



RANCH EHRLO SOCIETY
ANNUAL REPORT 2021-2022

A year in colour

ABOUT US

Ranch Ehrlo Society is a charitable organization dedicated to providing a range of quality assessment, treatment, education, support, and community services that improve the lives of children, youth, adults, and families.

Ranch Ehrlo is proud to work with families representing some of the many diverse First Nations, Inuit, and Metis communities from across Canada. We are located on Treaty 4 and Treaty 6 territories, home of the Cree, Dene, Ojibwe, Saulteaux, Dakota, Nakota, Lakota, and homeland of the Métis Nation.

OUR MISSION

Ranch Ehrlo Society has developed unique and innovative programs to assist children, youth, families, and communities.

The mission of Ranch Ehrlo Society is to provide quality prevention, restorative, and advocacy services to vulnerable individuals and families through highly engaged and professional employees.

OUR VISION

We envision communities where all individuals and families achieve their full potential.

WHO WE SERVE

Our services include assessment and psychotherapy for members of the broader community, family treatment and reunification, early learning, vocational training, emergency receiving services, treatment foster care, affordable housing, group care treatment and education for children and youth with mental health, behavioural, and addictions needs, and group care and vocational services for older adolescents and adults with pervasive and complex developmental disorders, and community recreation and sports programs for at-risk youth. Our participants are referred from across the country.

OUR MODEL OF CARE

Our agency follows the CARE model, a multi-level program aimed at improving services for children and youth in care. Based on the six guiding principles below, the CARE model is designed to significantly influence the way we, as professionals work with children, youth, adults, and families.



Table of contents

4	13-14	24
Message from the board chair and CEO	Education services	Auditor's report
5-6	15-18	25
Group living services	Our achievements	Statement of financial position
7-8	19	26
Family services	Outcomes	Statement of operations
9-10	20	27
Community services	Ranch Ehrlo executive	Statement of changes in net assets
11-12	21	28
Clinical services	Ranch Ehrlo board of directors	Statement of cash flows
	22	29-39
	Highlights from the board committees	Notes to financial statements
	23	
	Ranch Ehrlo staff association	



Ranch Ehrlo Society's southern 1st Annual Fishing Derby at Echo Lake.

Leadership message

It is our pleasure to present the 2021-22 board chair/CEO report for Ranch Ehrlo Society.

As with much of the world, this past year continued to be a challenging one. However, at Ranch Ehrlo it was also an inspiring one, as everyone continued to respond and adapt to the changing pandemic landscape to provide much needed programs and services. Fortunately, with the reduction of COVID-19 cases and pandemic restrictions, we were able to return to some level of normalcy, including a return to some of our traditional in-person events and meetings.

In September, as part of the day's activities to commemorate and honour Orange Shirt and National Day for Truth and Reconciliation, we unveiled new flags and shirts, designed by a Ranch teacher in collaboration with his classroom students.

In December, we resumed the in-person Art from the Heart calendar reception, where Ranch students were able to showcase their artistic achievements. The event was modified slightly due to COVID-19 safeguards, but this did not hinder the creativity or enthusiasm.

This spring saw the return of our Winterfest celebrations, one in the north and one in the south. The southern event was combined with the 1st Annual Fishing Derby at Echo Lake.

This past year saw some changes to program names. The name of our program for adults and young people with multiple, complex developmental needs was changed from "Program for Persons with Developmental Disabilities" to the "Supported Living Program". The new program name describes the service provided, rather than label the person served. To honour the spirit and intention of the treaties through truth and reconciliation, we also replaced the term "residential" with "group living" when referencing agency programs.

As we continue our truth and reconciliation journey, we were pleased to welcome Jamie Lerat as the agency's Indigenous advisor. Jamie is helping us develop and execute internal and external Indigenous and community relations strategies to support participants. She provides guidance to agency leadership on strategy and also supports cultural understanding and learning activities.

Enhancements were made in the programming area. Our True Colours support group for youth and community members, created a new group to support adults with differing abilities who identify as two-spirit, lesbian, gay, bisexual, transgender, queer, and questioning. In our Family Treatment Program, a new support group was also launched for fathers to learn and heal with other dads in the program.

This spring our youth and adult participants had an opportunity to showcase their artistic skills in the community through a partnership with the Regina Public Library. The Make A Mark

art exhibit, featured art created through Ranch's Paper Crane expressive art services. The themes of the exhibit were the seven sacred teachings and animal symbolism in Indigenous art. The exhibit was at the George Bothwell Library in Regina.

In addition to program enhancements, a number of new capital projects and improvements were undertaken. In March we announced the construction of an Emergency Receiving Program at our Corman Park campus, that will offer emergency receiving services closer to home for youth from central and northern Saskatchewan. The facility is expected to be operational by June 2023.

We continue to make improvements to our group living spaces. This year a home in Regina was adapted and renovated to better meet the needs of a number of participants in our Supported Living Program. Participants in the program often live at the Ranch long-term. To help them achieve success, moving them to a space that best suits their needs, is a great move forward.

In February, Ranch Ehrlo was named a Top Employer in Saskatchewan for the 11th consecutive year. We are very proud of this designation and continue to work hard to ensure we provide a workplace that encourages our employees to be engaged, forward-thinking, and committed to the work we do.

During the fiscal year, we welcomed three new members to Ranch Ehrlo board of directors, with Benjamin Findlay, Lana Gray, and Blair Swystun joining the team. These three bring a wealth of experience to the board and we look forward to working with them.

We would like to thank all members of the Ranch Ehrlo Society board of directors for their dedicated service. A special thank you to Carmen Lien, Hiedi Pearson, and Marlys Tafelmeyer who will be rotating off the board. Your contributions will be missed.

Thank you, as always, to the executive team for their continued excellent work. And finally, a special thank you to all the employees and volunteers who time and time again, go above and beyond to provide excellent care to those we serve.



Natalie Huber,
CEO and
president



**Dr. Louise
Greenberg,**
board chair

Group living

Our integrated treatment programs provide youth and participants with differing abilities with group living services, clinical treatment, education/vocational services, and recreation.



Supported Living Program participants preparing food.



Welke House planting trees on Corman Park campus.



Lee House helping to clean up their community.



Youth getting a workout at a community gym.

