asset (Note 2(h)). Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed. Revisions in estimates are recognized as a change to both the liability and related tangible capital asset in the Consolidated Statement of Financial Position.

**(k) Foreign Currency Translation**

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items denominated in foreign currencies included in the fair value category reflect the exchange rates at the Consolidated Statement of Financial Position date. Unrealized foreign exchange gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

In the year of settlement, foreign exchange gains and losses are reclassified to the Consolidated Statement of Operations, and the cumulative amount of remeasurement gains and losses are reversed in the Consolidated Statement of Remeasurement Gains and Losses.

**(l) Reserves**

Certain amounts, as approved by the AHS Board, may be set aside in accumulated surplus for use by AHS for future purposes. Transfers to, or from, are recorded to the respective reserve account when approved. Reserves include Invested in Tangible Capital Assets and Internally Restricted Surplus for Insurance Equity Requirements and Foundations.

**(m) Measurement Uncertainty**

The consolidated financial statements, by their nature, contain estimates and are subject to measurement uncertainty. Measurement uncertainty exists when there is a difference between the recognized or disclosed amount and another reasonably possible amount. These estimates and assumptions are reviewed at least annually. Actual results could differ from the estimates determined by management in these consolidated financial statements, and these differences could require adjustment in subsequent reporting years.

Measurement uncertainty exists in the fair values reported for portfolio investments designated to the fair value category (see Note 10). The fair values of these investments are based on estimates. Estimated fair values may not reflect amounts that could be recognized upon immediate sale or amounts that ultimately may be recognized.

**Note 2 Significant Accounting Policies and Reporting Practices (continued)**

The amount recorded for amortization of tangible capital assets is based on the estimated useful life of the related assets while the recognition of expended deferred capital revenue depends on when the terms for the use of the funding are met and, when applicable, AHS complies with its communicated use of the funding. The amounts recorded for accumulating non-vesting sick leave are based on various assumptions including the estimated service life of employees, drawdown rate of sick leave banks and rate of salary escalation. The establishment of the provision for unpaid claims relies on judgment and estimates including historical precedent and trends, prevailing legal, economic, social, and regulatory trends; and expectation as to future developments.

There is measurement uncertainty related to asset retirement obligations as it involves estimates in determining settlement amount and timing of settlement. Changes to any of these estimates and assumptions may result in change to the obligation.

**(n) Changes in Accounting Policy**

AHS has adopted on a prospective basis the following accounting standards and guideline as of April 1, 2023:

- **PS 3400 – Revenue**  
PS 3400 provides guidance on how to account for and report revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions. The adoption of this standard did not have any significant impact on AHS' consolidated financial statements.
- **PSG-8 – Purchased Intangibles**  
PSG-8 provides guidance on the recognition, accounting, and classification of purchased intangible assets. The adoption of this standard did not have any impact on AHS' consolidated financial statements.
- **PS 3160 – Public Private Partnerships**  
PS 3160 provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have any impact on AHS' consolidated financial statements.

**(o) Future Accounting Changes**

On April 1, 2026, AHS will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- **The Conceptual Framework for Financial Reporting in the Public Sector**  
The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.
- **PS 1202 Financial Statement Presentation**  
Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of the conceptual framework and the standard on the AHS consolidated financial statements.

**Note 3 Budget**

The 2023-24 annual budget was approved by the Official Administrator on March 23, 2023 for submission to the Minister who approved it on April 28, 2023.

**Note 4 Other Government Transfers**

	Budget	2024	2023
Recognition of expended deferred capital revenue (Note 16 (a))	\$ 216,200	\$ 214,858	\$ 192,079
Restricted operating (Note 14(a))	224,318	251,255	218,460
Unrestricted operating	30,200	61,812	64,973
	<b>\$ 470,718</b>	<b>\$ 527,925</b>	<b>\$ 475,512</b>

Other government transfers include \$492,963 (2023 – \$433,722) (Note 23) transferred from the Province of Alberta, \$34,962 (2023 – \$41,790) from government entities outside the Province of Alberta and exclude amounts from AH as these amounts are separately disclosed on the Consolidated Statement of Operations.

**Note 5 Donations and Non-Government Contributions**

	Budget	2024	2023
Recognition of expended deferred capital revenue (Note 16 (a))	\$ 36,800	\$ 34,252	\$ 32,407
Restricted operating (Note 14(a))	144,000	139,182	150,190
Unrestricted operating	1,200	12,167	6,537
Endowment contributions (Note 21)	-	27,781	110
	<b>\$ 182,000</b>	<b>\$ 213,382</b>	<b>\$ 189,244</b>

**Note 6 Investment and Other Income**

	Budget	2024	2023
Investment income	\$ 54,000	\$ 118,227	\$ 39,658
Other income:			
AH	10,525	11,507	12,883
Other Province of Alberta Ministries (Note 23)	23,800	29,791	31,307
Other <sup>(i)</sup>	126,475	170,851	156,437
	<b>\$ 214,800</b>	<b>\$ 330,376</b>	<b>\$ 240,285</b>

<sup>(i)</sup> Other mainly relates to recoveries for services provided to third parties.

**Note 7 Support Services**

	Budget	2024	2023
Facilities operations	\$ 1,006,700	\$ 1,070,364	\$ 994,103
Patient health records, food services, and transportation	416,600	513,793	492,530
Housekeeping, laundry, and linen	273,700	264,093	260,404
Materials management <sup>(i)</sup>	189,600	233,350	243,399
Support services expense of full-spectrum contracted health service providers	162,700	182,462	166,462
Ancillary operations	86,600	61,412	73,236
Fundraising expenses and grants awarded	47,200	53,310	51,705
Other <sup>(i)</sup>	356,100	419,588	357,592
	<b>\$ 2,539,200</b>	<b>\$ 2,798,372</b>	<b>\$ 2,639,431</b>

<sup>(i)</sup> Materials management and other include inventory valuation adjustments of \$78,997 (2023 – \$71,419) (Note 20).

**Note 8 Administration**

	Budget	2024	2023
General administration	\$ 233,500	\$ 276,775	\$ 219,583
Human resources	146,700	143,236	127,969
Finance	87,100	80,422	80,565
Communications	26,500	28,038	26,496
Administration expense of full-spectrum contracted health service providers	47,500	45,339	40,713
	<b>\$ 541,300</b>	<b>\$ 573,810</b>	<b>\$ 495,326</b>

**Note 9 Financial Risk Management**

AHS is exposed to a variety of financial risks associated with its financial instruments. These financial risks include market risk, credit risk, and liquidity risk.

**(a) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk is comprised of three types of risk: price risk, interest rate risk, and foreign currency risk.

In accordance with the AHS investment bylaw and policy, AHS manages market risk by maintaining a conservative and diversified portfolio, and engages Alberta Investment Management Corporation, a related party, to manage the portfolio. Compliance with the bylaw and policy is monitored and reported to the AHS Board on a quarterly basis.

In order to earn financial returns at an acceptable level of market risk, the consolidated investment portfolio is governed by investment bylaws and policies with clearly established target asset mixes. The target assets range between 0% to 100% for cash and money market securities, 0% to 80% for fixed income securities and 0% to 70% for equity holdings.

Risk is reduced through asset class diversification, diversification within each asset class, and portfolio quality constraints governing the quality of portfolio holdings.

AHS assesses the sensitivity of its portfolio to market risk based on historical volatility of equity and fixed income markets. Volatility is determined using a ten-year average based on fixed income and equity market fluctuations and is applied to the total portfolio. Based on the volatility average of 3.70% (2023 – 3.79%) increase or decrease, with all other variables held constant, the portfolio could expect an increase or decrease in unrealized net gains and losses of \$95,745 (2023 – \$82,800).

**(i) Price Risk**

Price risk relates to the possibility that equity portfolio investments will change in fair value due to future fluctuations in market prices caused by factors specific to an individual equity investment or other factors affecting all equities traded in the market. AHS is exposed to price risk associated with the underlying equity portfolio investments held in pooled funds. If equity market indices (S&P/TSX, S&P1500 and MSCI ACWI and their sectors) declined by 10%, and all other variables are held constant, the potential loss in fair value to AHS would be approximately \$53,723 or 2.06% of total portfolio investments (2023 – \$49,936 or 2.27%).

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in market interest rates. AHS manages the interest rate risk exposure of its fixed income securities by management of average duration and laddered maturity dates.

AHS is exposed to interest rate risk through its investments in fixed income securities with both fixed and floating interest rates. AHS has fixed interest rate loans for all debt, thereby mitigating interest rate risk from rate fluctuations over the term of the outstanding debt. The fair value of fixed rate debt fluctuates with changes in market interest rates but the related future cash flows will not change.

**Note 9 Financial Risk Management (continued)**

In general, investment returns for fixed income securities are sensitive to changes in the level of interest rates, with longer term interest bearing securities being more sensitive to interest rate changes than shorter term bonds and money market instruments.

A 1% change in market yield relating to fixed income securities would have increased or decreased fair value by approximately \$62,499 (2023 – \$62,550).

Interest bearing securities have the following average maturity structure:

	2024	2023
Less than one year	33%	27%
1 – 5 years	49%	52%
6 – 10 years	10%	8%
Over 10 years	8%	13%

	Average Effective Market Yield	
Asset Class	2024	2023
Money market instruments	5.06%	4.45%
Fixed income securities	4.41%	4.21%

**(iii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Cash and cash equivalents and portfolio investments denominated in foreign currencies are translated into Canadian dollars on a daily basis using the reporting date exchange rate. Both the realized gain/loss and remeasurement gain/loss comprise actual gains or losses on the underlying instrument as well as changes in foreign exchange rates at the time of the valuation. AHS is exposed to foreign exchange fluctuations on its cash denominated in foreign currencies. AHS is also exposed to changes in the valuation on its global equity funds attributable to fluctuations in foreign currency.

Foreign currency risk is managed by the investment policies which limit non-Canadian equities to a maximum of 10% to 45% of the total investment portfolio, depending on the policy. At March 31, 2024, investments in non-Canadian equities represented 11.6% (March 31, 2023 – 12.5%) of total portfolio investments.

Foreign exchange fluctuations on cash balances are mitigated by derivatives and holding minimal foreign currency cash balances. AHS holds US dollar forward contracts to manage currency fluctuations relating to its US dollar accounts payable requirements. As at March 31, 2024, AHS held derivatives in the form of forward contracts for future settlement of \$18,000 (2023 – \$18,000). The fair value of these forward contracts as at March 31, 2024 was \$434 (2023 – \$846) and is included in portfolio investments (Note 10).

**(b) Credit Risk**

Credit risk is the risk of loss arising from the failure of a counterparty to fully honour its contractual obligations. The credit quality of financial assets is generally assessed by reference to external credit ratings. Credit risk can also lead to losses when issuers and debtors are downgraded by credit rating agencies. The investment policies restrict the types and proportions of eligible investments, thus mitigating AHS' exposure to credit risk.

Accounts receivable primarily consists of amounts receivable from AH, other Alberta government reporting entities, patients, other provinces and territories, and the federal government. AHS periodically reviews the collectability of its accounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts.

The carrying amounts of financial assets represent the maximum credit exposure.

Under the investment bylaws and policies governing the consolidated investment portfolio, money market securities are limited to a rating of R1 or equivalent or higher, and no more than 10% may be invested in any one issuer unless guaranteed by the Government of Canada or a Canadian province. Investments in corporate bonds are limited to BBB or equivalent rated bonds or higher and no more than 40% of the total investment portfolio. Not more than 20% of the investment portfolio may be BBB or equivalent rated bonds. AHS holds unrated mortgage fund investments which are classified as part of AHS' fixed income securities.

**Note 9 Financial Risk Management (continued)**

The following table summarizes AHS' investment in debt securities by counterparty credit rating at March 31. The unrated securities consist of low volatility pooled mortgages that are not rated on an active market.

