



# Annual report 2012-2013

Ranch Ehrlo Society



Dedicated to providing a range of quality assessment, treatment, education, support and community services that improve the lives of children, youth and their families.

[www.ehrlo.com](http://www.ehrlo.com)

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# Message from board chair

With the completion of my second year as chair of the board of directors, it is my privilege to present the 2012-2013 annual report for the Ranch Ehrlo Society.

This has been a year of transition for the board as it reviewed its practices and procedures and adopted a new governance model, board renewal and recruitment process, and board structure. In the fall of 2012 the board agreed to reduce the number of committees from nine to six for the 2012-2013 year. This spring a decision was made to further reduce the number of committees by three. Moving forward the board's work will now be facilitated by four committees consisting of the audit committee, the finance committee, the governance and nominations committee, and the human resources and compensation committee. To prepare itself to make these changes, the board participated in a number of board training sessions and workshops throughout the year.

The board approved a new strategic plan for 2013-2016 including a new vision where "we envision communities where all individuals and families achieve their full potential". The planning process included extensive stakeholder engagement as we developed our strategic themes and priorities for the next three years. Our focus will be on an engaged workforce, exemplary governance practices, quality programs and services, and a healthy financial position.

One of the highlights of the year for me was having the opportunity to represent the agency at the International Forum for Child Welfare in Naples, Italy in November. Ranch Ehrlo Society is always front and center at the forum. The agency's excellent reputation goes well beyond the provincial and even national borders, a lasting legacy of our late founder Dr. Geoff Pawson. This stellar reputation was reinforced by a visit from Council on Accreditation President Richard Klarberg, who had an extensive tour of the programs in Regina/Pilot Butte area this spring. Mr. Klarberg, who has visited many like organizations, spoke very highly of the agency's programs and in his words "was blown away".

There have been many special events over the past year and two of the highlights have been the opening of Lammer House, a five-bed residential group home for persons with developmental disabilities, and the sod turning of CHAZ Court, a new housing development targeted to youth in transition. The spectrum of services continues to expand in the agency and the commitment to excellence is as strong as ever. The financial position of the agency remains healthy and we can look forward with confidence.

I would like to thank all members of the board for their dedicated service, especially to those members who will be rotating off the board. I would also like to thank Dr. Marion MacIver, the vice-presidents and other members of the management team, especially those who served as staff resources to the board and committees, for their valuable assistance and support. And finally, a big thank-you to all the employees and volunteers who have transformed the lives of so many young people and their families.



Jim Kenyon  
Chair, Board of Directors

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***This has been a year of transition for the board as it reviewed its practices and procedures and adopted a new governance model, board renewal and recruitment process, and board structure.***

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# Message from the president and CEO

This past year has been another successful one for the Ranch Ehrlo Society. The agency continues to expand and develop its many programs and services to meet the needs of our clients through a seamless continuum of care. In addition to excellent programs, the financial position of the agency remains strong and healthy.

This past year the leadership team was strengthened with the addition of Ian Rea as the agency's chief financial officer. Ian brings over 30 years of experience in the financial services industry, cooperative sector and the provincial government. Also joining the team is Corinna Hayden-Fidler as vice-president of education. Corinna was the former director of secondary and vocational programs at the agency. She has also brought with her, considerable leadership expertise through more than 20 years of school-based administration in school divisions throughout Saskatchewan.

In June of last year I signed the Saskatchewan Health and Safety Leadership Charter, which strives for an injury-free workplace. The charter supports continuous improvement of a healthy and safe workplace that complements the agency's current safety campaign. In August the Ministry of Education accredited the Hansen Education Centre on the Buckland campus as a fully accredited, independent school.

This winter the Ehrlo Outdoor Hockey League celebrated its 20th anniversary. Volunteers and players from the past two decades turned out to celebrate, share stories, and of course play hockey. We are very grateful for the tremendous support we have received from the community over these past 20 years.

A highlight of this past year was the visit by Her Excellency Sharon Johnston, wife of the Governor General of Canada to the Buckland and Pilot Butte campuses in October. Her Excellency visited the riding arena at Buckland to experience the Equine Assisted therapy program and interact with Ranch youth. In Pilot Butte she had lunch with the youth, toured Schaller School and met members of the board and representatives from the senior leadership group. In March Her Excellency granted patronage to the agency recognizing the Ranch's outstanding support to society.