Group living programs

Youth Group Living Programs

Young people are in treatment 24 hours a day and every activity is focused on achieving the best outcome for that youth.

Our programs are designed to first stabilize and assess youth entering our program. Following an intake period, programming focuses on providing opportunities for greater independence. There are life skills building opportunities available to youth such as shopping, meal preparation, accessing support services, and other skills.

Once youth are ready to leave the Ranch we help support them to successfully navigate the transition from adolescence to adulthood. Focus is on daily life skills, community/family connectedness, medical resources, community involvement, and vocational/education skills.

Supported Living Programs

Ranch Ehrlo provides programs for participants with multiple, complex developmental needs. Care and support are focused on person-centred and strength-based services.

Participants have access to a multi-disciplinary team of clinical consultants, who are trained in speech and language pathology, occupational therapy, social work, psychiatric nursing, and psychology. Target areas include fine motor skills, functional language development, social-emotional abilities, sensory processing ability, and daily living skills.

Emergency Receiving Programs

Ranch Ehrlo provides temporary emergency receiving services for youth while the Ministry of Social Services develops a longer term plan.



Hanging out in the backyard in a Regina group home.



Youth preparing a meal in a group home.

Family

Ranch Ehrlo has four family programs that help keep or bring families together.



Birthday party for a youth in the Treatment Foster Care program in the north.



The Family Treatment Program has a new group where fathers can learn and heal with other dads in a safe space.



Lisa Neill, manager of the southern Treatment Foster Care program looking to recruit foster parents.



Angel Whitestar, who works with families in our Family Treatment Program helped interested families in making ribbon skirts and parfleche earrings.

Family programs

The agency operates four family-focused programs that prevent the placement of children out of their home, assist families to reunite after having a child in care, or provide family-based care for children.

Family Treatment Program aims to improve family safety, family functioning, and child well-being so families can remain together. The program provides services to the whole family to assist families to safely care for their children and prevent out-of-home care, or to assist families to reunite after having a child in care. The length of time in the program is dependent on the family members' treatment needs.

Intensive Family Preservation Services is an intensive six-week in-home family treatment program that works with families referred by the Ministry of Social Services

from the southern region of the province. It is designed to stabilize and strengthen families and to prevent out-of-home placement of children.

Treatment Foster Care Program provides a supportive environment for children to live and thrive in a family setting. Foster families support the care, treatment, and community engagement of the children in their care while helping to develop and strengthen healthy relationships between the child and their birth family. A typical length of stay is six to 12 months.

Family Centred Addiction Program based out of Moose Jaw, is an innovative addictions treatment program that supports not only the individual struggling with substance misuse but also their immediate family.

Ranch Ehrlo is a family-focused agency and its goal is to keep families together whenever possible.



Quilt donation to the Family Treatment Program.

Community

Ranch Ehrlo offers community programs that make areas of living, working, and playing better places to be.



Emerald Poorman-Rope, an early childhood educator at Ehrlo Early Learning W.F Ready was excited to celebrate National Indigenous Peoples Day with the students.



Gloria Patrick, manager of Ehrlo Sport Venture, and Phyllis Littlelent, volunteer coach and parent, travelled to Toronto for the Jays Care Curve Ball Gala.



Ehrlo Sport Venture players took part in Regina's winter festival Frost on February, 2022.



Ehrlo Housing held a tenants appreciation barbecue to celebrate the 25th anniversary of the purchase of our first property- Lakeshore Village.

Community programs

Ranch Ehrlo Society is built upon the hope and belief that all individuals, families, and communities have the ability to achieve their full potential.

Ranch Ehrlo provides community services designed to promote the well-being of all.

A little boy can play hockey for the first time. A young teen can express herself through art. A student can learn outside of the classroom. Parents can feel confident about leaving their child at an early learning centre. A single mother can give her children a roof over their heads. A father struggling to parent can find support. And families can heal together and stay together.

Programs we offer

- **Ehrlo Housing** - affordable housing for low-income families, individuals with enduring mental health conditions, and youth transitioning from care.
- **Ehrlo Sport Venture** - organized recreation programs, free sports equipment lending, and specialized camps.
- **Ehrlo Counselling Services** - professional counselling, assessment, training, and consultation services for children, teens, and families.
- **Ehrlo Early Learning Centres** - quality learning and childcare for families in Regina.



After inviting Saulteaux Elder Alvin Kequatooway from Zagime Anishinabek First Nations and Cree Elder Sam Isaac from Ochapowace First Nation and helpers George Kequatooway and Aaron Kaye, the team of counsellors, psychologists, social workers, and clinicians at Ehrlo Counselling held a traditional naming service and feast.



A sea of orange across the agency as we all took part in the National Day for Truth and Reconciliation.

Clinical programs



Positivity project led by Lee House. The goal was to remind youth and staff that a pop of colour can go a long way in improving our well-being.

We help participants confront the issues that brought them here, while working to enhance their individual psychological and social well-being.



Youth grabbing a drink under the lights during a trip with the therapeutic camping program.

Clinical programs

Clinical activities can include individual, group and family counselling, psychological intervention and assessment, occupational therapy, speech and language services, arts-based services, and a number of other supplementary treatments.

Clinical treatment at the Ranch is comprised of our program caseworkers, a team of registered psychologists at the Clinical Assessment and Resources Services, and specialized clinical consultants. Participants also have access to psychiatric services, equine assisted therapy, and occupational therapists.

Youth, adults, and families spend time engaged with our highly-trained staff taking part in creative or athletic activities like yoga, art-based services, and therapeutic camping to name a few. Essentially participants are in treatment 24-hours a day. Even though it may not look like treatment, every activity is focused on achieving the best outcome for that young person or adult.



Ranch Ehrlo Society partnered with the Regina Public Library's Dunlop Art Gallery to present Ranch participants' art to the public. The exhibit, titled *Make a Mark*, also included creating a live mural on site.



Painting outside of our art-based services space in Regina.

Education

Our diverse education programs offer resources to students who have not traditionally had success in the classroom and vocational programs for participants with developmental and cognitive needs.



Schaller students engaged in land-based learning, picking sage at the Lebret Hill.



Students in Corman Park and Prince Albert received backpacks full of comfort items sponsored by the Children's Aid Foundation to help them through the coldest months of the year.