Credit Rating	2024	2023
AAA	58%	51%
AA	10%	19%
A	17%	14%
BBB	11%	12%
Unrated	4%	4%
	<b>100%</b>	<b>100%</b>

**(c) Liquidity Risk**

Liquidity risk is the risk that AHS will encounter difficulty under both normal and stressed conditions in meeting obligations associated with financial liabilities that are settled by delivery of cash and cash equivalents or another financial asset. Liquidity requirements of AHS are met through funding provided by AH, income generated from portfolio investments, and by investing in liquid assets, such as money market securities, fixed income securities and equities traded in an active market that are easily sold and converted to cash. Short-term borrowing to meet financial obligations would be available through established credit facilities, which have not been drawn upon, as described in Note 17(b).

AHS issued debentures and the committed repayments with respect to these debentures are described in Note 17(c). The following are contractual maturities of the remaining financial liabilities as at March 31, 2024, based on expected undiscounted cash flows.

	Due in less than 1 year	Due in 1-5 years	Due after 5 years
Payroll payable and related accrued liabilities	\$ 816,482	\$ -	\$ -
Trade accounts payable and accrued liabilities	692,594	-	-
Other liabilities	6,930	13,056	5,961
	<b>\$ 1,516,006</b>	<b>\$ 13,056</b>	<b>\$ 5,961</b>

**Note 10 Portfolio Investments**

	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Cash held for investing purposes	\$ 131,690	\$ 131,690	\$ 122,940	\$ 122,940
Interest bearing securities:				
Money market securities	614,641	614,636	367,815	367,775
Fixed income securities	1,304,133	1,326,783	1,194,576	1,228,624
	<b>1,918,774</b>	<b>1,941,419</b>	<b>1,562,391</b>	<b>1,596,399</b>
Equities:				
Canadian equity investments and funds	199,709	181,927	177,151	171,926
Global equity investments and funds	299,807	224,040	273,522	228,896
	<b>499,516</b>	<b>405,967</b>	<b>450,673</b>	<b>400,822</b>
Real estate pooled funds	37,712	30,926	48,690	40,371
	<b>\$ 2,587,692</b>	<b>\$ 2,510,002</b>	<b>\$ 2,184,694</b>	<b>\$ 2,160,532</b>

	2024	2023
Items at fair value		
Portfolio investments designated to the fair value category	\$ 2,509,350	\$ 2,121,012
Portfolio investments in equity instruments that are quoted in an active market	77,908	62,836
Derivative asset, net	434	846
	<b>\$ 2,587,692</b>	<b>\$ 2,184,694</b>

As at March 31, 2024, included in portfolio investments is \$188,142 (2023 – \$187,959) that is restricted for use as per the requirements in Sections 99 and 100 of the *Insurance Act* (Alberta). Endowment principal included in portfolio investments amounts to \$105,273 (2023 – \$77,492).

The following are the total net remeasurement gains on portfolio investments:

	2024	2023
Accumulated remeasurement gains	\$ 64,073	\$ 20,270
Restricted unrealized net gains attributable to unexpended deferred operating revenue (Note 14(b))	13,617	3,892
	<b>\$ 77,690</b>	<b>\$ 24,162</b>

**Note 10 Portfolio Investments (continued)****Fair Value Hierarchy**

The three levels of information that are used to measure fair value are:

- Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

	2024			
	Level 1	Level 2	Level 3	Total
Cash held for investing purposes	\$ -	\$ 131,690	\$ -	\$ 131,690
Interest bearing securities:				
Money market securities	-	614,641	-	614,641
Fixed income securities	-	1,252,966	51,167	1,304,133
Equities:				
Canadian equity investments and funds	77,908	121,801	-	199,709
Global equity investments and funds	-	299,807	-	299,807
Real estate pooled funds	-	-	37,712	37,712
	<b>\$ 77,908</b>	<b>\$ 2,420,905</b>	<b>\$ 88,879</b>	<b>\$ 2,587,692</b>
Percent of total	3%	94%	3%	100%

	2023			
	Level 1	Level 2	Level 3	Total
Cash held for investing purposes	\$ -	\$ 122,940	\$ -	\$ 122,940
Interest bearing securities:				
Money market securities	-	367,815	-	367,815
Fixed income securities	-	1,143,251	51,325	1,194,576
Equities:				
Canadian equity investments and funds	62,836	114,315	-	177,151
Global equity investments and funds	-	273,522	-	273,522
Real estate pooled funds	-	-	48,690	48,690
	<b>\$ 62,836</b>	<b>\$ 2,021,843</b>	<b>\$ 100,015</b>	<b>\$ 2,184,694</b>
Percent of total	3%	93%	4%	100%

**Reconciliation of Investments classified as level 3**

	2024		
	Fixed income securities	Real estate pooled funds	Total
Beginning of year	\$ 51,325	\$ 48,690	\$ 100,015
Purchases	2,015	-	2,015
Sales	(333)	(11,129)	(11,462)
Realized (loss) gain	(21)	1,684	1,663
Gain (loss) included in the Consolidated Statement of Remeasurement Gains and Losses	595	(1,533)	(938)
Transfers out <sup>(i)</sup>	(2,414)	-	(2,414)
<b>End of year</b>	<b>\$ 51,167</b>	<b>\$ 37,712</b>	<b>\$ 88,879</b>



**Note 10 Portfolio Investments (continued)**

	2023		
	Fixed income securities	Real estate pooled funds	Total
Beginning of year	\$ 51,053	\$ 45,027	\$ 96,080
Purchases	2,266	-	2,266
Sales	(857)	-	(857)
Realized loss	(68)	-	(68)
(Loss) gain included in the Consolidated Statement of Remeasurement Gains and Losses	(1,999)	3,663	1,664
Transfers in <sup>(i)</sup>	930	-	930
<b>End of year</b>	<b>\$ 51,325</b>	<b>\$ 48,690</b>	<b>\$ 100,015</b>

<sup>(i)</sup> Transfers are attributable to changes in the observability of market data.

**Note 11 Accounts Receivable**

	2024			2023
	Gross	Allowance for Doubtful Accounts	Net	Net
AH operating transfers receivable	\$ 168,549	\$ -	\$ 168,549	\$ 324,146
Other capital transfers receivable	105,534	-	105,534	108,535
Patient accounts receivable	160,934	44,350	116,584	86,584
Drugs rebates receivable	105,960	-	105,960	87,031
AH capital transfers receivable	20,497	-	20,497	10,922
Other operating transfers receivable	50,050	-	50,050	38,117
Other accounts receivable	198,011	9,660	188,351	94,748
	<b>\$ 809,535</b>	<b>\$ 54,010</b>	<b>\$ 755,525</b>	<b>\$ 750,083</b>

Accounts receivable are unsecured and non-interest bearing. At March 31, 2023, the total allowance for doubtful accounts was \$57,791 of which \$48,229 related to patient accounts receivable.

**Note 12 Accounts Payable and Accrued Liabilities**

	2024	2023
Payroll payable and related accrued liabilities	\$ 816,482	\$ 697,925
Trade accounts payable and accrued liabilities	692,594	749,089
Provision for unpaid claims <sup>(a)</sup>	167,598	164,312
Obligations under capital leases <sup>(b)</sup>	142,882	122,977
Other liabilities	36,399	39,121
	<b>\$ 1,855,955</b>	<b>\$ 1,773,424</b>

As at March 31, 2024, accounts payable and accrued liabilities includes payables related to the purchase of tangible capital assets of \$237,885 (2023 – \$237,507). Of these amounts, \$9,166 (2023 – \$9,779) comprise life lease deposits received from tenants of certain AHS' long term care facilities, and obligations under capital leases of \$142,882 (2023 – \$122,977).

- (a) Provision for unpaid claims is an actuarial estimate of liability claims against AHS. It is influenced by factors such as historical trends involving claim payment patterns, loss payments, number of unpaid claims, claims severity and claim frequency patterns.

The provision has been actuarially estimated using the discounted value of claim liabilities using a discount rate of 4.37% (2023 – 3.80%).

**Note 12 Accounts Payable and Accrued Liabilities (continued)**

- (b) Obligations under capital leases include site leases with the University of Calgary, vehicle and equipment leases, site leases for ambulance services and a community care service facility.

The obligations will be settled between 2025 and 2041 and have an implicit interest rate payable ranging from 2.53% to 5.41% (2023 – 2.53% to 5.07%).

AHS is committed to making payments for obligations under capital leases as follows:

Year ended March 31	Minimum Contract Payments
2025	\$ 24,071
2026	22,366
2027	19,928
2028	15,794
2029	11,076
Thereafter	71,055
	<b>164,290</b>
Less: interest	(21,408)
	<b>\$ 142,882</b>

**Note 13 Employee Future Benefits**

	2024	2023
Accrued vacation pay	\$ 680,804	\$ 646,664
Accumulating non-vesting sick leave <sup>(a)</sup>	137,552	140,592
SERP pension plans	183	387
	<b>\$ 818,539</b>	<b>\$ 787,643</b>

**(a) Accumulating Non-Vesting Sick Leave**

Sick leave benefits are paid by AHS; there are no employee contributions and no assets set aside to support the obligation.

	2024	2023
Funded status – deficit	\$ 99,365	\$ 91,650
Unamortized net actuarial gain	38,187	48,942
<b>Accrued benefit liability</b>	<b>\$ 137,552</b>	<b>\$ 140,592</b>

Key assumptions used in the determination of the accumulating non-vesting sick leave liability are:

	2024	2023
Estimated average remaining service life	10 years	10 years
Draw down rate of accumulated non-vesting sick leave bank	18.30%	18.30%
Discount rate – beginning of year	5.60%	2.50%
Discount rate – end of year	5.00%	5.60%
Rate of compensation increase per year	2023-24	2022-23
	2.25%	1.60%
	2024-25	2023-24
	2.00%	2.25%
	2025-26	2024-25
	2.00%	2.00%
	Thereafter	Thereafter
	2.75%	2.75%

**Note 13 Employee Future Benefits (continued)****(b) Local Authorities Pension Plan (LAPP)****(i) AHS Participation in the LAPP**

The majority of AHS employees participate in the LAPP. AHS' employees comprise approximately 46% (2023 - 47%) of the total membership in LAPP. AHS is not responsible for future funding of the plan deficit other than through contribution increases. As AHS is exposed to the risk of contribution rate increases, the following disclosure is provided to explain this risk.

The LAPP provides for a pension of 1.4% for each year of pensionable service based on the average salary of the highest five consecutive years up to the average Canada Pension Plan's Year's Maximum Pensionable Earnings (YMPE), over the same five consecutive year period and 2.0% on the excess, subject to the maximum pension benefit limit allowed under the *Income Tax Act* (Canada). The maximum pensionable service allowable under the plan is 35 years.

**(ii) LAPP Surplus**

The LAPP carried out an actuarial valuation as at December 31, 2022 and these results were then extrapolated to December 31, 2023.