Marion McIver  
president and CEO

In February the agency was again chosen as one of Saskatchewan's top employers. The agency was rated high in its encouragement of work-life balance. The honour reflects the quality of people we have in positions at every level of the agency.

I would like to thank members of the board of directors for their direction and support during this past year, especially to board chair, Jim Kenyon. I look forward to working with Dr. Cyril Kesten the incoming chair. I'd also like to thank the management team along with all the employees for their tremendous commitment and dedication to the young people, families, and communities that we serve. I invite you to explore all of the agency's accomplishments over the past year in this our 2012-2013 annual report.

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***The agency continues to expand and develop its many programs and services as it strives to meet the many needs of our clients through a seamless continuum of care.***

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# Residential treatment at a glance



**Buckland campus**



**Corman Park campus**



**Pilot Butte campus**

## **Buckland campus**

- 30 beds available in three residential homes: Alex Guy House, Klassen House, Matheson House (Prince Albert)
- Donalda Hansen Centre for Equine Assisted Therapy
- outdoor hockey rink, basketball courts, soccer field, riding and walking trails
- Hansen Education Centre

## **Corman Park campus**

- 20 beds available in two residential homes: May House and Welke House
- Ellen Gunn Education Centre
- outdoor hockey rink and basketball court
- Tim Young Administration Building

## **Pilot Butte campus**

- 58 beds available in: Mitchell House, Rorison House, Jewison House, Rever House, Jordan House, and Appleton House
- McNamara Family home
- Schaller School
- Hudson Administration Building
- outdoor rink, outdoor sports field, common picnic area

## **Regina**

- Dalla-Vicenza House
- Fitch House
- Hilsden House
- Jillings House
- Kruzeniski House
- Lee House
- MacKay House
- Peterson House
- Lammer House
- Supportive Living programs
- Supportive Independent Living programs
- Transition programs
- Family programs



# Community programs at a glance

Ranch Ehrlo community services provide community-based prevention and intervention services and work to promote healthy communities for children and families, free of abuse, neglect, addictions and violence. Community services offered are:



**Ehrlo Counselling Services**



Professional counselling services and programs available to children, adolescents and families in the community that address a variety of issues.



**Ehrlo Early Learning Centre**



Quality early learning and child care available in five locations in Regina.



**Avant-Garde College**



Training in hairstyling, esthetics and nail technician throughout the year.



**Paper Crane Community Arts Centre**



Arts programming to assist individuals in the community with personal growth and well-being.



**Ehrlo Housing**



Affordable housing for low-income families, single mothers, and individuals with chronic mental health conditions.



**Schaller College**



Computer college with flexible programming for students.



**Ehrlo Sport Venture**



Inner-city recreation programs, sports equipment, summer camps, and after school programs.



# Family programs at a glance

The family programs work to prevent the placement of children out of their home, assist families to reunite after having a child in care, and provide family-based care for children.

## Family Treatment Program

The program improves family functioning so families can remain together. Families stay in one of the homes and receive intensive in-home services to give them the knowledge, skills, and abilities to successfully reunify children to their care.



*“I was tentative at first,” commented client Monti. “But it’s good, I enjoy it. It’s helping me be a better person. My son pretty much ran the show before we came here.”*

## Ranch Ehrlo Intensive Family Preservation Services (IFPS)

This program is an in-home family treatment program designed to keep families safe and prevent children from being removed from the home. Services are time-limited, intensive and home-based. The service has 24-hour availability to clients.

## Treatment Foster Care Program

The program provides a family environment for children and youth while helping to develop and strengthen healthy relationships with their birth families for future reunification.

### Family programs highlights

- 76 families served in 2013
- 71% of families were together at the end of the program
- 88 children remained safely with their families





# About the Ranch

Ranch Ehrlo Society is a non-profit, registered charitable organization dedicated to providing a range of quality assessment, treatment, education, support, and community services that improve the social and emotional functioning of children, youth, and families.

The agency started as a single residential unit for six troubled boys and grew to a multi-service agency providing highly specialized programs. Today, the Ranch Ehrlo Society operates residential, clinical, community, and educational programs across the province.

Ranch Ehrlo operates in a warm, nurturing environment that promotes dignity and self respect, offsetting social, physical and psychological difficulties. Basic to this approach is cultural sensitivity and respect. Agency services are designed to create personal change leading to improved social skills.