Vocational participant working on one of the agency's many trailers.



Learning Centre staff led a painting project with participants to paint t-shirts to remember those children that never made it home.

Education programs



Ranch teacher Nolan Malbeuf getting ready to take Schaller Education Centre students to Chitek Lake on a camping trip to learn land-based skills.

Most youth coming to Ranch Ehrlo have had little success in school.

Frustration and failure have often led a child to anger and withdrawal, as a result, they are no longer interested in learning.

To meet this challenge, the agency provides accredited, structured educational environments within Ranch-operated Schaller, Hansen, and Ellen Gunn education centres located on our three campuses at Pilot Butte, Buckland, and Corman Park. The agency also has a Transition Program in Regina which prepares youth to transition from a Ranch classroom toward mainstream placement. Each school provides an environment for academic assessment, modified programming, and behaviour stabilization in preparation for future educational placements.

As students progress and their behaviours stabilize, they are moved to classrooms in city schools with the support of an on site teacher and an assistant employed by the Ranch. This provides opportunity for students to adjust to what will be required in a regular school. The only difference in these classrooms is that the number of students is kept small in order to provide more individual attention to each student.

Vocational and alternative programs

The Learning Centre is a special education program designed to meet the needs of young adults who have severe developmental and sensory needs.

Ranch Ehrlo's four vocational and life skills programs provide a variety of work training experience and skills development designed to assist those with developmental and cognitive needs.

Our achievements

The past year was filled with extraordinary achievements.



Corman Park leadership charrette to design the new ER.

11 years and still going strong

For the 11th consecutive year, Ranch Ehrlo has been recognized as one of Saskatchewan's top employers. This special designation recognizes the Saskatchewan employers that lead their industries in offering exceptional places to work.

Ranch Ehrlo's Corman Park will fulfill an urgent need

Ranch Ehrlo Society will soon be able to offer emergency receiving services closer to home for youth from central and northern Saskatchewan.

The board of directors has approved the construction of an Emergency Receiving Program home on the Corman Park campus outside of Saskatoon. Emergency receiving services homes are a short-term solution to care for those who need a place to stay while the Ministry of Social Services determines the best care plan. The facility is expected to be operational by June 2023.

"There is an urgent need for emergency care for participants from central and northern Saskatchewan," explained Pam Dmytriw, vice-president of group living services. "Building this program home on our Corman Park campus ideally places the services where youth in the north need it most."

Ranch Ehrlo assists in a national effort

Ranch Ehrlo clinical team members are providing their expertise to an international effort to create effective standardized trauma-informed care for children and youth.

The Canadian Consortium on Child and Youth Trauma's mission is to create a standardized approach to child and youth trauma care "through advancements in research, practice, policy, and law."

Clinical team members contribute to the consortium through participation in various key projects. These include assisting in the creation of an online portal resource that will provide consistent information to caregivers and organizations on how to provide effective trauma-informed care for children and youth, and evaluating innovative new practices and policies created by other consortium members.

Winter fun and bonding

Out of the box thinking helped the participants and staff at Jewison House not only learn winter survival skills but also enabled a youth to spend time with his family.

Throughout the pandemic, caregivers have been challenged to find creative ways to offer meaningful programming, while incorporating all the CARE principles. The family-centred principle has been the most difficult, as there have been restrictions on having physical contact with people from different households.

Fortunately, a participant's grandfather offered a unique solution. The family member is an experienced outdoorsman. He offered to teach the participants new winter skills while also spending time with his young grandson, during an afternoon outing at Echo Valley Park.

Nicholas Hadjistavropoulos, a youth care leader, said, "We really value collaborating with families to ensure our participants feel fully supported and connected to their roots. It has a profound impact on participants' self-esteem, and sense of safety and security."



Board tour

Ehrlo Counselling continues the journey toward truth and reconciliation

Ehrlo Counselling Services took the next step in its journey towards truth and reconciliation.

After inviting Saulteaux Elder Alvin Kequatooway from Zagime Anishinabek First Nations and Cree Elder Sam Isaac from Ochapowace First Nation, the team of counsellors, psychologists, social workers, and clinicians held a traditional naming service and feast on Treaty 4 Territory in Regina. Ehrlo Counselling Services received the name of Thundering Buffalo Lodge, The Learning House.

"This ceremony acknowledges the respect and strength of the relationship between Ehrlo Counselling Services and the Indigenous people, who we thank for taking care of the land with which we work and live," explained Shelley Tamaki, registered psychologist and event organizer.

Board tour

Some of the members of Ranch Ehrlo Society's board of directors toured the Pilot Butte campus this spring. Each year a tour is set up to allow the board to interact with staff and participants and get a better understanding of what we do at the agency which helps the board make more informed decisions.

Dr. Louise Greenberg, the chair of the board, said, "We first received the theory, then we experienced the theory in practice with the tour. I feel like I have a much better understanding of Ranch Ehrlo."

Connecting after the Ranch

Ranch teacher Randee Patton goes the extra mile to ensure that students leaving the Ranch continue to succeed.

Patton, who has been at the Ranch for 12 years, recently shared a relationship-based and competency-centred CARE moment that took place with former student *Lacey. Lacey departed the Ranch after a year in care. She was starting at a new school and Patton decided to hold regular Team meetings with her and her new teacher to help make the transition smoother.

Patton explained that the children at the Ranch have more difficulty responding to transitions due to a variety of factors and when a change does occur, the youth benefit from transitions that involve everyone who knows the child.

The continued contact helps the student to have a sense of well-being and security in their new school. It also helps in developing positive social contacts with the staff at their new school.

**name changed for privacy*



Hilsden House youth at the Science Centre in an outing with Woodward youth.

Mentoring at the Ranch

What started with a few exchanged letters, turned into a positive experience that benefited the youth, but also the staff at Ranch Ehrlo.

Laura Logan, a group living manager was given supervision over two, six-bed homes in Regina last January. One home, Hilsden, is for young boys 6 to 12 and the other home, Woodward, is for young adults, some as old as 18, getting ready to transition out of care.

Logan envisioned the two programs coming together to form a mentorship opportunity. At first, some of our youth were a bit nervous but as everyone got to know each other, bonds formed. The older youth get the opportunity to be the big brother or sister.