	December 31, 2023	December 31, 2022
LAPP net assets available for benefits	\$ 63,337,859	\$ 58,747,000
LAPP pension obligation	48,281,339	46,076,000
<b>LAPP surplus</b>	<b>\$ 15,056,520</b>	<b>\$ 12,671,000</b>

The 2024 and 2023 LAPP contribution rates are as follows:

Calendar 2024		Calendar 2023	
Employer	Employees	Employer	Employees
8.45% of pensionable earnings up to the YMPE and 11.65% of the excess	7.45% of pensionable earnings up to the YMPE and 10.65% of the excess	8.45% of pensionable earnings up to the YMPE and 12.23% of the excess	7.45% of pensionable earnings up to the YMPE and 11.23% of the excess

**(c) Pension Expense**

	2024	2023
Local Authorities Pension Plan	\$ 521,199	\$ 462,649
Defined contribution pension plans and group RRSPs	41,331	39,651
Other pension plans	1,727	(253)
	<b>\$ 564,257</b>	<b>\$ 502,047</b>

**Note 14 Unexpended Deferred Operating Revenue**

(a) Changes in the unexpended deferred operating revenue balance are as follows:

	2024				2023
	AH	Other Government <sup>(i)</sup>	Donors and Non-Government	Total	Total
Balance, beginning of year	\$ 190,243	\$ 98,730	\$ 283,655	\$ 572,628	\$ 529,707
Received or receivable during the year	1,641,288	169,270	205,588	2,016,146	2,596,362
Unexpended deferred operating revenue returned	(7,288)	(2,630)	(404)	(10,322)	(4,585)
Restricted investment income	1,700	1,586	13,574	16,860	2,463
Transferred from unexpended deferred capital revenue <sup>(ii)</sup>	9,197	95,149	712	105,058	83,435
Transferred to expended deferred operating revenue	-	-	-	-	(69,517)
Recognized as revenue	(1,605,994)	(251,255)	(139,182)	(1,996,431)	(2,546,492)
Miscellaneous other revenue recognized	(1,701)	(923)	(13,118)	(15,742)	(2,125)
	<b>227,445</b>	<b>109,927</b>	<b>350,825</b>	<b>688,197</b>	<b>589,248</b>
Changes in unrealized net gains attributable to portfolio investments related to endowments and unexpended deferred operating revenue	(1,677)	1,332	10,070	9,725	(16,620)
<b>Balance, end of year</b>	<b>\$ 225,768</b>	<b>\$ 111,259</b>	<b>\$ 360,895</b>	<b>\$ 697,922</b>	<b>\$ 572,628</b>

- (i) The balance for other government includes \$1,879 (2023 – \$2,512) of unexpended deferred operating revenue received from government entities outside the Province of Alberta. The remaining balance in other government all relates to the Province of Alberta (Note 23).
- (ii) The transfer is mainly comprised of restricted capital funding that was used for approved expenditures that did not meet the definition of a tangible capital asset.

**Note 14 Unexpended Deferred Operating Revenue (continued)**

- (b) The unexpended deferred operating revenue balance at the end of the year is externally restricted for the following purposes:

	2024				2023
	AH	Other Government	Donors and Non-Government	Total	Total
Research and education	\$ 4,222	\$ 2,741	\$ 255,047	\$ 262,010	\$ 200,129
Cancer prevention, screening and treatment	83,490	197	3,814	87,501	74,806
Addiction and mental health	-	60,278	1,868	62,146	55,053
Acute care	8,369	1,413	41,720	51,502	51,902
Support services	6,756	5,513	32,939	45,208	40,270
Physician revenue and alternate relationship plans	42,527	2,181	-	44,708	49,196
Primary Care Networks	29,240	-	-	29,240	23,150
Diagnostic and therapeutic services	21,639	594	847	23,080	22,694
Emergency medical services	19,936	1,053	255	21,244	200
Long term care partnerships	-	20,171	-	20,171	19,508
Population and public health	1,941	14,926	1,163	18,030	21,859
Others individually less than \$10,000	8,845	40	10,580	19,465	9,969
	<b>226,965</b>	<b>109,107</b>	<b>348,233</b>	<b>684,305</b>	<b>568,736</b>
Unrealized net (loss) gain attributable to portfolio investments related to endowments and unexpended deferred operating revenue (Note 10)	(1,197)	2,152	12,662	13,617	3,892
	<b>\$ 225,768</b>	<b>\$ 111,259</b>	<b>\$ 360,895</b>	<b>\$ 697,922</b>	<b>\$ 572,628</b>

**Note 15 Unexpended Deferred Capital Revenue**

(a) Changes in the unexpended deferred capital revenue balance are as follows:

	2024				2023
	AH	Other Government <sup>(i)</sup>	Donors and Non-Government	Total	Total
Balance, beginning of year	\$ 70,973	\$ 8,442	\$ 98,486	\$ 177,901	\$ 149,516
Received or receivable during the year	143,304	279,166	51,072	473,542	429,670
Used for the acquisition of land	-	-	-	-	(3,934)
Unexpended deferred capital revenue returned	(1,174)	(2,452)	-	(3,626)	(73)
Transferred to expended deferred capital revenue	(92,938)	(186,853)	(47,784)	(327,575)	(312,683)
Transferred to unexpended deferred operating revenue <sup>(ii)</sup>	(9,197)	(95,149)	(712)	(105,058)	(83,435)
Revenue recognized on settlement of asset retirement obligations (Note 18)	(168)	(630)	(314)	(1,112)	(1,160)
<b>Balance, end of year</b>	<b>\$ 110,800</b>	<b>\$ 2,524</b>	<b>\$ 100,748</b>	<b>\$ 214,072</b>	<b>\$ 177,901</b>

(i) The balance for other government all relates to the Province of Alberta (Note 23).

(ii) The transfer is mainly comprised of restricted capital funding of approved expenditures that did not meet the definition of a tangible capital asset.

(b) The unexpended deferred capital revenue balance at the end of the year is externally restricted for the following purposes:

	2024	2023
<b>AH</b>		
Continuing Care Beds	\$ 4,150	\$ 12,714
Information systems	828	5,505
Medical Equipment Replacement Upgrade Program	9,771	2,367
Diagnostic equipment	2,436	3,612
Alberta Surgical Initiative Capital Program	44,229	15,560
Rural Health Facilities Revitalization Program	31,214	22,119
National Association of Pharmacy Regulatory Authorities	13,687	-
Other equipment	4,485	9,096
<b>Total AH</b>	<b>110,800</b>	<b>70,973</b>
<b>Other government</b>		
Facilities and improvements	482	2,489
Equipment	2,042	5,953
<b>Total other government</b>	<b>2,524</b>	<b>8,442</b>
<b>Donors and non-government</b>		
Equipment	89,371	88,792
Facilities and improvements	11,377	9,694
<b>Total donors and non-government</b>	<b>100,748</b>	<b>98,486</b>
	<b>\$ 214,072</b>	<b>\$ 177,901</b>

**Note 16 Expended Deferred Revenue**

	2024	2023
Expended deferred capital revenue <sup>(a)</sup>	\$ 8,696,431	\$ 8,525,465
Expended deferred operating revenue <sup>(b)</sup>	-	116,636
	<b>\$ 8,696,431</b>	<b>\$ 8,642,101</b>

**(a) Expended deferred capital revenue**

Changes in the expended deferred capital revenue balance are as follows:

	2024				2023
	AH	Other Government <sup>(i)</sup>	Donors and Non-Government	Total	Total
Balance, beginning of year	\$ 591,868	\$ 7,705,605	\$ 227,992	\$ 8,525,465	\$ 8,278,969
Transferred from unexpended deferred capital revenue	92,938	186,853	47,784	327,575	312,683
Constructed tangible capital assets on behalf of AHS	-	198,774	-	198,774	262,429
Contributed tangible capital assets	-	-	24	24	35
Recognized as revenue	(106,297)	(214,858)	(34,252)	(355,407)	(328,651)
<b>Balance, end of year</b>	<b>\$ 578,509</b>	<b>\$ 7,876,374</b>	<b>\$ 241,548</b>	<b>\$ 8,696,431</b>	<b>\$ 8,525,465</b>

<sup>(i)</sup> The balance includes \$228 (2023 - \$nil) of expended deferred capital revenue received from government entities outside of the Province of Alberta. The remaining balance in other government relates to the Province of Alberta (Note 23).

**(b) Expended deferred operating revenue**

Changes in the expended deferred operating revenue balance are as follows:

	2024	2023
	Total	Total
Balance, beginning of year	\$ 116,636	\$ 336,972
Transferred from unexpended deferred operating revenue	-	69,517
Recognized as unrestricted revenue	(10,195)	-
Recognized as restricted revenue	(106,441)	(289,853)
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ 116,636</b>

The balance of expended deferred operating revenue in 2023 pertains to unused COVID-19 supplies purchased with AH funding.

**Note 17 Debt**

	2024	2023
Debtures (a):		
Parkade loan #1	\$ 9,811	\$ 13,446
Parkade loan #2	11,658	14,677
Parkade loan #3	19,081	22,372
Parkade loan #4	88,956	98,549
Parkade loan #5	22,331	24,473
Parkade loan #6	17,279	18,411
Parkade loan #7	38,774	41,037
Parkade loan #8	149,397	151,400
Parkade loan #9	20,000	-
Energy savings initiative loan	14,887	16,817
EMS support vehicle loan	23,639	32,906
	<b>\$ 415,813</b>	<b>\$ 434,088</b>

(a) Alberta Treasury Board and Finance (TBF) is responsible for the administration of the Province's lending program.

AHS issued debtures to TBF, a related party, to finance the construction of parkades. AHS has pledged revenue derived directly or indirectly from the operations of all parking facilities being constructed, renovated, owned, and operated by AHS as security for these debtures.

AHS issued a debture to TBF relating to an energy savings initiative. AHS has pledged the mortgage on the Royal Alexandra Hospital Lands and Alberta Hospital Lands as security for this debture.

AHS issued a debture to TBF relating to EMS support vehicles. AHS has pledged the vehicles as security for this debture.

AHS is in compliance with all performance requirements relating to its debtures as at March 31, 2024.

The maturity dates and interest rates for the outstanding debtures are as follows:

	Maturity Date	Fixed Interest Rate
Parkade loan #1	September 2026	4.4025%
Parkade loan #2	September 2027	4.3870%
Parkade loan #3	March 2029	4.9150%
Parkade loan #4	September 2031	4.9250%
Parkade loan #5	June 2032	4.2280%
Parkade loan #6	December 2035	3.6090%
Parkade loan #7	March 2038	2.6400%
Parkade loan #8	December 2059	3.6010%
Parkade loan #9	March 2044	5.1200%
Energy savings initiative loan	December 2030	2.4160%
EMS support vehicle loan	September 2026	1.1500%

(b) As at March 31, 2024, AHS has access to a \$220,000 (2023 – \$220,000) revolving demand facility with a Canadian chartered bank which may be used for operating purposes. Draws on the facility bear interest at the bank's prime rate less 0.50% per annum. As at March 31, 2024, AHS has \$nil (2023 – \$nil) drawn against this facility.

AHS also has access to a \$33,000 (2023 – \$33,000) revolving demand letter of credit facility which may be used to secure AHS' obligations to third parties. At March 31, 2024, AHS has \$3,316 (2023 – \$3,353) in a letter of credit outstanding against this facility. AHS is in compliance with the terms of the agreement relating to the letter of credit as at March 31, 2024.



**Note 17 Debt (continued)**

(c) AHS is committed to making principal and interest payments with respect to its outstanding debt as follows:

Year Ended March 31	Principal	Interest	Total
2025	\$ 40,226	\$ 15,535	\$ 55,761
2026	41,671	14,090	55,761
2027	36,274	12,584	48,858
2028	28,904	11,236	40,140
2029	28,302	10,023	38,325
Thereafter	240,436	108,280	348,716
	<b>\$ 415,813</b>	<b>\$ 171,748</b>	<b>\$ 587,561</b>

During the year, the total interest related to debt was \$15,788 (2023 – \$16,960), comprised of capitalized interest of \$nil (2023 – \$3,631) (Note 19(a)) and interest expense of \$15,788 (2023 – \$13,329). Accrued interest at March 31, 2024 amounted to \$2,679 (2023 – \$2,767).

**Note 18 Asset Retirement Obligations**

	2024	2023
Asset retirement obligations, beginning of year	\$ 583,172	\$ 544,416
Liability incurred	-	1,144
Liability settled	(1,978)	(2,780)
Revision in estimates (Note 19)	(41,773)	40,392
Asset retirement obligations, end of year	<b>\$ 539,421</b>	<b>\$ 583,172</b>

AHS has asset retirement obligations to remove hazardous asbestos fibre containing materials from its buildings. Regulations require AHS to handle and dispose of the asbestos in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although timing of the asbestos removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for AHS to remove the asbestos when asset retirement activities occur.

The estimate of the liability is based primarily on asbestos abatement rates calculated using the current costs incurred as part of AHS renovation and demolition projects. Third party engineering reports, building schematics, and professional judgments were used in determining the square meters containing asbestos. A funding source for this obligation has not been determined.

The timing of settlement of asset retirement obligations is currently unknown. For the year ended March 31, 2024, a recovery of \$1,112 (2023 - \$1,160) was recognized (Note 15(a)).