## Residential care

The residential programs of the agency provide residents with a structured experience to meet individual needs and develop skills for successful independent living. The agency operates several group-living resources on three campuses outside Pilot Butte, Prince Albert, and Saskatoon, in the city of Regina and Prince Albert, as well as structured independent living and supported independent living programs designed to meet the needs of differing resident groups.

## Intake and assessment

Programs designed for intake, stabilization, and assessment of the youth entering the program; the majority of the residents coming to the Ranch Ehrlo Society begin at one of these homes.

## Substance dependency and abuse

Designed to treat residents who have demonstrated addiction to solvents and other chemicals and alcohol, this program focuses on changing the addictive pattern through an innovative approach that takes a holistic view of the resident, and focuses not only on the problems related directly to substance dependency and abuse, but on aspects such as diet, cultural awareness, spirituality, and high activity.

## Residents with sexually intrusive behaviours

These programs provide a high level of supervision, along with a number of specific holistic programs designed to change the sexually intrusive behaviours.







Schools Branch of the Saskatchewan Ministry of Education which oversees the approved programs of instruction and social remediation offered as an alternative educational service.

Ranch Ehrlo's goal is to place students into the regular school systems operated by the Public and Separate School Boards in Regina, Prince Albert and Saskatoon when it is appropriate. The Ranch Ehrlo education program provides an environment for educational assessment and social stabilization for students who need an opportunity to develop the skills necessary for a successful integrated school placement.

### **Programs for persons with developmental disabilities**

Programs for persons with developmental disabilities provide residential, educational and vocational programs to people with multiple, complex, developmental needs. The focus in all of these programs is to provide long-term residential support and to develop individualized treatment programs which involve community interaction.

### **Family programs**

The family programs work to prevent the placement of children out of their home, assist families to reunite after having a child in care, and provide family-based care for children. The programs include: the Family Treatment Program, the Intensive Family Preservation Services, and the Treatment Foster Care Program.

### **Educational programs**

Ranch Ehrlo offers educational opportunities to youth through Schaller, Ellen Gunn, and Hansen Educational Centres. In addition to its rural campus facilities, the Ranch operates various integrated classrooms within local schools in Regina, Saskatoon, and Prince Albert and also offers a variety of vocational opportunities. The education programs are accredited by the Independent

team. This is an interdisciplinary team consisting of psychologists, a speech-language consultant, an occupational therapist, and other contracted professionals as required. This team provides clinical assessment on a referral basis.

Psychiatric consultation services is the third branch of the clinical services, also provided on a referral basis. Consulting psychiatrists provide initial consultations and follow-up consultations, as required, to monitor the use of medications and treatment.

## **Community programs**

### **Ehrlo Early Learning Centre**

Ehrlo Early Learning Centre provides high quality child care to the children of Ranch Ehrlo Society employees, as well as to members of the general community. This high quality service is made possible through the co-operation and involvement of parents, children and caregivers. Children and caregivers sharing and creating experiences together are fundamental to providing the most desirable environment possible.

### **Ehrlo Sport Venture**

A community outreach program that provides inner-city youth and families with control of, and access to, recreational opportunities by reducing the barriers

### **Clinical services**

Clinical services at the Ranch are multifaceted with the aim of providing adjunct clinical services to the residential, educational, and vocational programs. There are three main branches to the clinical services.

The first branch consists of program caseworkers, who provide services which include: psychosocial assessment, treatment/service planning, individual and specialized group counselling, and crisis intervention to youth within the group homes.

The second branch is the clinical assessment and resource services



to participation in sports and physical activity. It operates an equipment lending library in Regina as well as four no-fee, drop-in leagues for basketball, football, soccer, and hockey. The leagues attract over 400 young people who might not otherwise have access to organized sports. The program has branched out to include drop-in leagues in Saskatoon and Prince Albert. Sport Venture also runs after school programming and specialized summer camps.

### **Ehrlo Housing**

Ehrlo Housing provides families with safe, affordable housing. It operates an apartment complex in Regina for single adults, single parents and low-income families; a supportive living accommodation for young single mothers; and provides affordable housing to people with serious mental health issues. Construction started on a facility to accommodate young people transitioning from care, allowing them to live independently.

### **Counselling**

Ehrlo Counselling Services (ECS) provides a wide-range of counselling, psychological assessment, training, and consultation services in the community. ECS works with a number of Employee Family Assistance Programs and Employee Assistance Programs, organizations, companies, and all levels of government. It provides quality services based on current best practice standards. Its vision is to assist children, adults and families to achieve their full potential.