Jillings House renovation

A home in Regina has been adapted and renovated to best meet the need of participants in our Supported Living Program. Participants in the program have lived long-term at Ranch Ehrlo. So, when we're looking at how to help them to achieve success, moving them to a space that best suits their needs, is a great move forward.



"In our program, we continue to strive to provide person-centred, strength-based care and we continue to look at our homes to make sure they meet the needs of our participants," explained Pam Dmytriw, vice-president of group living services.

Garven House was designed and built last year to house five participants who resided in our older Jillings Home. Once those participants were moved, Jillings House was renovated.

The renovations to Jillings included expanding from a five-bedroom to a six-bedroom home which has been renovated from top to bottom with no space untouched.

"It is such a bright beautiful open space now that uses the ecologically orientated principles of CARE. The colours in the home are fresh and homey. The home now allows for a lot of different gathering spaces for the participants so that activities can happen in different areas of the home at the same time," explained Monica Rivers, clinical consultant.

Reuniting a family of 10

Ranch Ehrlo Society is helping to bring together a family of 10 in its Family Treatment Program. The family is headed by Alanna and Trenton who spent the past several months working on themselves and their family to reunite with their eight children, ranging in age from 11 to three.

Russ Parr, a family preservation therapist in the program understands the complexities of working with a large household and all the individual personalities.

He said, "We're usually the families' last resort. Our priority is keeping families together to heal historical trauma, treat diverse physical and mental health concerns, and reunite families who may have been separated due to a variety of reasons."

Trenton and Alanna explained that in the program they have access to many different supports that weren't available in their home community. Having these supports has taken the weight off their shoulders and has allowed them to focus on their family and healing.

Once they finish the program, the family has plans to stay in Regina and continue to access supports. Alanna and Trenton are looking forward to where this journey will take their family.

Focus on outcomes

Continual improvement has always been a top priority for us. We take great strides to better understand how our programs impact our youth, adults, and families and we work diligently to ensure the delivery of our services are effective in meeting their needs. We have a system in place for analyzing and reporting our service recipients' success. We use the data to evaluate services, identify opportunities for improvement, and develop plans. If you want to see more outcomes, look for the Outcomes Report on ehrlo.com.

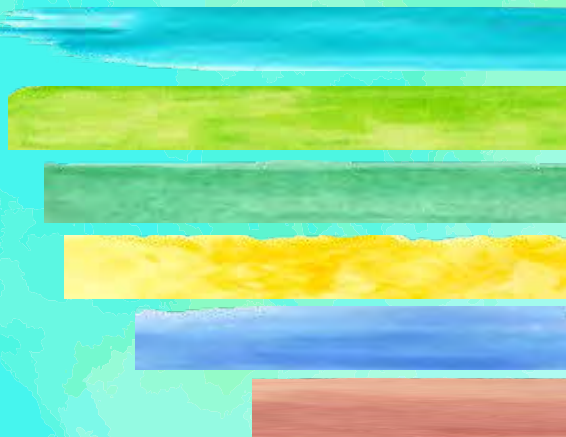


Group home working together.

Why are youth at the Ranch?

91%

of youth attained all or part of their goals!



Mental health 97%

Emotional regulation skills 89%

Executive functioning 83%

Risk behaviours 80%

Social skills 68%

Daily functioning 49%

93%

of Supported Living Program participants were satisfied with services.

97%

of families stayed together in our Intensive Family Preservation Services!

Our executive



Natalie Huber joined Ranch Ehrlo in January 2021 as the president/CEO. She has worked in child and family services for close to 28 years.



Shelley Reddekopp joined the Ranch in June 2021 as the vice-president of finance. She came to the agency with significant corporate, leadership, and financial experience.



Malcolm Neill joined the Ranch in 1988. He held various positions including vice-president of Ehrlo Community Services and vice-president of residential services, before

being appointed as the vice-president of strategy and organizational effectiveness in January 2020.



Pam Dmytriw joined the Ranch in 2016 as a group living director and moved into the role of vice-president of group living services in 2020. Prior to coming to the agency she

worked at the Ministry of Social Services and the Regina Qu'Appelle Health Region.



Corinna Hayden-Fidler has been an educator for over 28 years. Before being appointed the vice-president of education in September 2013, she held the title of director of

secondary and vocational programs.



Judy Bidyk joined the Ranch in March 2017 as the vice-president of human resources. She came to the agency from Supreme Office Products Ltd., where she was the

vice-president of HR.



David Rivers has over 25 years of experience in the agency. He has filled many roles in several programs before becoming the vice-president of clinical services in 2020.



Carole Bryant joined the Ranch in 2000. In 2016, she assumed a new role as director of governance and corporate services. She remains a member of the executive team.

Board of Directors

2021-2022

- **Dr. Louise Greenberg, (chair) executive in residence, Johnson Shoyama, U of R**
- **David Hedlund, (vice-chair) health care consultant**
- **Greg Fieger, (past-chair) vice-president, Gallagher Benefit Services**
- **Marlys Tafelmeyer, HR consultant**
- **Peter Hoffmann, senate representative, chair of the SaskTel Pension Board**
- **Carmen Lien, principal of Link Developments**
- **Hiedi Pearson, vice-president employee services team, Harvard Developments**
- **Sheri Woods, lawyer, Woods Law Office**
- **Diana Leray, partner, KPMG**
- **Frank Regel, retired human services professional**
- **Amy Groothuis, registrar, Court of Appeal**
- **Deb Pacholka, retired general counsel**
- **Hirsch Greenberg, retired justice studies professor**
- **Darren McKee, CEO/executive director, SK School Boards Association**
- **Benjamin Findlay, vice-president, Connor, Clark, and Lunn Private Capital Ltd.**
- **Blair Swystun, retired CIC president and CEO**
- **Lana Gray, owner of Lana Gray Leadership Services**



One of our therapeutic campsites.