**Note 19 Tangible Capital Assets**

Cost	2023	Additions <sup>(a)</sup>	Transfers/ Adjustments <sup>(i)</sup>	Disposals/ Write-downs	2024
Facilities and improvements	\$ 12,717,651	\$ -	\$ 267,024	\$ (1,222)	\$ 12,983,453
Work in progress	665,094	506,115	(509,307)	(411)	661,491
Equipment	2,974,510	207,650	(2,001)	(40,277)	3,139,882
Information systems	2,268,704	14,038	108,723	(7,067)	2,384,398
Building service equipment	1,025,874	-	64,883	(13)	1,090,744
Land <sup>(b)</sup>	121,749	32	-	-	121,781
Leased facilities and improvements	317,743	33,000	22,431	-	373,174
Land improvements	107,568	-	6,474	-	114,042
	<b>\$ 20,198,893</b>	<b>\$ 760,835</b>	<b>\$ (41,773)</b>	<b>\$ (48,990)</b>	<b>\$ 20,868,965</b>

Accumulated Amortization	2023	Amortization Expense	Effect of Transfers/ Adjustments	Disposals/ Write-downs	2024
Facilities and improvements	\$ 4,994,290	\$ 158,195	\$ -	\$ (1,120)	\$ 5,151,365
Work in progress	-	-	-	-	-
Equipment	2,298,163	172,250	-	(38,919)	2,431,494
Information systems	1,682,243	150,060	-	(6,994)	1,825,309
Building service equipment	626,105	49,801	-	(14)	675,892
Land <sup>(b)</sup>	-	-	-	-	-
Leased facilities and improvements	214,316	19,714	-	-	234,030
Land improvements	80,127	3,093	-	-	83,220
	<b>\$ 9,895,244</b>	<b>\$ 553,113</b>	<b>\$ -</b>	<b>\$ (47,047)</b>	<b>\$ 10,401,310</b>

Cost	2022	Additions	Transfers/ Adjustments	Disposals/ Write-downs	2023
Facilities and improvements	\$ 11,129,930	\$ 772	\$ 1,604,903	\$ (17,954)	\$ 12,717,651
Work in progress	1,934,048	557,785	(1,822,697)	(4,042)	665,094
Equipment	2,823,434	208,700	(2,107)	(55,517)	2,974,510
Information systems	2,106,767	10,124	165,939	(14,126)	2,268,704
Building service equipment	978,574	-	47,300	-	1,025,874
Land <sup>(b)</sup>	117,804	3,966	-	(21)	121,749
Leased facilities and improvements	262,878	-	55,496	(631)	317,743
Land improvements	116,010	-	(8,442)	-	107,568
	<b>\$ 19,469,445</b>	<b>\$ 781,347</b>	<b>\$ 40,392</b>	<b>\$ (92,291)</b>	<b>\$ 20,198,893</b>

Accumulated Amortization	2022	Amortization Expense	Effect of Transfers/ Adjustments	Disposals/ Write-downs	2023
Facilities and improvements	\$ 4,866,614	\$ 142,844	\$ -	\$ (15,168)	\$ 4,994,290
Work in progress	-	-	-	-	-
Equipment	2,190,700	160,272	-	(52,809)	2,298,163
Information systems	1,556,079	140,274	-	(14,110)	1,682,243
Building service equipment	574,139	51,966	-	-	626,105
Land <sup>(b)</sup>	-	-	-	-	-
Leased facilities and improvements	205,500	9,123	-	(307)	214,316
Land improvements	78,378	1,749	-	-	80,127
	<b>\$ 9,471,410</b>	<b>\$ 506,228</b>	<b>\$ -</b>	<b>\$ (82,394)</b>	<b>\$ 9,895,244</b>

<sup>(i)</sup> Transfers and adjustments relate to reclassifications between capital asset categories and revisions to asset retirement costs of \$41,773 (2023 - \$40,392) (Note 18).

**Note 19 Tangible Capital Assets (continued)**

	Net Book Value	
	2024	2023
Facilities and improvements	\$ 7,832,088	\$ 7,723,361
Work in progress	661,491	665,094
Equipment	708,388	676,347
Information systems	559,089	586,461
Building service equipment	414,852	399,769
Land <sup>(b)</sup>	121,781	121,749
Leased facilities and improvements	139,144	103,427
Land improvements	30,822	27,441
	<b>\$ 10,467,655</b>	<b>\$ 10,303,649</b>

**(a) Additions**

Additions include tangible capital assets constructed by AI on behalf of AHS of \$198,774 (2023 – \$262,429) (Note 23) and \$24 (2023 – \$35) contributed from other sources. During the year, AHS capitalized interest of \$nil (2023 – \$3,631) (Note 17(c)) within work in progress. Capital lease additions amounted to \$37,753 (2023 – \$19,031).

**(b) Leased Land**

Land at the following sites have been leased to AHS at nominal values:

Site	Leased from	Lease Expiry
Evansburg Community Health Centre	Yellowhead County	April 2031
Bethany Care Centre	Red Deer College	April 2034
Myrnam Land	Eagle Hill Foundation	May 2038
Helipad Land at Two Hills	Stella Stefiuk	August 2041
McConnell Place North	City of Edmonton	September 2044
Northeast Community Health Centre	City of Edmonton	February 2047
Jasper Healthcare Centre	Parks Canada	March 2049
Foothills Medical Centre Parkade	University of Calgary	July 2054
Alberta Children's Hospital	University of Calgary	December 2103
Kaye Edmonton Clinic (Parcel H)	The University of Alberta	February 2109
Laneway adjacent to Queen Elizabeth II Hospital	City of Grande Prairie	Under negotiation

**(c) Leased Tangible Capital Assets**

Tangible capital assets acquired through capital leases includes vehicle leases, equipment, information systems and facilities with a cost of \$579,537 (2023 – \$487,324) and accumulated amortization of \$286,709 (2023 – \$269,475).

**(d) Asset Retirement Costs**

Facilities and improvements and Building service equipment, include \$538,304 (2023 - \$581,299) of asset retirement costs and \$359,135 (2023 - \$348,944) of related accumulated amortization.

**Note 20 Inventories of Supplies**

	2024	2023
Pharmaceuticals	\$ 106,759	\$ 114,334
Medical and surgical supplies	47,395	95,817
Other <sup>(i)</sup>	43,015	97,574
	<b>\$ 197,169</b>	<b>\$ 307,725</b>

- (ii) Other is mainly related to staff wearing apparel such as gowns and masks, housekeeping, and other supplies not included under pharmaceuticals and medical and surgical supplies.

Demand has reduced for inventories purchased to support public health emergencies in prior years, resulting in a valuation adjustment of \$78,997 (2023 – \$71,419) in the current year.

AHS holds and distributes COVID-19 rapid test kits, provided at no cost by the Federal Government, on behalf of AH. These inventories are excluded from these consolidated financial statements. AHS is holding \$1,459 (2023 – \$223,542) on behalf of AH as at March 31, 2024.

**Note 21 Accumulated Surplus**

Accumulated surplus is comprised of the following:

	2024					2023
	Unrestricted Surplus	Invested in Tangible Capital Assets <sup>(a)</sup>	Endowments <sup>(b)</sup>	Internally Restricted Surplus for Insurance Equity Requirements and Foundations <sup>(c)</sup>	Total	Total
Balance, beginning of year	\$ 262,491	\$ 649,167	\$ 77,492	\$ 131,677	\$ 1,120,827	\$ 1,037,157
Annual operating surplus	183,631	-	-	-	183,631	83,670
Net investment in tangible capital assets	(56,615)	56,615	-	-	-	-
Transfer of insurance equity requirements and foundations deficits	8,182	-	-	(8,182)	-	-
Transfer of net deficits related to asset retirement obligations	9,435	(9,435)	-	-	-	-
Transfer of endowment contributions (Note 5)	(27,781)	-	27,781	-	-	-
<b>Balance, end of year</b>	<b>\$ 379,343</b>	<b>\$ 696,347</b>	<b>\$ 105,273</b>	<b>\$ 123,495</b>	<b>\$ 1,304,458</b>	<b>\$ 1,120,827</b>

**Note 21 Accumulated Surplus (continued)****(a) Invested in Tangible Capital Assets**

Invested in tangible capital assets represents the portion of accumulated surpluses that has been invested in the acquisition or construction of AHS' assets. The balance is offset by asset retirement costs recognized to date in accumulated surplus net of related liability settlements.

Reconciliation of invested in tangible capital assets:

	2024	2023
Tangible capital assets (Note 19)	\$ 10,467,655	\$ 10,303,649
Net Book Value of Asset Retirement Costs capitalized (Note 19(d))	(179,169)	(232,355)
Less funded by:		
Expended deferred capital revenue (Note 16(a))	(8,696,431)	(8,525,465)
Debt (Note 17)	(415,813)	(434,088)
Unexpended debt	32,405	20,999
Obligations under capital leases (Note 12)	(142,882)	(122,977)
Life lease deposits (Note 12)	(9,166)	(9,779)
	<b>\$ 1,056,599</b>	<b>\$ 999,984</b>
Asset retirement costs recognized net of related liability settlements	(360,252)	(350,817)
	<b>\$ 696,347</b>	<b>\$ 649,167</b>

**(b) Endowments**

Endowments represent the portion of accumulated surplus that is restricted and must be maintained in perpetuity. Transfers of endowment contributions from unrestricted surplus include \$27,781 (2023 – \$110) of net contributions received in the year (Note 5).

**(c) Internally Restricted Surplus for Insurance Equity Requirements and Foundations**

Insurance equity requirements comprise surpluses of \$21,042 (2023 – \$39,359) related to equity of the LPIP mainly relating to legislative requirements per the Insurance Act. Foundations comprise surpluses amounting to \$102,453 (2023 – \$92,318) related to donations received by AHS' Controlled Foundations without external restrictions attached.

**Note 22 Contractual Obligations and Contingent Liabilities****(a) Contractual Obligations**

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

The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

Year ended March 31	Services <sup>(i)</sup>	Other <sup>(ii)</sup>	Operating Lease	Capital Projects	Total
2025	\$ 3,533,626	\$ 440,411	\$ 67,744	\$ 315,700	\$ 4,357,481
2026	1,890,785	275,754	56,726	63,945	2,287,210
2027	1,360,101	188,217	51,335	16,016	1,615,669
2028	1,138,489	113,045	44,196	17,268	1,312,998
2029	985,707	31,911	33,754	21,905	1,073,277
Thereafter	7,147,609	21,696	119,086	13,644	7,302,035
March 31, 2024	<b>\$ 16,056,317</b>	<b>\$ 1,071,034</b>	<b>\$ 372,841</b>	<b>\$ 448,478</b>	<b>\$ 17,948,670</b>
March 31, 2023	\$ 20,121,744	\$ 1,126,267	\$ 312,835	\$ 268,567	\$ 21,829,413

- (i) Service obligations mainly relate to contracts with third parties for the provision of long-term care services, home care services, and community laboratory services (Note 22(b)).
- (ii) Other obligations mainly relate to contracts with third parties for maintenance, information technology services, software, equipment, and procurement of medical supplies and food.

**(b) Transition of Community Laboratory Services**

On December 5, 2022, community laboratory services were transferred from AHS to DynaLIFEDX (DLDX). The agreement included an estimated commitment of \$4.8 billion over an initial term of 14 years and four months. On August 18, 2023, the government announced that AHS, through Alberta Precision Laboratories, would be the sole provider of community laboratory services in Alberta, to improve service delivery to Albertans (Note 27). The previous agreements with DLDX, including the related commitment, was cancelled effective August 31, 2023.

**(c) Contingent Liabilities****(i) Legal Claims**

AHS is subject to legal claims during its normal course of business. AHS recognizes a liability when the assessment of a claim indicates that a future event is likely to confirm that a liability has been incurred at the date of the financial statements and the amount of the contingent loss can be reasonably estimated.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2024, accruals have been recorded as part of the provision for unpaid claims and other liabilities (Note 12). Included in this accrual are claims in which AHS has been jointly named with the Minister. The accrual provided for these claims under the provision for unpaid claims represents AHS' portion of the liability.