### **Paper Crane Community Arts Centre**

The centre serves individuals, families, youth, and community groups by providing a safe and inclusive environment for healing through the arts. Programming areas include dance, drama, music, visual art, new media, literature, and multidisciplinary arts.

### **Schaller College**

Schaller College is a CompTIA Authorized Partner, CompTia Authorized Academy and a CISCO Networking Academy. The computer education received at Schaller is designed to each



individual student's specific needs. The programs allow the flexibility for students to utilize the required time to complete their studies. Instructors provide individualized instruction or assisted direction.

### **Avant-Garde College**

Avant-Garde College offers training programs in hairstyling and esthetics as well as a nail technician course. The training facility includes a full-service salon, including Microdermabrasion procedures. All salon services are performed by students of the program. Avant-Garde's goal is to remove financial and academic barriers for those students that would otherwise not have the opportunity to train in a post-secondary institution. To promote this goal, the college offers two bursaries each year: one for hairstyling and one for esthetics.





# A year in review

Stories and events that have taken place at Ranch Ehrlo Society over the past year. The stories highlight our mission to improve the lives of children, youth, and their families.

## **Regina Qu'Appelle Health Region Social Connections**

Ehrlo Sport Venture program has entered into a partnership with the Regina Qu'Appelle Health Region to provide children diagnosed with autism spectrum disorder (ASD) with a variety of rich experiences. The program, which is called Social Connections, promotes social development, healthy living, and improves motor skills through sports, recreation, and numerous art-related activities.

Last summer Ranch Ehrlo hosted an autism summer camp for children ages three to six years old. There were a total of eight camps beginning on July 3, 2012 in Regina. Each camp was theme-based and included activities such as arts and crafts, music and dance, games which encouraged social growth and communication, and enhanced fine and gross motor skills.

## **Paper Crane Community Arts Centre opens**

Ranch Ehrlo's Therapeutic Arts program has a new home and an expanded mandate to provide community programming. Renamed Paper Crane Community Arts

Centre, many qualified instructors and artists now have a creative space to house arts and wellness programs for Ranch Ehrlo residents and the community.

The centre held an open house on October 25th, welcoming individuals, businesses, and community groups from Regina.

The centre serves individuals, families, youth, and community groups by providing a safe, inclusive environment for healing through the arts. Programming areas include dance, drama, music, visual art, new media, literature, multidisciplinary arts, mindfulness, nutrition, and holistic wellness.

## **2013 Dr. Geoff Pawson Memorial Golf Classic**

The 2013 Dr. Geoff Pawson Memorial Golf Classic was a huge success. Over \$33,000 was raised in support of Ehrlo Sport Venture program, providing community sport and recreation programming for Regina's inner-city youth.

This year the tournament we renamed to commemorate the founder of Ranch Ehrlo Society, Dr. Geoff Pawson.



## Schaller College offers new CISCO CCNA program

Schaller College now offers new computer programming for Regina's youth. The CISCO CCNA Exploration curriculum provides an integrated and comprehensive coverage of networking topics, while providing opportunities for hands-on practical experience and soft-skills development.

## Chief financial officer appointed

Ian Rea was appointed chief financial officer for the Ranch Ehrlo Society. Rea has over 30 years experience in the financial services industry, cooperative sector, and provincial government. Rea is the former chief executive officer of Conexus Credit Union.

## Ehrlo Soccer League (north)

The Outdoor Soccer League (north), held its inaugural season last June with each participant taking home a soccer ball and the opportunity to stay active throughout the summer.

Approximately 50 children participated in the cost-free league, named the OSL, which ran from April 24th to June 5th. While it was open to children from across the city of Prince Albert, the goal was to give youth from low-income families the chance to be active in a positive environment.



Ehrlo Soccer

## Hilsden House helps clean creek

Youth and staff from Hilsden House took part in the Normanview West Community Association's Annual Creek Clean Up last June in Regina. One youth even waded into the creek to clear garbage and branches to restore water flow.

## Ranch signs Saskatchewan Health & Safety Leadership Charter

On June 14, 2012, President and CEO Marion MacIver signed the Saskatchewan Health and Safety Leadership Charter at the Queensbury Convention Centre in Regina.