Board committee reports

Audit and finance committee

Members: Peter Hoffmann (chair), Carmen Lien, Diana Leray, Louise Greenberg, Hirsch Greenberg, Blair Swystun (part of year)

The audit and finance committee reviewed the audited financial statements with the agency's external auditor Deloitte Canada, as well as the external auditor's performance. It agreed to extend the contract with Deloitte for another three-year term. The committee reviewed the agency's long-term lease commitments including equipment, vehicles, and real estate. It reviewed and presented to the board the agency's quarterly financial results and agency score card. The committee reviewed and recommended to the board rate increases for youth group living, supported living, family treatment, emergency receiving, and the education programs. The committee reviewed and recommended to the board revitalization of one current supported living house, construction of an emergency receiving home at Corman Park campus, and the purchase of a supported living home currently being leased in Regina. In conjunction with the human resources and compensation committee, it reviewed and recommended to the board approval of the 2022-2023 business and sustainability plan. It reviewed the 2022 Enterprise Risk Management annual report, heat map, and mitigation initiatives. It also reviewed in detail the risks dealing with financial sustainability. The committee annually reviews the agency's insurance coverage, investment policy and effectiveness of internal controls. The committee amended its terms of reference this year to include information technology (IT) as part of its risk management and compliance responsibilities.

Governance and nominations committee

Members: Deb Pacholka (chair), Dave Hedlund, Greg Fieger, Marlys Tafelmeyer, Benjamin Findlay (part of year)

The governance and nominations committee continued its work in strengthening the board governance structure. The committee conducted its biennial review of the Board of Directors Orientation and Training Policy and the Board of Directors Code of Conduct Policy. On behalf of the board, it reviewed the agency's five-year Strategic Plan and confirmed its ongoing validity. It continued its work on board renewal, board training and orientation, and facilitated the annual board and committee self-evaluation process. It agreed to move to the adoption of a standard adobe signature for all board and committee meeting minutes. The committee reviewed the risks from the Enterprise Risk Management annual report dealing with stakeholder confidence, accreditation, and regulatory and licensing requirements. The committee also had oversight for the planning and conduct of the annual general meeting.

Human resources and compensation committee

Members: Hiedi Pearson (chair), Amy Groothuis, Frank Regel, Sheri Woods, Lana Gray (part of the year)

The human resources and compensation committee continued to provide oversight for the agency's total compensation plan, performance management framework, and health and safety program. It conducted its annual review of the performance of the agency's self-directed pension plan and received recommendations on addressing the issues raised. It also provided oversight for the succession plan for key leadership roles in the agency, including the president and CEO. The committee reviewed the risks from the Enterprise Risk Management annual report dealing with attracting a competent workforce, engaging, supporting, and managing the workforce, staff safety and congruence of Ranch Ehrlo philosophy, approach, and direction throughout the agency. It oversees the process for the annual performance review and evaluation of the CEO.



Staff associations



The staff association of Ranch Ehrlo Society organizes staff functions, promotes employee involvement within the agency, and operates as committees on behalf of their membership. Regionally, each campus operates its own staff association through the direction of a staff council. All members are encouraged to get involved to help organize and promote events such as holiday parties and sporting events. Although the activities in each association differ, common activities include school year meet and greets, movie nights, holiday parties, and golf events.

INDEPENDENT auditor's report



Independent Auditor's Report

To the Members of Ranch Ehrlo Society

Opinion

We have audited the financial statements of Ranch Ehrlo Society (the "Society"), which comprise the statement of financial position as at May 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at May 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 financial statements.

continued

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 our 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

The logo for Deloitte LLP, featuring the word "Deloitte" in a stylized script font followed by "LLP" in a bold, sans-serif font.

Chartered Professional Accountants
Regina, Saskatchewan
September 6, 2022

STATEMENT of financial position

	2022	2021
ASSETS		
Current		
Cash	\$ 12,002,460	\$ 9,373,670
Investments	-	419,768
Goods and services tax recoverable	104,681	76,072
Prepaid expenses	125,665	118,431
Accounts receivable	8,704,564	9,645,163
Trust assets (Note 6)	71,380	70,551
Assets held for sale (Note 4)	-	235,548
	<u>21,008,750</u>	<u>19,939,203</u>
Restricted fund (Note 7 and 8)	6,303,941	6,036,902
Investments (Note 8)	430,388	-
Capital assets (Note 4)	22,747,418	22,752,165
Intangible assets (Note 5)	186,970	275,138
	<u>\$ 50,677,467</u>	<u>\$ 49,003,408</u>
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 5,438,677	\$ 5,003,343
Government remittances payable	103,321	99,258
Deferred revenue (Note 10)	137,940	140,495
Trust liabilities (Note 6)	71,380	70,551
Current portion of long term debt (Note 11)	282,951	377,266
Current portion of forgivable loans/ capital funding (Note 12)	506,299	417,430
	<u>6,540,568</u>	<u>6,108,343</u>
Long Term Debt (Note 11)	-	282,950
Forgivable loans/capital funding (Note 12)	1,945,183	2,451,482
	<u>8,485,751</u>	<u>8,842,775</u>
NET ASSETS		
General fund	35,887,772	34,123,731
Restricted fund (Note 7)	6,303,944	6,036,902
	<u>42,191,716</u>	<u>40,160,633</u>
	<u>\$ 50,677,467</u>	<u>\$ 49,003,408</u>

Commitments (Note 15)

The accompanying notes are an integral part of the financial statements.

ON BEHALF OF THE BOARD

Director *Douise Greenberg*

Director *P. H.*

STATEMENT of operations

	2022	2021
REVENUES		
Group Living	\$ 55,384,205	\$ 53,055,274
Education	11,226,498	10,664,336
Community	4,398,664	4,583,398
Family	9,474,652	8,650,266
Other	682,713	506,407
Forgiven/amortized capital funding (Note 12)	417,430	388,377
	<u>81,584,162</u>	<u>77,848,058</u>
EXPENSES		
Salaries and benefits	60,720,188	57,727,091
Occupancy costs	6,124,906	5,856,387
Operational requirements	2,936,422	2,708,952
Interest and bank charges	35,563	26,350
Interest on long term debt	9,071	30,601
Programming	7,385,530	6,665,310
Miscellaneous	652,740	614,430
Amortization of capital assets	1,600,492	1,520,682
Amortization of intangible assets	88,167	88,167
	<u>79,553,079</u>	<u>75,237,970</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE THE FOLLOWING	<u>2,031,083</u>	<u>2,610,088</u>
Donation of property (Note 4)	-	330,000
Pension settlement (Note 3)	-	(312,759)
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 2,031,083</u>	<u>\$ 2,627,329</u>