**Note 22 Contractual Obligations and Contingent Liabilities (continued)**

AHS has been named in 234 legal claims (2023 – 292 claims) related to conditions in existence at March 31, 2024 where the likelihood of the occurrence of a future event confirming a contingent loss is not determinable. Of these, 201 claims have \$706,650 in specified amounts and 33 have no specified amounts (2023 – 256 claims with \$777,051 of specified claims and 36 claims with no specified amounts). The resolution of indeterminable claims may result in a liability, if any, that is different than the claimed amount.

**(ii) Collective Agreements**

AHS currently has 1 (2023 – 7) collective agreement that has expired as at March 31, 2024. Given that negotiations are ongoing or have not commenced, no additional disclosures have been made.

**Note 23 Related Parties**

Transactions with related parties are included within these consolidated financial statements, unless otherwise stated.

The Minister appoints all members of the AHS Board. The viability of AHS' operations depends on transfers from AH. Transactions between AHS and AH are reported and disclosed in the Consolidated Statement of Operations, the Consolidated Statement of Financial Position, and the Notes to the Consolidated Financial Statements, and are therefore excluded from the tables below.

Related parties also include key management personnel of AHS. AHS has defined key management personnel to include those disclosed in Schedules 2A and 2B of these consolidated financial statements, except management reporting to CEO direct reports. Related party transactions with key management personnel primarily consist of compensation related payments and are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length.

AHS is a related party with respect to those entities consolidated or included on a modified equity basis in the consolidated financial statements of the Province of Alberta. Entities consolidated or included on a modified equity basis have been grouped with their respective ministry and transactions between AHS and the other ministries are recorded at their exchange amount as follows:

	Revenues <sup>(a)</sup>		Expenses	
	2024	2023	2024	2023
Alberta Advanced Education <sup>(b)</sup>	\$ 57,875	\$ 59,994	\$ 184,077	\$ 181,312
Alberta Infrastructure <sup>(c)</sup>	312,158	289,460	12,064	17,310
Alberta Mental Health and Addiction <sup>(d)</sup>	121,779	90,695	-	-
Other ministries <sup>(e)</sup>	33,157	29,113	31,749	33,112
<b>Total for the year</b>	<b>\$ 524,969</b>	<b>\$ 469,262</b>	<b>\$ 227,890</b>	<b>\$ 231,734</b>

	Receivable from		Payable to	
	2024	2023	2024	2023
Alberta Advanced Education <sup>(b)</sup>	\$ 11,435	\$ 7,597	\$ 33,399	\$ 45,006
Alberta Infrastructure <sup>(c)</sup>	69,725	67,236	6,144	1,000
Alberta Mental Health and Addiction <sup>(d)</sup>	28,419	22,641	1,288	-
Other ministries <sup>(e)</sup>	8,928	3,635	419,112	437,593
<b>Balance, end of year</b>	<b>\$ 118,507</b>	<b>\$ 101,109</b>	<b>\$ 459,943</b>	<b>\$ 483,599</b>

**Note 23 Related Parties (continued)**

- (a) Revenues with Province of Alberta ministries include other government transfers of \$492,963 (2023 – \$433,722), (Note 4), other income of \$29,791 (2023 – \$31,307) (Note 6), and fees and charges of \$2,214 (2023 – \$4,233).
- (b) The majority of AHS' transactions with Alberta Advanced Education relate to initiatives with the University of Alberta and the University of Calgary. These initiatives include teaching, research, and program delivery. A number of physicians are employed by either AHS or the universities but perform services for both. Due to proximity of locations, some initiatives result in sharing physical space and support services. The transactions reported are a result of funding provided from one to the other and recoveries of shared costs.
- (c) The transactions with AI relate to the construction of tangible capital assets on behalf of AHS. These transactions include operating transfers of \$98,110 (2023 – \$99,542) and recognition of expended deferred capital revenue of \$214,048 (2023 – \$189,918) relating to tangible capital assets with stipulations or external restrictions to utilize over their remaining useful lives. Not included in the table above but included in total amounts disclosed in Note 19(a) is tangible capital assets constructed by AI on behalf of AHS of \$198,774 (2023 – \$262,429).
- (d) The transactions with Alberta Mental Health and Addiction relate to initiatives to support Albertans experiencing addiction and mental health challenges.
- (e) The payable transactions with other ministries include the debt payable to TBF (Note 17(a)).

At March 31, 2024, AHS has recorded deferred revenue from other ministries within the Province of Alberta, excluding AH, of \$109,380 (2023 – \$96,218) related to unexpended deferred operating revenue (Note 14(a)), \$2,524 (2023 – \$8,442) related to unexpended deferred capital revenue (Note 15(a)) and \$7,876,146 (2023 – \$7,705,605) related to expended deferred capital revenue (Note 16(a)).

Contingent liabilities in which AHS has been jointly named with other government entities within the Province of Alberta are disclosed in Note 22.

**Note 24 Government Partnerships**

AHS has proportionately consolidated 50% of the results of the PCNs and NACTRC and 33.33% of the results in iRSM. The following is 100% of the financial position and results of operations for AHS' government partnerships.

	2024	2023
Financial assets (portfolio investments, accounts receivable, other assets)	\$ 83,417	\$ 67,995
Liabilities (trade accounts payable, unexpended deferred operating revenue)	83,417	67,995
<b>Accumulated surplus</b>	<b>\$ -</b>	<b>\$ -</b>
Total revenues	\$ 279,160	\$ 263,082
Total expenses	279,160	263,082
<b>Annual surplus</b>	<b>\$ -</b>	<b>\$ -</b>



**Note 25 Trusts under Administration****(a) Health Benefit Trust of Alberta (HBTA)**

AHS is one of more than 30 participants in the HBTA and has a majority representation on the HBTA governance board. The HBTA is a formal employee life and health trust established under a Trust Agreement effective January 1, 2000. The HBTA provides health and other related employee benefits pursuant to the authorizing Trust Agreement.

The HBTA's balances as at March 31 are as follows:

	2024	2023
Financial assets	\$ 232,932	\$ 125,630
Liabilities	23,983	34,644
Net financial assets	208,949	90,986
Non-financial assets	-	5
<b>Net assets</b>	<b>\$ 208,949</b>	<b>\$ 90,991</b>

AHS has included in prepaid expenses \$142,539 (2023 – \$59,712) representing in substance a prepayment of future premiums to the HBTA. For the fiscal year ended March 31, 2024, AHS paid premiums of \$632,746 (2023 – \$552,232) which is approximately 98% (2023 – 98%) of the total premiums received by the HBTA.

**(b) Other Trust Funds**

AHS holds funds in trust for research and development, education, and other programs. These amounts are held and administered on behalf of others in accordance with the terms and conditions embodied in the relevant agreements with no unilateral power to appropriate the funds or to change the conditions set out in the trust indenture (or agreement) and therefore are not reported in these consolidated financial statements. As at March 31, 2024, the balance of funds held in trust by AHS for research and development is \$100 (2023 – \$100).

AHS holds funds in trust from continuing care residents for personal expenses. As at March 31, 2024, the balance of these funds is \$2,185 (2023 – \$1,855). These amounts are not included in the consolidated financial statements.

AHS and a third party trustee administer the SERP in accordance with a retirement compensation arrangement trust agreement. As at March 31, 2024, there are \$25,176 in plan assets (2023 – \$26,547). These amounts are not included in the consolidated financial statements.

**Note 26 Segment Disclosure**

The Consolidated Schedule of Segment Disclosures – *Schedule 3* is intended to enable users to better understand the reporting entity and identify the resources allocated to the major activities of AHS.

AHS' revenues, as reported on the Consolidated Statement of Operations, are most informatively presented by source and are not reasonably assignable to the reportable segments. For each reported segment, the expenses are directly or reasonably attributable to the segment.

The segments have been selected based on the presentation that is adopted for the financial reporting, planning and budget processes, and represent the major distinguishable activities of AHS.

Segments include:

**(a) Continuing care**

Continuing care is comprised of long-term care including chronic, palliative, and psychiatric care in facilities operated by AHS and contracted providers.

**(b) Community care**

Community care includes supportive living, palliative and hospice care, and community programs including Primary Care Networks, Family Care Clinics, urgent care centres, community paramedic program and mental health. This segment excludes community-based dialysis, oncology, and surgical services.

**Note 26 Segment Disclosure (continued)****(c) Home care**

Home care is comprised of home nursing and support.

**(d) Acute care**

Acute care is comprised predominantly of patient care units such as medical, surgical, intensive care, palliative care, obstetrics, pediatrics, mental health, emergency, day/night care, clinics, day surgery, and contracted surgical services. This segment also includes operating and recovery rooms.

**(e) Emergency medical services**

Emergency medical services is comprised of ground ambulance, air ambulance, patient transport, and central dispatch. AHS also supports community paramedic programs, as well as other programs that support the learning, development, quality and safety of emergency medical services professionals.

**(f) Diagnostic and therapeutic services**

Diagnostic and therapeutic services support and provide care for patients through clinical lab (both in the community and acute settings), diagnostic imaging, pharmacy, rehabilitation services such as physiotherapy, occupational therapy, respiratory therapy, and speech language pathology.

**(g) Population and public health**

Population and public health is comprised primarily of health promotion, disease and injury prevention, and health protection. This segment also includes immunizations, traveler's health clinics, outbreaks, screening programs, and disease surveillance. This segment excludes activities associated with treatment of communicable diseases.

**(h) Research and education**

Research and education is comprised primarily of costs pertaining to formally organized health research and graduate medical education, primarily funded by donations, and third party contributions.

**(i) Information technology**

Information technology is comprised of costs pertaining to the provision of service and consultation in the design, development, implementation of technology services and systems.

**(j) Support services**

Support services is comprised of building maintenance operations (including utilities), materials management (including purchasing, central warehousing, distribution, and sterilization), housekeeping, patient registration, health records, infection control, food services, and emergency preparedness.

**(k) Administration**

Administration is comprised of human resources, finance, communications, and general administration, as well as a share of administration of certain contracted health service providers. General administration includes senior executives and many functions such as planning and development, quality assurance, patient safety, insurance, privacy, public relations, risk management, internal audit, and legal.

**Note 27 Acquisition of DynaLIFEDX**

On August 18, 2023, the government announced that AHS, through Alberta Precision Laboratories, would be the sole provider of community laboratory services in Alberta, to improve service delivery to Albertans. This was accomplished by AHS' acquisition of the operations, including specific assets, liabilities, and workforce of DynaLIFEDX (DLDX) through the Asset Purchase and Transition Agreements executed on August 31, 2023. The previous Services Agreement and Ancillary Agreements with DLDX including the related commitment, was cancelled effective August 31, 2023 (Note 22(b)).

The purchase price allocation of assets and liabilities on the basis of fair value was as follows:

	August 31, 2023
<b>Financial assets:</b>	
Cash	\$ 2,112
Accounts receivable	7,173
	<u>9,285</u>
<b>Liabilities:</b>	
Accounts payable and accrued liabilities	39,468
Employee future benefits	10,421
	<u>49,889</u>
<b>Non-financial assets:</b>	
Tangible capital assets	71,760
Inventories of supplies	7,886
Prepaid expenses	4,959
	<u>84,605</u>
Purchase price before settlement of balances due from DLDX	(47,795)
Net balances due from DLDX settled at acquisition	16,295
<b>Cash purchase consideration paid</b>	<u><b>(31,500)</b></u>
<b>Purchase premium before transaction costs</b>	<u><b>(3,794)</b></u>
Transaction costs	(912)
<b>Purchase premium</b>	<u><b>\$ (4,706)</b></u>

**Note 28 Corresponding Amounts**

Certain corresponding amounts have been reclassified to conform with 2024 presentation.

**Note 29 Subsequent Events and Restructuring/Refocusing of AHS**

On November 8, 2023, the Premier of Alberta announced that AHS will shift its primary focus from being the regional health authority in Alberta to focusing on acute care. Implementation of these changes will be introduced in a staged approach, resulting in the restructuring of AHS and the creation of four new agencies focusing on primary care, acute care, continuing care, and mental health and addiction.