The Charter is spearheaded by Safe Saskatchewan in support of its "Mission Zero" strategy, which strives for an injury-free workplace in Saskatchewan.

Participation in this charter is a visible commitment by the Ranch Ehrlo Society to actively participate within a learning community that provides and receives best practices for the enhancement of employee physical, social, and mental well-being.

## Ranch Ehrlo' Society's first Youth Activity Fair

On Sept. 26, 2012 the Ranch Ehrlo Society hosted its first annual Youth Activity Fair at the Prince Albert Exhibition Association. Over 900 students were bused to the event which featured 35 local organizations



Marion MacIver

presenting a wide array of activities. The activity fair informed youth about activities available in the city of Prince Albert with the ultimate goal of having them sign up for an activity.

## Kruzeniski House adopts 45 community youth for its back-to-school program

Kruzeniski House youth and staff jumped into its annual back-to-school program, which "adopts" community youth and provides them with school supplies and clothing.

Their efforts resulted in 45 community youth being adopted this year. Adoption entailed supplying youth with their back-to-school supplies. Youth and staff were also able to take 20 community youth shopping for some back-to-school clothing. Each youth was given between 75 and 100 dollars to purchase new clothes and running shoes.

## Hansen Education Centre becomes an accredited school

The Ranch Ehrlo Society now has its third accredited school with the Ministry of Education. The Hansen Education Centre joins Schaller Education Centre and the Ellen Gunn Education Centre as fully accredited independent schools.

The Hansen Education Centre includes all the educational programs at the Buckland campus and in the city of Prince Albert. These include



Activity fair



the classroom at the Buckland campus, two classrooms at Queen Mary School, and integrated students in Prince Albert's high schools.

### **Corman Park group homes host family camping trips**

Both Corman Park group homes were busy last summer taking part in therapeutic family camps. Welke House held its family camp from June 1st to 3rd and the May House family camp took place from August 27th to 28th, both at Camp Okema on Emma Lake. Over 30 people attended each camp with most of the youth having family present.

### **FASD Awareness Day: Pregnant Pause**

Denise Swallow and Sarah Hammet, cognitive disability consultants with Ehrlo Counselling Services, participated in the Pregnant Pause as part of Fetal Alcohol Spectrum Disorder (FASD) Awareness Day on Sept. 10, 2012 at the University of Regina.

This event was organized by the FASD Network. The group wore branded t-shirts with balloons strategically placed under them to simulate a pregnancy. The members made their way through the halls of the University of Regina stopping periodically for a *Pregnant Pause*. The pause represents those nine months of pregnancy when a mother pauses from drinking alcohol.

### **Lammer House naming ceremony**

The naming ceremony of Lammer House was held on Nov. 2, 2012 in Regina. Lammer House is the newest five-bed residential care



home in Ranch Ehrlo Society's programs for persons with developmental and intellectual differing disabilities.

The home is named after long-term board and senate member Harvey Lammer, who first sat on the board of directors in 1973. He is currently a member of the senate. Lammer was also a founding member of the board's risk management committee and an originating member of the board of directors of RES and E Holding Corporation. Through a lifetime of many accomplishments, Lammer has always held the well-being of at-risk young people at the center of his heart.

### **Cree language program helps youth maintain cultural identity**

The Cree language program was again held last spring. It was first introduced in March 2011 and is a partnership between the Ranch Ehrlo Society and the First Nations University of Canada. The eight-week course helps Ranch youth learn conversational Cree.

The idea began with Reona Brass (teacher at Transition Centre), Darren Okemaysim (Cree Language instructor) and Nick Crighton (cultural coordinator at Ranch Ehrlo).

### **Agency hosts exchange students**

Rahel Meyer and Irina Rezlaw, German YMCA University students, are completing their social work degrees. At the recommendation of their social work professor they decided to come to Canada and work at Ranch Ehrlo to gain valuable hands-on work experience as part of their degrees.

Both students arrived in Regina in August 2012. One of their first activities was to join the youth on camping trips. Rezlaw went to Narrow Hills (Emma Lake) with Appleton House. Meyer went to Kenosee with Lee House.

### **Learning to preserve and reunite families**

Family Treatment Program employees honed their skills during a Homebuilders CORE training in Regina from Oct. 15 - 19, 2012. The training model is the linchpin of the Family Treatment Program treatment model, and specifically, the Family Treatment Program which utilizes the Homebuilders Model of Family Preservation/Reunification services.