STATEMENT of changes in net assets

	General Fund	Restricted Fund	2022	2021
Net Assets - Beginning of Year	\$ 34,123,731	\$ 6,036,902	\$ 40,160,633	\$ 37,533,303
Excess of revenues over expenses	2,031,083	-	2,031,083	2,627,329
Internal transfers (Note 13)	<u>(267,042)</u>	<u>267,042</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ 35,887,772</u>	<u>\$ 6,303,944</u>	<u>\$ 42,191,716</u>	<u>\$ 40,160,633</u>

STATEMENT of cash flows

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 2,031,083	\$ 2,627,329
Items not affecting cash		
Amortization of capital assets	1,600,492	1,520,682
Amortization of intangible assets	88,168	88,167
Forgiven/amortized capital funding	(417,430)	(388,377)
Realized/unrealized gain on investments	(232,909)	(408,665)
Gain/loss on capital assets (Note 4)	154,509	(343,473)
	<u>3,223,913</u>	<u>3,095,663</u>
Changes in non-cash working capital		
Net change in non-cash current assets (Note 16)	903,927	973,704
Net change in non-cash current liabilities (Note 17)	437,671	(125,739)
Cash from operating activities	<u>4,565,511</u>	<u>3,943,628</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(1,591,979)	(1,350,847)
Disposal of capital assets (Note 4)	77,274	39,097
Cash used by investing activities	<u>(1,514,705)</u>	<u>(1,311,750)</u>
FINANCING ACTIVITIES		
Repayment of long term debt	(377,266)	(377,266)
Cash used by financing activities	<u>(377,266)</u>	<u>(377,266)</u>
NET INCREASE IN CASH	2,673,540	2,254,612
Cash, beginning of year	<u>9,502,585</u>	<u>7,247,973</u>
Cash, end of year	<u>\$ 12,176,125</u>	<u>\$ 9,502,585</u>
CASH CONSISTS OF		
Cash	12,002,460	9,373,670
Restricted cash (Note 7)	173,665	128,915
	<u>\$ 12,176,125</u>	<u>\$ 9,502,585</u>

NOTES to the financial statements

1. NATURE OF ORGANIZATION

Ranch Ehrlo Society (the “Society”) is a non-profit, registered charitable organization dedicated to providing quality prevention, restorative, and advocacy services to vulnerable individuals. This mission is carried out through the provision of programming in the following areas:

- Early Learning
- Affordable Housing
- Therapeutic Counselling
- Family Preservation Services
- Family Treatment Services
- Youth Group Living/Education/Clinical Services
- Life Span Supportive Group Living/Vocational/Clinical Services
- Community Recreation

The Society operates from a number of locations in Saskatchewan, providing services to communities across Canada on a referral basis.

The Society is exempt from income taxes under section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic Presentation

These financial statements are presented in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the reporting date, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates include useful lives of capital assets, impairment of capital assets, and amortization of forgivable loans/capital funding. These estimates are reviewed periodically, and adjustments made as appropriate in the statement of operations in the year they become known.

NOTES to the financial statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity and fixed income instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Society recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net earnings in the period the reversal occurs.

Revenue Recognition

The Society follows the deferral method of accounting for contributions, where externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured.

Capital funding is deferred and recognized at the same rate that the related assets are being amortized.

Group living, education, community, family and other revenue are recognized on an accrual basis when the good or service has been rendered.

Fund Accounting

The Society uses fund accounting to report the assets, liabilities, and net assets of the general, internally, and externally restricted funds. The Board of Directors may allocate a portion of accumulated net assets to restricted cash to provide for sound financial management and planning for future capital and operating requirements consistent with the agency's Restricted Funds and Reserve Policies. In a similar manner, previously apportioned restricted cash may be returned to the general fund in periods where qualifying investment has been made. The funds in use at the year-end include the following.

NOTES to the financial statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

The General Fund reports revenues and expenses related to program delivery and administrative services.

The Restricted Fund reports amounts set aside (net any withdrawals) for specific purposes (Note 7 and 13). These funds may be ongoing in nature or resources for specific future activities and include:

Geoff Pawson Scholarship – the bursary is internally restricted and is intended to provide funding for former students to further their education in a post-secondary institution.

Mary Miller Fund – the fund is internally restricted and is intended to provide financial assistance to former clients with a demonstrated urgent financial need.

Capital Reserve – is internally restricted for multi-year plans to improve existing infrastructure, as well as, to invest in future capital projects.

Operating Reserve – is internally restricted to address emergent situations that arise between budget cycles and provide funding for new programs and services required to meet emergent needs identified by referring agencies.

McEwen Manor Maintenance Reserve – is restricted under the forgivable loan agreement with Saskatchewan Housing Corporation. The Society is obliged to fund a reserve that is intended to support ongoing maintenance at McEwen Manor.

Intangible Assets

Software license rights and trademarks are being amortized on a straight-line basis over their estimated useful life of ten years.

Capital Assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods.

Building	4% - 10% declining balance/25 years straight-line
Equipment	20% declining balance/5 years straight-line
Motor Vehicles	30% declining balance/5 years straight-line
Computer Equipment	50% declining balance/3 years straight-line
Leasehold Improvements	10% - 30% declining balance/10 years straight-line

NOTES to the financial statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of Long-lived Assets

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets is recognized as an expense in the statement of operations. A write-down should not be reversed.

Employee Future Benefits

The Society has a defined contribution pension plan where the Society and its employees contribute an identified amount to the plan annually. Amounts due to the plan are settled as they come due and there is no further obligation to report.