On April 2, 2024, the Premier of Alberta announced that Recovery Alberta will be the new provincial health agency responsible for the delivery and oversight of mental health and addiction services. The annual budget for these services is estimated at approximately \$1 billion and is expected to be transitioned from Alberta Health to the ministry of Mental Health and Addiction.

On May 30, 2024, the *Health Statutes Amendment Act, 2024*, received Royal Assent, enabling the transition from one regional health authority, AHS, to an integrated system of four sector-based provincial health agencies. The *Regional Health Authorities Act*, now renamed the *Provincial Health Agencies Act*, clarifies the Minister of Health's authority, the roles and responsibilities of the provincial health agencies, and enables the transfer of staff from AHS to the new agencies.

Recovery Alberta will begin operating in the summer of 2024, while the remaining three provincial health agencies are expected to be established in the fall of 2024. The full financial effect of the restructuring, including the impact on AHS' assets, liabilities and operations is currently unknown.

**Note 30 Approval of Consolidated Financial Statements**

The consolidated financial statements were approved by the AHS Board on June 3, 2024 and submitted to the Ministry of Health.

## SCHEDULE 1 – CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT FOR THE YEAR ENDED MARCH 31

	2024		2023
	Budget (Note 3)	Actual	Actual
Salaries and benefits	\$ 9,408,967	\$ 9,839,465	\$ 9,155,665
Contracts with health service providers	3,790,600	3,466,333	3,328,374
Contracts under the Health Facilities Act	59,300	55,824	28,587
Drugs and gases <sup>(i)</sup>	827,300	738,881	679,210
Medical supplies <sup>(i)</sup>	707,000	815,353	828,438
Other contracted services	1,559,300	1,688,175	1,533,975
Other <sup>(a)</sup>	1,590,500	1,685,083	1,595,887
Amortization and loss on disposals/write-downs of tangible capital assets (Note 19)	527,500	555,033	514,897
	<b>\$ 18,470,467</b>	<b>\$ 18,844,147</b>	<b>\$ 17,665,033</b>
(a) Significant amounts included in Other are:			
Equipment expense	\$ 320,900	\$ 295,346	\$ 272,979
Utilities	180,400	230,705	209,283
Building and ground expenses	163,300	174,780	164,886
Housekeeping, laundry and linen, staff wearing apparel, plant maintenance and biomedical engineering supplies <sup>(i) (ii)</sup>	159,300	163,538	222,813
Building rent	133,500	125,766	128,547
Minor equipment purchases	75,000	103,351	75,540
Food and dietary supplies	88,800	86,029	86,604
Fundraising and grants awarded	52,000	65,734	56,600
Office supplies and courier	54,400	64,347	68,685
Insurance and liability claims	51,500	58,656	35,860
Travel	30,000	46,165	35,486
Telecommunications	36,400	34,250	30,936
Licenses, fees and memberships	30,630	26,139	27,390
Education	12,000	14,994	11,802
Other	202,370	195,283	168,476
	<b>\$ 1,590,500</b>	<b>\$ 1,685,083</b>	<b>\$ 1,595,887</b>

<sup>(i)</sup> Demand has reduced for inventories purchased to support public health emergencies in prior years, resulting in a valuation adjustment of \$78,997 (2023 – \$71,419) (Note 20).

<sup>(ii)</sup> Includes personal protective equipment, such as procedural masks, N95s, gowns, face shields and goggles, as well as other supplies such as hand sanitizers, disinfecting wipes and other cleaning supplies.

## SCHEDULE 2 - SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024

### SCHEDULE 2A – BOARD REMUNERATION FOR THE YEAR ENDED MARCH 31, 2024

	Term	2024 Committees	2024 Remuneration	2023 Remuneration
<b>Board Chair<sup>(f)</sup></b>				
Dr. Lyle Oberg	Since Nov 8, 2023	FARC, FC, GCHRC	\$ 155	\$ -
<b>Board Members</b>				
Sandy Edmonstone (Vice Chair)	Since Nov 8, 2023	FC (Chair), GCHRC	14	-
Cynthia Farmer <sup>(g)</sup>	Since Nov 8, 2023	-	-	-
Angela Fong	Since Nov 21, 2023	GCHRC (Chair)	12	-
Paul George Haggis	Since Nov 8, 2023	FARC (Chair), FC	14	-
Evan Romanow <sup>(g)</sup>	Since Nov 8, 2023	FC	-	-
Andre Tremblay <sup>(g)</sup>	Since Nov 8, 2023	FARC, FC, GCHRC	-	-
<b>Total Board</b>			<b>\$ 195</b>	<b>\$ -</b>

The Board chair and Board members were remunerated with monthly honoraria. In addition, Board members received remuneration for attendance at Board and committee meetings.

Board committees were established by the Board to assist in governing AHS and overseeing the management of AHS' business and affairs.

Committee legend: FARC = Finance, Audit and Risk Committee, FC = Foundations Committee, GCHRC = Governance, Compliance and Human Resources Committee

### SCHEDULE 2B – FORMER OFFICIAL ADMINISTRATOR / FORMER OFFICIAL ADMINISTRATOR COMMITTEE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2024

	Term	2024 Committees	2024 Remuneration	2023 Remuneration
<b>Former Official Administrator</b>				
Dr. John Cowell	Nov 17, 2022 to Nov 8, 2023	OAAC	\$ 436	\$ 267
<b>Former Official Administrator Committee Participants<sup>(h)</sup></b>				
Tara Lockyer	Nov 24, 2022 to Nov 8, 2023	OAAC	2	4
Gregory Turnbull	Nov 24, 2022 to Nov 8, 2023	OAAC	3	4
Tyler White	Jul 12, 2023 to Nov 8, 2023	OAAC	1	-
Gord Winkel	Nov 24, 2022 to Nov 8, 2023	OAAC	3	4
<b>Total Former Official Administrator / Former Official Administrator Committee</b>			<b>\$ 445</b>	<b>\$ 279</b>

The tenure of the Official Administrator was in lieu of a Board at AHS.

Dr. John Cowell was appointed to the position of Official Administrator effective November 17, 2022 per Ministerial Order 319/2022 for a six month term. The incumbent was reappointed to the position of Official Administrator effective May 17, 2023 as per Ministerial Order 305/2023 with a term to end on June 30, 2023, and then subsequently reappointed effective July 1, 2023 as per Ministerial Order 307/2023 with a term to end on December 31, 2023. The incumbent's term ended November 8, 2023 when Ministerial Order 307/2023 was repealed by Ministerial Order 314/2023.

Official Administrator committees were established by the Official Administrator to aid in governing AHS and overseeing the management of AHS' business and affairs. Official Administrator committee participants were eligible to receive honoraria for meetings attended.

Committee legend: OAAC = Official Administrator Advisory Committee

## SCHEDULE 2C – FORMER BOARD REMUNERATION FOR THE YEAR ENDED MARCH 31, 2023

	Term	2023 Remuneration
<b>Former Board Chair</b>		
Gregory Turnbull	Dec 8, 2021 to Nov 17, 2022	\$ 43
<b>Former Board Members</b>		
Dr. Sayeh Zielke (Vice Chair)	Sep 28, 2020 to Nov 17, 2022	31
Deborah Apps	Jan 19, 2021 to Oct 7, 2022	18
Tony Dagnone	Jan 19, 2021 to Nov 17, 2022	21
Sherri Fountain	Jan 19, 2021 to Nov 17, 2022	23
Hartley Harris	Aug 9, 2021 to Nov 17, 2022	21
Tara Lockyer	Aug 17, 2022 to Nov 17, 2022	7
Jack Mintz	Jun 3, 2021 to Nov 17, 2022	17
Heidi Overguard	Sep 25, 2019 to Nov 17, 2022	23
Natalia Reiman	Jan 19, 2021 to Nov 17, 2022	18
Brian Vaasjo	Aug 20, 2019 to Nov 17, 2022	19
Vicki Yellow Old Woman	Sep 28, 2020 to Nov 17, 2022	19
<b>Former Board Committee Participants</b>		
Dr. William Ghali	Oct 1, 2021 to Nov 17, 2022	1
Stephen Livergant	Apr 9, 2021 to Sep 15, 2022	-
Gord Winkel	Nov 27, 2015 to Nov 17, 2022	1
<b>Total Former Board</b>		<b>\$ 262</b>

Former Board members were remunerated with monthly honoraria. In addition, they received remuneration for attendance at Board and committee meetings. Former Board members did not serve however in the fiscal year ended March 31, 2024, having been dismissed effective November 17, 2022.

## SCHEDULE 2D - EXECUTIVE REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024

For the Current Fiscal Year	2024						
	FTE <sup>(a)</sup>	Base Salary <sup>(b, i)</sup>	Other Cash Benefits <sup>(c)</sup>	Other Non-Cash Benefits <sup>(d)</sup>	Subtotal	Severance <sup>(e)</sup>	Total
<b>Board / Former Official Administrator Direct Reports</b>							
Athana Mentzelopoulos – President and Chief Executive Officer <sup>(j, dd)</sup>	0.31	\$ 179	\$ -	\$ 88	\$ 267	\$ -	\$ 267
Sean Chilton – Interim President and Chief Executive Officer <sup>(k, ee)</sup>	0.06	35	-	6	41	-	41
Mauro Chies – President and Chief Executive Officer <sup>(l)</sup>	0.63	374	-	85	459	1,386	1,845
Ronda White – Chief Audit Executive <sup>(m, ff)</sup>	1.00	313	2	73	388	-	388
Athana Mentzelopoulos – Official Administrator Advisor/ Provisional Lead, Emergency Medical Services <sup>(j, dd)</sup>	0.33	119	-	44	163	-	163
<b>CEO Direct Reports</b>							
Sean Chilton – Interim VP and Chief Operating Officer, Clinical Operations/VP, People, Health Professions and Information Technology <sup>(k, ee)</sup>	0.94	410	19	102	531	-	531
Lori Anderson – Acting VP and Chief Operating Officer, Clinical Operations <sup>(n)</sup>	0.03	10	3	2	15	-	15
Deb Gordon – VP and Chief Operating Officer, Clinical Operations <sup>(o, hh)</sup>	0.52	212	-	7	219	970	1,189
Dr. Sid Viner – VP and Medical Director, Clinical Operations <sup>(ff)</sup>	0.90	436	22	102	560	-	560
Dr. Peter Jamieson – Interim VP, Quality and Chief Medical Officer <sup>(p, gg)</sup>	0.33	177	-	-	177	-	177
Dr. Francois Belanger – VP, Quality and Chief Medical Officer <sup>(q, hh)</sup>	0.63	316	-	85	401	1,071	1,472
Susan McGillivray – Interim VP, People and Health Professions <sup>(r, ee)</sup>	0.60	229	-	61	290	-	290
Karen Horon – VP, Cancer Care Alberta and Clinical Support Services <sup>(s, ff)</sup>	1.00	331	1	96	428	-	428
Natalie McMurtry – Interim VP, Provincial Clinical Excellence <sup>(t, ff)</sup>	0.81	219	-	48	267	-	267
Dr. Braden Manns – Interim VP, Provincial Clinical Excellence <sup>(u)</sup>	0.19	107	2	7	116	-	116
Kerry Bales – Chief Program Officer, Addiction and Mental Health and Correctional Health Services <sup>(ff)</sup>	1.00	328	-	99	427	-	427
Holly Budd – Acting Senior Program Officer, Community Engagement and Communications <sup>(v, ff)</sup>	0.33	60	12	18	90	-	90
Gail Fredrickson – Interim VP, Community Engagement and Communications <sup>(w)</sup>	0.07	18	2	3	23	-	23
Colleen Turner – VP, Community Engagement and Communications <sup>(x, hh)</sup>	0.60	233	-	103	336	792	1,128
Michael Lam – Interim VP, Corporate Services and Chief Financial Officer <sup>(y, ff)</sup>	0.33	97	12	29	138	-	138
Colleen Purdy – VP, Corporate Services and Chief Financial Officer <sup>(z, hh)</sup>	0.63	273	-	57	330	504	834
Andrea Beckwith-Ferraton – Interim General Counsel and Corporate Secretary <sup>(aa, ff)</sup>	0.37	86	10	23	119	-	119
Tina Giesbrecht – General Counsel <sup>(bb, hh)</sup>	0.63	165	5	49	219	356	575
Geoffrey Pradella – Chief Strategy Officer <sup>(cc)</sup>	0.35	105	-	26	131	144	275
<b>Total Executive</b>	<b>12.59</b>	<b>\$ 4,832</b>	<b>\$ 90</b>	<b>\$ 1,213</b>	<b>\$ 6,135</b>	<b>\$ 5,223</b>	<b>\$ 11,358</b>
<b>Management Reporting to CEO Direct Reports</b>	<b>59.68</b>	<b>\$ 14,938</b>	<b>\$ 468</b>	<b>\$ 2,844</b>	<b>\$ 18,250</b>	<b>\$ 388</b>	<b>\$ 18,638</b>