Notable to this year's training, was the attendance of external agencies. Employees attended from SIGN (The Society for the Involvement of Good Neighbours) in Yorkton and Nechako Valley Community Services, based in British Columbia. Both agencies were impressed with the training and indicated that they want to participate in future training.

### **Ehrlo Outdoor Hockey League turns 20**

The Outdoor Hockey League celebrated its 20th anniversary this year. To mark this milestone, a celebration was held on Dec. 7, 2012 at the Core Ritchie Centre in Regina. The event featured volunteer recognition, speeches by the Dress-A-Champion and OHL founder Russ Matthews, and Don Morris, regional vice-president of RBC Regina. It also featured an equipment donation presentation from the Phoenix Group, and of course a shinny game.



Corman Park family camping trip



From its humble beginnings in a Regina classroom to a league which is now spread across Saskatchewan to Saskatoon and Prince Albert, the OHL allows all youth the opportunity to play hockey by removing the financial barriers. Throughout the 20th season, there were weekly stories highlighting OHL volunteers, former players, and media coverage over the past 20 years on the agency website.

### **Ranch Ehrlo once again a top employer**

The agency was chosen as one of Saskatchewan's top employers for 2013. The Ranch Ehrlo Society was also named a top employer in 2012. This special designation recognizes the Saskatchewan employers that lead their industries in offering exceptional places to work.

Employers are evaluated using criteria, that includes: the physical workplace; work atmosphere ; and, health, financial and family benefits. Employers are compared to other organizations in their field to determine which offers the most progressive and forward-thinking programs.

### **Ranch Ehrlo distributes CIBC Miracle Fund**

This past year Ranch Ehrlo continued to provide enrichment opportunities and supports for children, youth, and families through its partnership with the Children's Aid Foundation to distribute the CIBC Miracle Fund in the Regina area.

The original agreement was signed in December 2004 and the funds enhanced the physical, mental, social, and developmental well-being of disadvantaged, at-risk children and youth. In 2012, 91 children and youth were helped by the fund in the Regina area. The majority of the funds were spent on personal items for the youth such as eye glasses, winter clothing, and baby furniture. The Ranch distributes \$11,250 annually on behalf of the Miracle Fund.

### **Rorison renovations**

Renovations which began on Rorison House on the Pilot Butte campus last fall have been completed. It has been converted from a ten bed facility to a spacious environment to provide treatment to six individuals.

The program has been designed to fill a community gap in the child welfare and adolescent mental health continuum.

### **Vice-president of education appointed**

Corinna Hayden-Fidler was appointed to the newly created position of vice-president of education. Hayden-Fidler was the former director of secondary and vocational programs at the agency. Prior to joining Ranch Ehrlo she had 20 years of school-based administration experience in school divisions across the province. In addition, as part of the reallocation of responsibilities in the education program, Hayley Maurer assumed responsibly as director of education (south) and Shawn Ly as director of education (north).

### **Sharing expertise**

A Participation Agreement between the University of Regina and the Ranch Ehrlo Society has enabled Carole Bryant, vice-president of administration and quality improvement, to travel to Blantyre, Malawi to assist a team at the Polytechnic (a constituent college of the University of Malawi) with its governance and strategic planning processes. Bryant has been working with the Polytechnic since 2008.

From March 2nd to 9th, while on her fourth visit to the country, Bryant assessed the progress of the implementation of the Polytechnic's strategic plan launched in 2010.

Bryant's work is part of a larger Canadian International Development Agency funded project that includes capacity building at the Polytechnic in the areas of policy

and planning, management development, curriculum development, research, and distance education.

### **Agency receives visit from Her Excellency Sharon Johnston**

Her Excellency Sharon Johnston, wife of the Governor General of Canada, visited the Buckland campus and arena on Oct. 9, 2012 and the Pilot Butte campus on Oct. 11, 2012.

The main focus of her visit to the north was to experience the Equine Assisted Therapy Program and interact with the Ranch youth.

In March, her Excellency granted patronage of the Ranch Ehrlo Society. The honour brings prestige to the agency's mission and recognizes the Ranch's outstanding support to society.

### **New director at Corman Park**

Dionne Baergen assumed the position of director of residential services at the Corman Park Campus effective Aug. 12, 2013.

Baergen has had a long history at the Ranch, beginning as a youth care worker at Appleton House when it first opened in 2000. She also has experience as a youth care leader, becoming the first at Dalla Vicenza House, at what was then the new family-centered youth programming.