3. PENSION SETTLEMENT

The Society determined some employees, on certain protected leaves were not or may not have been offered an opportunity to continue to contribute to the Pension Plan fully, or in some cases at all, during their leaves. Amounts owing were determined and paid within the prior fiscal year.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
Land	\$ 2,687,499	\$ -	\$ 2,687,499	\$ 2,687,499
Buildings	28,998,704	10,314,395	18,684,309	18,688,079
Equipment	2,887,332	2,473,673	413,659	395,626
Motor Vehicles	2,072,793	1,209,917	862,876	852,205
Computer Equipment	855,811	855,114	697	1,852
Leasehold Improvements	1,207,489	1,109,111	98,378	126,904
	<u>\$ 38,709,628</u>	<u>\$ 15,962,210</u>	<u>\$ 22,747,418</u>	<u>\$ 22,752,165</u>

During fiscal 2021 The Society was gifted property by the Optimist Club Downtowners of Regina, valued at \$330,000. The transaction was completed July 2020 and recognized as a non-cash donation. Assets held for sale, fiscal 2021 (\$235,548) relate to 1809 Mackay Street, including land (\$50,000) and buildings (\$185,548). The sale of 1809 Mackay was completed during fiscal 2022, subsequent to new office space being secured. The sale resulted in a gain of \$154,509 which was recognized in other income.

NOTES to the financial statements

5. INTANGIBLE ASSETS

	<u>2022</u>	<u>2021</u>
Software	\$ 881,676	\$ 881,676
Accumulated Amortization	<u>(694,706)</u>	<u>(606,538)</u>
	<u>\$ 186,970</u>	<u>\$ 275,138</u>

6. TRUST ASSETS/LIABILITIES

Clients may raise funds to be used for recreational or other activities and at the discretion of the Society. While the Society holds these monies in an administrative capacity, these funds are held for clients. As a result, there are no revenues or expenses reported in these financial statements.

7. RESTRICTED FUND

Restricted cash has been set aside for specific purposes and is maintained in separate bank accounts and investments.

	<u>2022</u>	<u>2021</u>
Geoff Pawson Scholarship (Internally Restricted)	\$ 264,786	\$ 256,849
Capital Reserve (Internally Restricted)	4,514,358	4,340,507
Operating Reserve (Internally Restricted)	1,098,372	1,065,447
McEwen Manor Maintenance Reserve	<u>426,425</u>	<u>374,099</u>
	<u>\$ 6,303,941</u>	<u>\$ 6,036,902</u>
Cash	173,665	128,915
Investments	<u>6,130,276</u>	<u>5,907,987</u>
	<u>\$ 6,303,941</u>	<u>\$ 6,036,902</u>

The McEwen Manor Maintenance Reserve is for repairs to the building and repairs and/or replacement of equipment as established by the forgivable loan agreement with Saskatchewan Housing Corporation referenced in Note 12.

NOTES to the financial statements

8. INVESTMENTS

Investments in RBC Wealth Management Dominion Securities are in a balanced portfolio. The portfolio is flexible and can accommodate withdrawals necessary for ongoing operations, capital requirements, and strategic initiatives. Fixed income investments have terms up to four years with maturity dates ranging from 2022 to 2025.

	Market Value	Current Yield	Asset % of Portfolio	Asset Mix Policy Target	Asset Mix Min / Max
Cash or Cash Equivalent	\$ 94,637	0.00%	1.44%	0%	0% / 15%
Fixed Income *	4,331,422	2.26%	66.02%	75%	50% / 80%
Canadian Equities **	1,621,549	4.24%	24.72%	15%	0% / 25%
US Equities (in CAD)	513,056	1.80%	7.82%	5%	0% / 10%
International Equities	-	0.00%	0.00%	5%	0% / 10%
	<u>\$ 6,560,664</u>	<u>2.68%</u>	<u>100.00%</u>	<u>100.00%</u>	

* Current Portion Maturing by December 31, 2022 is \$1,000,000

** Includes \$430,388 unrestricted investments

Associated investment risks are outlined in Note 18.

9. LINE OF CREDIT

The Society has an operating line with Royal Bank of Canada totaling \$2,000,000 of which \$Nil (2021 - \$Nil) has been advanced at year end. The line of credit bears interest at prime plus 0.3% and is secured by accounts receivable. The line of credit is in addition to and independent of the credit facility outlined in Note 11.

10. DEFERRED REVENUE

	2022	2021
Social Connections	\$ 7,163	\$ 1,457
Annual Pow Wow	22,100	7,000
Mentorship Program	-	23,361
Regina ByPass Road Access	108,677	108,677
	<u>\$ 137,940</u>	<u>\$ 140,495</u>

NOTES to the financial statements

11. LONG TERM DEBT

	2022	2021
RBC loan bearing interest at RBC Prime+0.30% repayable in monthly fixed principal payments of \$31,439 plus interest over 60 months. Maturity Date: February 6, 2023	\$ 282,951	\$ 660,217
	282,951	660,217
Current Portion	(282,951)	(377,266)
	\$ -	\$ 282,951

Principal repayment terms for the years ending May 31 are approximately:

- 2023 - \$282,951

12. FORGIVABLE LOANS/CAPITAL FUNDING

The annual forgiven/amortized portion of the forgivable loans/capital funding recorded as revenue in the statement of operations is \$417,430 (2021 - \$388,377).

	2022	2021
Saskatchewan Housing Corporation forgivable loans are forgivable in monthly instalments of \$6,328 (Lakeshore Village). Maturity Date: December 31, 2021	\$ -	\$ 44,298
Saskatchewan Housing Corporation forgivable loan with monthly instalments of \$15,846 (June 21 - January 22), \$31,691 (February 22 to Maturity) (McEwen Manor). Maturity Date: August 31, 2026	1,622,609	1,876,142
Federal/Municipal grant funding amortized with monthly instalments of \$5,700 (McEwen Manor). Maturity Date: August 31, 2026	291,269	359,669
Saskatchewan Housing Corporation forgivable loan amortized as the sum of all digits with monthly instalments of \$4,267 (Chaz Court), Maturity Date: May 31, 2029	537,604	588,804
	2,451,482	2,868,912
Current portion	(506,299)	(417,430)
	\$ 1,945,183	\$ 2,451,482

NOTES to the financial statements

12. FORGIVABLE LOANS/CAPITAL FUNDING (continued)

The Saskatchewan Housing Corporation forgivable loans are not interest bearing and were advanced to cover a portion of the costs of significant renovations at Lakeshore Village. A condition of the advances is that the housing unit must be substantially used to provide long-term accommodation throughout the term of the agreement to qualifying low-income persons and families. If these conditions are not met, the unamortized portion must be repaid and interest will apply at a rate of 5.29% to 8.00%. The forgiven portion is taken into income over the amortization period outlined in the contract, which is a reasonable approximation of the life of the underlying asset. This commitment was met in 2022.