**SCHEDULE 2D - EXECUTIVE REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024  
(CONTINUED)**

For the Prior Fiscal Year	2023						
	FTE <sup>(a)</sup>	Base Salary <sup>(b, i)</sup>	Other Cash Benefits <sup>(c)</sup>	Other Non-Cash Benefits <sup>(d)</sup>	Subtotal	Severance <sup>(e)</sup>	Total
<b>Official Administrator / Former Board Direct Reports</b>							
Mauro Chies – President and Chief Executive Officer	0.99	\$ 490	\$ 13	\$ 143	\$ 646	\$ -	\$ 646
Dr. Verna Yiu – President and Chief Executive Officer	0.01	4	-	4	8	660	668
Ronda White – Chief Audit Executive	1.00	291	1	45	337	-	337
Athana Mentzelopoulos – Official Administrator Advisor/ Provisional Lead, Emergency Medical Services	0.37	139	-	57	196	-	196
<b>CEO Direct Reports</b>							
Deb Gordon – VP and Chief Operating Officer, Clinical Operations	1.00	389	-	51	440	-	440
Dr. Sid Viner – VP and Medical Director, Clinical Operations	0.90	415	22	110	547	-	547
Dr. Francois Belanger – VP, Quality and Chief Medical Officer	1.00	477	-	59	536	-	536
Sean Chilton – VP, People, Health Professions and Information Technology	1.00	365	1	81	447	-	447
Karen Horon – Interim VP, Cancer Care Alberta and Clinical Support Services	0.98	255	3	63	321	-	321
Mauro Chies – VP, Cancer Care Alberta and Clinical Support Services	0.01	4	-	1	5	-	5
Dr. Braden Manns – Interim VP, Provincial Clinical Excellence	0.83	454	6	34	494	-	494
Kathryn Todd – VP, Provincial Clinical Excellence	0.08	24	5	5	34	-	34
Dr. Mark Joffe – VP and Medical Director, Cancer Care Alberta, Clinical Support Services and Provincial Clinical Excellence	0.62	288	20	29	337	-	337
Kerry Bales – Chief Program Officer, Addiction and Mental Health and Correctional Health Services	0.79	242	-	57	299	-	299
Colleen Turner – VP, Community Engagement and Communications	1.00	356	-	88	444	-	444
Colleen Purdy – VP, Corporate Services and Chief Financial Officer	1.00	412	3	78	493	-	493
Tina Giesbrecht – General Counsel	1.00	257	3	41	301	-	301
<b>Total Executive</b>	<b>12.58</b>	<b>\$ 4,862</b>	<b>\$ 77</b>	<b>\$ 946</b>	<b>\$ 5,885</b>	<b>\$ 660</b>	<b>\$ 6,545</b>
<b>Management Reporting to CEO Direct Reports</b>							
	<b>56.91</b>	<b>\$ 13,828</b>	<b>\$ 459</b>	<b>\$ 1,608</b>	<b>\$ 15,895</b>	<b>\$ 457</b>	<b>\$ 16,352</b>

**SCHEDULE 2E - EXECUTIVE SUPPLEMENTAL PENSION PLAN AND SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN**

Certain employees will receive retirement benefits that supplement the benefits limited under the registered plans for service. The Supplemental Pension Plan (SPP) is a defined contribution plan and the Supplemental Executive Retirement Plan (SERP) is a defined benefit plan. The amounts in this table represent the total SPP and SERP benefits earned by the individual during the fiscal year. The current period benefit costs for SPP and the other costs for SERP included in other non-cash benefits disclosed in Schedule 2D are prorated for the period of time the individual was in their position directly reporting to the Board / former Official Administrator or directly reporting to the President and Chief Executive Officer. Only individuals holding a position directly reporting to the Board / former Official Administrator or President and Chief Executive Officer during the current fiscal year are disclosed.

	2024			2023				
	SPP	SERP						
	Current Period Benefit Costs <sup>(1)</sup>	Other Costs <sup>(2)</sup>	Total	Total	Account Balance <sup>(3)</sup> or Accrued Benefit Obligation March 31, 2023	Change During the Year <sup>(4)</sup>	Account Balance <sup>(3)</sup> or Accrued Benefit Obligation March 31, 2024	
Athana Mentzelopoulos - President and Chief Executive Officer	\$ 14	\$ -	\$ 14	\$ -	\$ -	\$ 14	\$ 14	
Sean Chilton - Interim President and Chief Executive Officer/Interim VP and Chief Operating Officer, Clinical Operations/VP, People, Health Professions and Information Technology	30	-	30	21	265	60	325	
Mauro Chies - President and Chief Executive Officer	49	-	49	36	217	73	290	
Ronda White - Chief Audit Executive	14	-	14	12	159	32	191	
Lori Anderson - Acting VP and Chief Operating Officer, Clinical Operations	17	-	17	15	135	32	167	
Deb Gordon - VP and Chief Operating Officer, Clinical Operations								
SERP	-	(4)	(4)	(42)	560	(560)	-	
SPP	13	-	13	23	307	(307)	-	
Dr. Sid Viner - VP and Medical Director, Clinical Operations	31	-	31	29	152	51	203	
Dr. Peter Jamieson - Interim VP, Quality and Chief Medical Officer <sup>(5)</sup>	-	-	-	-	-	-	-	
Dr. Francois Belanger - VP, Quality and Chief Medical Officer	23	-	23	34	469	(469)	-	
Susan McGillivray - Interim VP, People and Health Professions								
SERP	-	(1)	(1)	(9)	147	2	149	
SPP	18	-	18	12	148	20	168	
Karen Horon - VP, Cancer Care Alberta and Clinical Support Services	16	-	16	8	48	20	68	
Natalie McMurtry - Interim VP, Provincial Clinical Excellence	7	-	7	1	5	8	13	
Dr. Braden Manns - Interim VP, Provincial Clinical Excellence <sup>(5)</sup>	-	-	-	-	-	-	-	
Kerry Bales - Chief Program Officer, Addiction and Mental Health and Correctional Health Services	16	-	16	13	211	40	251	
Holly Budd - Acting Senior Program Officer, Community Engagement and Communications <sup>(6)</sup>	-	-	-	-	-	-	-	
Gail Fredrickson - Interim VP, Community Engagement and Communications	6	-	6	7	34	(34)	-	

**SCHEDULE 2E - EXECUTIVE SUPPLEMENTAL PENSION PLAN AND SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (CONTINUED)**

	2024			2023			
	SPP	SERP					
	Current Period Benefit Costs <sup>(1)</sup>	Other Costs <sup>(2)</sup>	Total	Total	Account Balance <sup>(3)</sup> or Accrued Benefit Obligation March 31, 2023	Change During the Year <sup>(4)</sup>	Account Balance <sup>(3)</sup> or Accrued Benefit Obligation March 31, 2024
Colleen Turner - VP, Community Engagement and Communications	14	-	14	20	220	(220)	-
Michael Lam - Interim VP, Corporate Services and Chief Financial Officer	12	-	12	9	79	22	101
Colleen Purdy - VP, Corporate Services and Chief Financial Officer	18	-	18	26	74	(74)	-
Andrea Beckwith-Ferraton - Interim General Counsel and Corporate Secretary	4	-	4	3	39	9	48
Tina Giesbrecht - General Counsel	5	-	5	8	91	(91)	-
Geoffrey Pradella - Chief Strategy Officer <sup>(7)</sup>	-	-	-	-	-	-	-

(1) The SPP current period benefit costs are AHS contributions earned in the period.

(2) Other SERP costs include retirement benefits, interest expense on the obligations, and amortization of actuarial gains and losses, offset by the expected return on the plan's assets. AHS uses the straight-line method to amortize actuarial gains and losses over the expected average remaining service life of the plan members.

(3) The account balance represents the total cumulative earned contributions to the SPP as well as cumulative investment gains or losses on the contributions.

(4) Changes in the accrued benefit obligation include current period benefit cost, interest accruing on the obligations and the amortization of any actuarial gains or losses in the period. Changes in the account balance include the current benefit costs and investment gains or losses related to the account.

(5) The incumbent is not an employee of AHS, and therefore not eligible for enrollment in the SPP.

(6) The incumbent's pensionable earnings were below the threshold for enrollment in the SPP.

(7) The SPP had not fully vested at the time of the incumbent's departure, and as a result no current period benefit costs were incurred.

## FOOTNOTES TO THE SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024

### Definitions

- a. For this schedule, full time equivalents (FTE) are determined by actual hours earned divided by 2,030.50 annual base hours (2023 – 2,022.75 hours).
- b. Base salary is regular salary and includes all payments earned related to actual hours earned other than those reported as other cash benefits.
- c. Other cash benefits include, as applicable, honoraria, acting pay, membership fees, and lump sum payments. Relocation expenses are excluded from compensation disclosure as they are considered to be recruiting costs to AHS and not part of compensation unless related to severance. Expense reimbursements are also excluded from compensation disclosure except where the expenses meet the definition of the other cash benefits listed above.
- d. Other non-cash benefits include:
  - Employer's current period benefit costs and other costs of supplemental pension plan and supplemental executive retirement plans as defined in Schedule 2E
  - Employer's share of employee benefit contributions and payments made on behalf of employees including pension, health care, dental and vision coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, and long and short-term disability plans
  - Vacation accruals, and
  - Employer's share of the cost of additional benefits including sabbaticals or other special leave with pay.
- e. Severance includes direct or indirect payments to individuals upon termination which are not included in other cash benefits or other non-cash benefits.

### Board

- f. The Board Chair is an Ex-Officio member on all Board committees.
- g. These individuals did not claim honoraria.

### Former Official Administrator and Former Official Administrator Committee Participants

- h. These individuals were participants of Official Administrator committees but are not AHS employees.

### Executive

- i. Base salary reported for executives are the actual payments earned during the year, and is therefore contingent on the number of AHS' work days in the year. For the year ended March 31, 2024, the number of work days at AHS was 260 (2023 – 261 work days).
- j. Athana Mentzelopoulos held management positions as both Official Administrator Advisor and Provisional Lead, Emergency Medical Services until July 28, 2023 at which time she left AHS. During this tenure, the incumbent was on temporary secondment from the Government of Alberta, and AHS reimbursed the Government of Alberta for the incumbent's base salary and benefits. The incumbent was subsequently appointed to the position of President and Chief Executive Officer effective December 11, 2023.
- k. Sean Chilton held the position of Vice President, People, Health Professions and Information Technology until August 28, 2023 at which time he was appointed to Interim Vice President and Chief Operating Officer, Clinical Operations. The incumbent held the position of Interim Vice President and Chief Operating Officer, Clinical Operations until November 16, 2023 at which time the incumbent was appointed to Interim President and Chief Executive Officer and became a direct report to the Board. The incumbent held the position of Interim President and Chief Executive Officer until December 11, 2023 at which time the incumbent resumed the role of Interim Vice President and Chief Operating Officer, Clinical Operations and resumed being a direct report to the President and Chief Executive Officer.
- l. Mauro Chies held the position of President and Chief Executive Officer until November 16, 2023 at which time he left AHS from a leadership capacity. The incumbent's severance is to be paid by way of salary continuance which will terminate, without a requirement of further notice or compensation from AHS, effective November 15, 2025. The reported severance includes 24 months base salary plus accrued entitlements to pension and other benefits, as well as \$21 in lieu of the loss of employee benefits. In addition, the incumbent received a vacation payout of \$174 during the year for unused accrued vacation earned in prior periods; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- m. Ronda White received a vacation payout of \$18 for unused accrued vacation earned in prior periods; accrued vacation has been recorded in the compensation as a non-cash benefit in the period it was earned.
- n. Lori Anderson held the position of Chief Zone Officer, Calgary Zone until November 30, 2023 at which time she was appointed to Acting Vice President and Chief Operating Officer, Clinical Operations and became a direct report to the President and Chief Executive Officer. The incumbent held the position of Acting Vice President and Chief Operating Officer, Clinical Operations until December 11, 2023 at which time the incumbent resumed the role of Chief Zone Officer, Calgary Zone and was no longer a direct report to the President and Chief Executive Officer.
- o. Deb Gordon held the position of Vice President and Chief Operating Officer, Clinical Operations until October 6, 2023 at which time she left AHS. The incumbent received salary and other accrued entitlements to the date of departure, as well as the reported severance. In addition, the incumbent received a vacation payout of \$164 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.