After completing a bachelor of social work degree, Baergen pursued other opportunities with the Ministry of Social Services and completed her master's degree in social work. Baergen returned to the Ranch as the caseworker at Welke House in 2008.



## **CVEP relocates to new facility**

The Ranch's Community Vocational Education Program (CVEP) 2 and 3 located formerly at 295 Hodsman Rd. in Regina moved to their new location at 307-12th Ave. East on Feb. 28, 2013.

Fifteen participants and four staff moved downstairs in the new location and eight participants and two staff reside upstairs.

The Learning Centre has relocated in the second floor space of the old location.

## **Family workshop**

On April 4, 2013 Ranch Ehrlo's programs south hosted a family workshop, which took place at the agency's independently accredited Schaller School, located at its Pilot Butte campus. The theme of the workshop was "Change"- how we think of it, how we all struggle with it, and how we can attempt to engage in change for the better. Seven families attended the workshop.

Families were invited to attend the workshop to engage them in working on family relationships; to gain support and network with other parents/families; to receive information about Ranch Ehrlo's programming; to learn information about various behavioural issues that their child may be struggling with and some interventions that may assist them; and to spend some time with their child participating in fun activities.

## **Archiving progress**

It's been a year since the Ranch started its archiving project. The collection consists of photos, videos, slides, and documents from over the past 46 years.

The agency has a new archivist to assist in sorting out and organizing the important collection that is part of the agency's legacy.

Each piece in the collection needs to be dated and the activity/location/people on the film determined. Then it is digitally scanned and placed on a secure drive. The information regarding the particular piece is documented in a database according to the rules of archival description.



Family workshop

## **WINGS program takes off at Ranch Ehrlo**

One of the agency's newest programs is called WINGS: Working towards Independence and Nourishing Growing Skills. This program is designed specifically for the long-term female clients and helps them develop skills and gain work experience to achieve independence. The program recognizes that the skills and experience development is on a continuum unique to each young woman.

WINGS was created for young women at Ranch Ehrlo in need of personal skills development and vocational skills training in their Community Vocational Education Program (CVEP) programming.

## **CHAZ Court breaks ground**

Ranch Ehrlo Society with the Government of Canada, the Province of Saskatchewan, and the city of Regina, broke ground on May 13, 2013 with a new housing development targeted towards youth in transition. The project will consist of eight 'pocket style' apartment bachelor units located at 1747 Montreal St. in the Heritage neighbourhood of Regina.

The units will be called CHAZ Court after Dale Chastkiewicz, the former chair of the Ehrlo Community Services from 2007 to 2009. Chastkiewicz was on the board for seven years and continues to support the work of Ranch Ehrlo.

## **Open houses and neighbourhood barbecues**

The Pilot Butte and Buckland campuses held open houses in spring 2013 to introduce

neighbours to the agency's programs and services.

Pilot Butte campus held its event in conjunction with the 45th annual three mile race on May 16, 2013. Buckland hosted a Community Picnic on Thursday, April 25th. More than 30 neighbours attended and were provided a tour of the campus.

## **African exchange student**

International Worker, Jackson Omondi, from Kenya, Africa spent a year working at Ranch Ehrlo. His time here was sponsored through the International Volunteer Exchange Program, a vocational and cultural exchange program that connects international young adults with host families and volunteer placements in Canada and U.S.

Omondi worked with the education team at the Transition Centre. On Monday, June 17, 2013, a farewell barbecue was held to thank him for his contribution to the program.