The Saskatchewan Housing Corporation forgivable loan and the Federal/Municipal grant funding were used to develop a supportive housing complex for homeless and at-risk adults with chronic, persistent mental health conditions (McEwen Manor). The forgivable loans associated with this project are forgiven over a period of 176 months. Under the agreement with Saskatchewan Housing Corporation, the Society must provide affordable units to eligible households, at rents priced at or below the average market rates for comparable housing in the community. This commitment, the longest of the three agreements associated with the project, will be met in 2026. In the event the Society does not meet the conditions of the Saskatchewan Housing Corporation forgivable loan, interest of 5.19% will be calculated on the principal amount outstanding at the time of default and monthly repayments would be required.

Funding for the Chaz Court was provided for the development of 8 affordable housing units. The forgivable loans associated with this project are recorded as revenue over the life of each of the agreements (Saskatchewan Housing Corporation – 180 months; City of Regina – 60 months (has been fulfilled)). Under the agreement with Saskatchewan Housing Corporation, Chaz Court units may only be rented to eligible households at rents priced at or below the average market housing rent for comparable housing in the community. The commitment under this agreement will be met in 2029. In the event the Society does not meet the conditions of the Saskatchewan Housing Corporation forgivable loan related to Chaz Court, interest is due on the remaining balance not forgiven at a rate of 5.24%.

In the event of default on Saskatchewan Housing Corporation loans, principal and interest is due on demand.

13. INTERNAL TRANSFERS

In the current year, the following transfers were made from the General Fund to the Restricted Fund:

The Geoff Pawson Scholarship fund increased by \$7,940 (2021 - \$16,516) due to a gain in investment value.

The Society systematically sets aside monies to fund upcoming capital improvements. The transfer in the current year is \$173,851 (2021 - \$310,022).

The Society systematically sets aside monies as an operational reserve. The transfer in the current year is \$32,925 (2021 - \$65,447).

The Society's agreement with Saskatchewan Housing Corporation obliges it to fund a maintenance reserve for McEwen Manor. The transfer in the current year is \$52,326 (2021 - \$59,526).

NOTES to the financial statements

14. DEFINED CONTRIBUTION PENSION PLAN

The Society sponsors and funds a defined contribution pension plan on behalf of its employees. During the year, the employer's contribution to the plan was \$1,556,754 (2021 - \$1,510,247).

15. COMMITMENTS

The Society has long term agreements with respect to property, equipment and software licenses. Future minimum payments as of May 31, 2022 are as follows:

	Equipment	Property	Software Licenses	Total
2023	\$ 1,428	\$ 1,117,507	\$ 440,201	\$ 1,559,136
2024	1,071	776,505	406,816	1,184,392
2025	-	333,283	349,273	682,556
2026	-	77,027	214,905	291,932
2027 and thereafter	-	-	219,204	219,204
	<u>\$ 2,499</u>	<u>\$ 2,304,322</u>	<u>\$ 1,630,399</u>	<u>\$ 3,937,220</u>

16. NET CHANGE IN NON-CASH CURRENT ASSETS

	2022	2021
Goods and Services Tax Recoverable	\$ (28,609)	\$ 6,528
Prepaid Expenses	(7,234)	4,900
Accounts Receivable	940,599	959,619
Trust Assets	(829)	2,657
	<u>\$ 903,927</u>	<u>\$ 973,704</u>

NOTES to the financial statements

17. NET CHANGE IN NON-CASH CURRENT LIABILITIES

	2022	2021
Accounts Payable and Accrued Liabilities	\$ 435,334	\$ 382,322
Government Remittances Payable	4,063	(525,392)
Deferred Revenue	(2,555)	19,988
Trust Liabilities	829	(2,657)
	<u>\$ 437,671</u>	<u>\$ (125,739)</u>

18. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate, and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of May 31, 2022.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from customers. In order to reduce its credit risk, the Society reviews outstanding receivables on a monthly basis and reviews the allowance for doubtful accounts based on risk of specific accounts, historical trends, and other information. The allowance for doubtful accounts for 2022 is \$Nil (2021 - \$Nil). In addition, the Society has a consistent number of customers which minimizes concentration of credit risk and most of those are government agencies or large institutions where the likelihood of default is considered small. This risk is considered to be low.

Liquidity Risk

Liquidity risk is the risk that the Society will not be able to meet a demand for cash to fund its obligations as they come due. Liquidity risk also includes the risk of the Society not being able to liquidate assets in a timely manner at a reasonable price.

The Society meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipating investing and financing activities, and holding assets that can be readily converted into cash.

As part of its strategic capital plan, the Society sets aside monies in internally restricted funds outlined in Note 7 and Note 13. The Society has also made arrangements with its financial institution to provide a credit facility which will meet any anticipated shortfalls.

NOTES to the financial statements

18. FINANCIAL INSTRUMENTS (continued)

Interest Rate Risk

The Society is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Society to a fair value risk, while the floating rate instruments subject it to a cash flow risk. The Society is exposed to this type of risk as a result of its fixed income investments and long-term debt.

Investment Risk

The following is a summary of risks associated with investing. This list is not exhaustive, but provides an indication of the factors that can affect the value of the Society's investment.

Equity Risk: Investments in equity securities may be exposed to a high level of risk because the price of equity securities can rise and fall significantly in a short period of time. This risk is mitigated through sector investment diversification.

Credit Risk: Fixed income investments may be exposed to risk if the issuer of the fixed income security fails to honour the investment and repay with interest at the time of maturity. This risk is mitigated by investing in securities that have a credit rating of A- or higher.

Foreign Currency Risk: Investing in securities that are priced in foreign currencies can lose value when the Canadian dollar rises against the foreign currency. This risk is mitigated by restricting the overall portfolio percentage allowed for in foreign investment.

Liquidity Risk: Refers to the speed and ease with which an investment can be sold and converted into cash. The Society mitigates this risk through a diversified portfolio that consists of both short-term and long-term investments.

Interest Rate Risk: Refers to the potential that a change in overall interest rates will reduce the value of a bond or other fixed rate investment. This risk is reduced through diversification of bond maturities.



Northern group home woodworking project.



Northern Winferfest



Drive-in movie at Pilot Butte campus



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