## FOOTNOTES TO THE SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024 (CONTINUED)

- p. Dr. Peter Jamieson held the position of Interim Associate Medical Director, Clinical Operations until November 21, 2023 at which time he was appointed to Interim Vice President, Quality and Chief Medical Officer and became a direct report to the President and Chief Executive Officer. The incumbent's remuneration is as per the terms of a Medical Administrative Services Agreement.
- q. Dr. Francois Belanger held the position of Vice President, Quality and Chief Medical Officer until November 16, 2023 at which time he left AHS. The incumbent received salary and other accrued entitlements to the date of departure. The reported severance included 22 months base salary at the rate in effect at the date of departure, and 15% of the severance in lieu of benefits. In addition, the incumbent received a vacation payout of \$106 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- r. Susan McGillivray held the position of Senior Program Officer, HR Talent and Workforce Strategies until August 28, 2023 at which time she was appointed to Interim Vice President, People and Health Professions and became a direct report to the President and Chief Executive Officer.
- s. Karen Horon held the position of Interim Vice President, Cancer Care Alberta and Clinical Support Services until October 2, 2023 at which time she was appointed to Vice President, Cancer Care Alberta and Clinical Support Services.
- t. Natalie McMurtry held the position of Senior Program Officer, Sustainability Program Office until June 12, 2023 at which time she was appointed to Interim Vice President, Provincial Clinical Excellence and became a direct report to the President and Chief Executive Officer. Effective November 30, 2023, the incumbent took on the additional responsibilities as AHS Transition Lead. In addition, the incumbent received a vacation payout of \$13 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- u. Dr. Braden Manns held the position of Interim Vice President, Provincial Clinical Excellence until June 9, 2023 at which time he left AHS from a leadership capacity. The incumbent is a participant in the Alberta Academic Medicine and Health Services Program (South Sector), and their remuneration is as per the terms of that agreement. The incumbent's total remuneration is comprised of salary amounts from both AHS and the University of Calgary, and AHS reimburses the University for the incumbent's base salary and benefits.
- v. Holly Budd held the position of Executive Director, Communications until November 30, 2023 at which time she was appointed to Acting Senior Program Officer, Community Engagement and Communications and became a direct report to the President and Chief Executive Officer.
- w. Gail Fredrickson held the position of Senior Program Officer, Communications until November 6, 2023 at which time she was appointed to Interim Vice President, Community Engagement and Communications and became a direct report to the President and Chief Executive Officer. The incumbent held the position of Interim Vice President, Community Engagement and Communications until November 30, 2023 at which time the incumbent resumed the role of Senior Program Officer, Communications and was no longer a direct report to the President and Chief Executive Officer.
- x. Colleen Turner held the position of Vice President, Community Engagement and Communications until November 3, 2023 at which time she left AHS. The incumbent received salary and other accrued entitlements to the date of departure, as well as the reported severance. In addition, the incumbent received a vacation payout of \$183 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- y. Michael Lam held the position of Chief Program Officer, Financial Operations until November 30, 2023 at which time he was appointed to Interim Vice President, Corporate Services and Chief Financial Officer and became a direct report to the President and Chief Executive Officer.
- z. Colleen Purdy held the position of Vice President, Corporate Services and Chief Financial Officer until November 16, 2023 at which time she left AHS. The incumbent received salary and other accrued entitlements to the date of departure. The reported severance included 12 months base salary at the rate in effect at the date of departure, and 15% of the severance in lieu of benefits. In addition, the incumbent received a vacation payout of \$73 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- aa. Andrea Beckwith-Ferraton held the position of Chief Ethics and Compliance Officer until November 17, 2023 at which time she was appointed to Interim General Counsel and Corporate Secretary and became a direct report to the President and Chief Executive Officer.
- bb. Tina Giesbrecht held the position of General Counsel until November 16, 2023 at which time she left AHS. The incumbent received salary and other accrued entitlements to the date of departure. The reported severance included 14 months base salary at the rate in effect at the date of departure, and 15% of the severance in lieu of benefits. In addition, the incumbent received a vacation payout of \$111 for unused accrued vacation at the time of departure; accrued vacation has been recorded in their compensation as a non-cash benefit in the period it was earned.
- cc. Geoffrey Pradella was appointed to the position of Chief Strategy Officer effective July 12, 2023. The incumbent held the position until November 16, 2023 at which time the incumbent left AHS. The incumbent received salary and other accrued entitlements to the date of departure. The reported severance included 5 months base salary at the rate in effect at the date of departure, and 15% of the severance in lieu of benefits. In addition, the incumbent received a vacation payout of \$8 for unused accrued vacation at the time of departure.

### Termination Obligations

- dd. In the case of termination without just cause by AHS, the incumbent shall receive severance pay equal to one month base salary for each completed month of service during the first year of the term or, after completion of one year of service of the term, 12 months base salary. Such severance will be paid in equal monthly instalments. There was no severance associated with the temporary position.

## FOOTNOTES TO THE SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2024 (CONTINUED)

ee. In the case of termination without just cause by AHS, the incumbent shall receive severance pay equal to 24 months' salary and benefits.

ff. The incumbent's termination benefits have not been predetermined.

gg. There is no severance associated with the Medical Administrative Services Agreement.

hh. SPP and SERP

Based on the provision of the applicable SPP and SERP, the following outlines the benefits received by individuals who terminated employment with AHS within the 2023-24 fiscal period. As a result of retirement or termination, the incumbents are entitled to the benefits accrued to them up to the date of retirement or termination. For participants of SPP, the benefit includes the account balances as at March 31, 2023 and the current period benefit costs and investment gains or losses related to the account that were incurred during the current year. For participants of SERP, the benefit includes the accrued benefit obligation as at March 31, 2023, the current period benefit cost, interest accruing on the obligations, the amortization of any actuarial gains or losses in the period, and gains or losses due to curtailment that were incurred during the current year as identified in Schedule 2E. The AHS obligations are paid through either a monthly, annual, or lump sum payment:

Incumbent <sup>(1)</sup>	Supplemental Plan Commencement Date	Benefit (not in thousands)	Frequency	Payment Terms
Deb Gordon - VP and Chief Operating Officer, Clinical Operations (SERP)	January 4, 2005	\$4,156	Monthly	For a fixed term of 10 years from November 1, 2023 to October 1, 2033
Deb Gordon - VP and Chief Operating Officer, Clinical Operations (SPP)	November 1, 2012	\$42,872 increasing annually to \$43,300	Annually	For a fixed term of 8 years from November 2023 to January 2030
Dr. Francois Belanger - VP, Quality and Chief Medical Officer (SPP)	May 1, 2012	\$136,699 increasing annually to \$138,066	Annually	For a fixed term of 4 years from December 2023 to January 2026
Colleen Turner - VP, Community Engagement and Communications (SPP)	March 1, 2010	\$247,986	Once	December 2023
Colleen Purdy - VP, Corporate Services and Chief Financial Officer (SPP)	July 1, 2020	\$33,014 increasing annually to \$33,345	Annually	For a fixed term of 3 years from December 2023 to January 2025
Tina Giesbrecht - General Counsel (SPP)	September 17, 2012	\$104,072	Once	December 2023

(1) Pertains only to those individuals for which the applicable SPP was fully vested at the time their employment with AHS ended, and in a position directly reporting to the Board / former Official Administrator or President and Chief Executive Officer at the time of departure.

**SCHEDULE 3 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURES  
FOR THE YEAR ENDED MARCH 31**

	2024								Total
	Salaries and benefits	Contracts with health service providers	Contracts under the Health Facilities Act	Drugs and gases	Medical supplies	Other contracted services	Other	Amortization and loss on disposals/write-downs of tangible capital assets	
Continuing care	\$ 340,236	\$ 951,304	\$ -	\$ 7,566	\$ 7,657	\$ 42,481	\$ 23,068	\$ 3,048	\$ 1,375,360
Community care	927,558	945,293	-	9,574	5,428	53,219	41,622	934	1,983,628
Home care	370,243	358,439	-	199	11,593	83,992	18,683	560	843,709
Acute care	3,427,032	462,215	55,824	654,905	472,626	744,026	202,602	65,645	6,084,875
Emergency medical services	357,098	230,011	-	2,800	5,952	3,869	49,822	16,402	665,954
Diagnostic and therapeutic services	1,820,366	264,783	-	35,072	256,841	368,902	120,658	66,162	2,932,784
Population and public health	351,956	24,052	-	5,634	23,861	9,609	23,448	613	439,173
Research and education	194,329	3,229	-	108	453	119,400	35,066	122	352,707
Information technology	358,249	1,951	-	-	(32)	42,702	242,264	148,641	793,775
Support services	1,279,425	185,744	-	22,996	30,828	164,998	864,210	250,171	2,798,372
Administration	412,973	39,312	-	27	146	54,977	63,640	2,735	573, 810
<b>Total</b>	<b>\$ 9,839,465</b>	<b>\$ 3,466,333</b>	<b>\$ 55,824</b>	<b>\$ 738,881</b>	<b>\$ 815,353</b>	<b>\$ 1,688,175</b>	<b>\$ 1,685,083</b>	<b>\$ 555,033</b>	<b>\$ 18,844,147</b>

### SCHEDULE 3 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURES (CONTINUED) FOR THE YEAR ENDED MARCH 31

	2023								
	Salaries and benefits	Contracts with health service providers	Contracts under the Health Facilities Act	Drugs and gases	Medical supplies	Other contracted services	Other	Amortization and loss on disposals/write-downs of tangible capital assets <sup>(a)</sup>	Total
Continuing care	\$ 328,893	\$ 975,288	\$ -	\$ 7,711	\$ 9,567	\$ 35,968	\$ 21,563	\$ 2,504	\$ 1,381,494
Community care	851,905	925,158	-	15,238	5,156	47,831	42,667	449	1,888,404
Home care	350,859	275,690	-	198	11,290	81,146	20,920	49	740,152
Acute care	3,169,349	427,606	28,587	617,230	427,485	657,759	197,273	69,661	5,594,950
Emergency medical services	325,073	207,542	-	2,855	5,570	3,032	42,150	13,254	599,476
Diagnostic and therapeutic services	1,617,433	288,896	-	24,932	229,445	325,160	105,588	54,248	2,645,702
Population and public health	393,365	21,732	-	6,898	90,858	17,126	58,913	324	589,216
Research and education	190,860	3,182	-	91	1,097	121,689	24,812	66	341,797
Information technology	350,583	1,644	-	-	(31)	43,605	214,845	138,439	749,085
Support services <sup>(a)</sup>	1,208,134	166,678	-	4,037	47,215	156,836	828,509	228,022	2,639,431
Administration	369,211	34,958	-	20	786	43,823	38,647	7,881	495,326
<b>Total</b>	<b>\$ 9,155,665</b>	<b>\$ 3,328,374</b>	<b>\$ 28,587</b>	<b>\$ 679,210</b>	<b>\$ 828,438</b>	<b>\$ 1,533,975</b>	<b>\$ 1,595,887</b>	<b>\$ 514,897</b>	<b>\$ 17,665,033</b>