# Board report





# Board of Directors

## 2012-2013

**Jim Kenyon (chair)** – JC Kenyon Engineering Inc.

**Deb Jordan (past chair)** – Executive Director Acute and Emergency Services, Ministry of Health

**Dr. Cyril Kesten (vice chair)**– Professor, Faculty of Education

**Heather Collins (treasurer)** – Retired investment professional

**Deb McKague (secretary)** – Vice-President, Trans Gas

**Staff Sergeant Scott Layman** – Regina Police Service

**Harvey Lammer**– Senate appointment to the board

**Dr. Craig Chamberlin** – Acting Dean of Social Work and Dean of Kinesiology & Health Studies U of R

**Karen Bright** – Senior Director of Strategic Services, Farm Credit Corporation

**Barb Ryan** – Volunteer

**Doug Schneider** – President, ADXSTUDIO

**Sergeant Rob Cozine** – RCMP

**Mike Shaw** – Consultant

**Laurel Garven** - Director, Strategy and Stakeholder Relations, Government of Saskatchewan

### Prince Albert board members

**Diane Matheson** – Volunteer

### Corman Park board members

**Ernestine Starr** – Retired

**Quinton Hardage** – Chief Technical Officer, HCF Mercantile Inc



### **Audit committee:**

Doug Schneider (chair), Heather Collins, Deb Jordan, Jim Kenyon

The audit committee met with the external auditor, Mintz and Wallace, to review the year-end audited financial statements and to consider recommendations and responses to the auditor's Constructive Services Letter. This year the committee assumed responsibility for agency-wide risk. The committee sponsored and began the work necessary to develop an enterprise risk management framework replacing the former Risk Prevention and Management process.

### **Buckland committee:**

Diane Matheson, Allan Fraser (community representative), Cheryl Ring (community representative), and Doug Hobson (Prince Albert City Police)

Two community members, Allan Fraser and Cheryl Ring, joined board member Diane Matheson on the Buckland committee in an advisory capacity for the year. Constable Doug Hobson from the Prince Albert City Police department also serves on the committee in an advisory capacity. The committee provided oversight and reviewed on a regular basis the critical incident reports and human resources issues at Buckland and in Prince Albert. The committee also received regular updates on the education program, which included the designation of the Hansen Education Centre as an independent accredited school by the Ministry of Education. The committee received ongoing updates on the many programs that were facilitated by the Donalda Hansen Centre for Equine Therapy including individual riding lessons, equine assisted learning sessions, and the 4-H club. The committee received information on the additional partnerships the campus entered into to facilitate hockey, basketball, and soccer leagues in the City of Prince Albert. The committee hosted a meeting of the Ranch Ehrlo Society board of directors in June 2012.

### **Corman Park committee:**

Quinton Hardage (chair), Ernestine Starr, Tyler Steele (part of the year)

The Corman Park committee provides oversight and reviews on a regular basis, critical incident reports, human resources issues, and education updates. The committee continued to encourage community outreach and tours of the campus including visits this past year from students at the Prairie Spirit School Division, Faculty of Social Work, the Mennonite Central Committee, and community hockey teams who practice and play on the outdoor hockey arena located on the campus. In terms of the education program, two day students are now attending Ellen Gunn School. New fiber optics were installed on the campus by SaskTel as a Ministry of Education initiative. The Outdoor Hockey League enjoyed its second season with games hosted by the King George Community Association.

### **Finance committee:**

Heather Collins (chair), Deb Jordan, Jim Kenyon, Doug Schneider

The finance committee reviewed and presented to the board the agency's monthly financial statements and quality assurance indicators. The committee developed a new format for quarterly financial reporting which included balance sheet and staff/ benefit ratios as well as information on working capital, cash on hand, and capital expenditure summaries. The committee reviewed the budget assumptions and proposed capital and operating budgets for 2013-2014. It received the second annual Risk Prevention and Management (RP&M) report in June 2012. In conjunction with the human resources committee of the board, the committee recommended the implementation of a salary administration schedule. It also reviewed and recommended revisions to the residential and education rates and reviewed one Early Childhood Services grant recommendation. The committee recommended to the board the adoption of a Grant Revenue Recognition Policy as recommended by the auditor.



### **Governance and Nominations committee:**

Mike Shaw (chair), Craig Chamberlin, Rob Cozine, Cyril Kesten, Harvey Lammer, Debbie McKague

The governance and nominations committee developed and recommended to the board a number of changes to strengthen its governance structure including the adoption of a new governance model along with the core elements of direction and control. At the recommendation of the committee, the board adopted a revised set of roles and responsibilities for board members. The committee undertook to review and recommend a new board structure that will strengthen and streamline the work of the board. The committee established a process of board member recruitment and developed a skills profile matrix to assist in board renewal. As in previous years the committee also oversaw the board's annual self-evaluation survey. The committee spearheaded the strategic planning process which culminated in the approval of a 2013-2016 Strategic Plan. Four strategic themes or priorities were identified, namely, an engaged workforce, exemplary governance practices, quality programs and financial strength. Extensive stakeholder involvement was undertaken in the planning process. As part of the process the agency's mission statement and guiding principles were reaffirmed and a new vision statement developed.

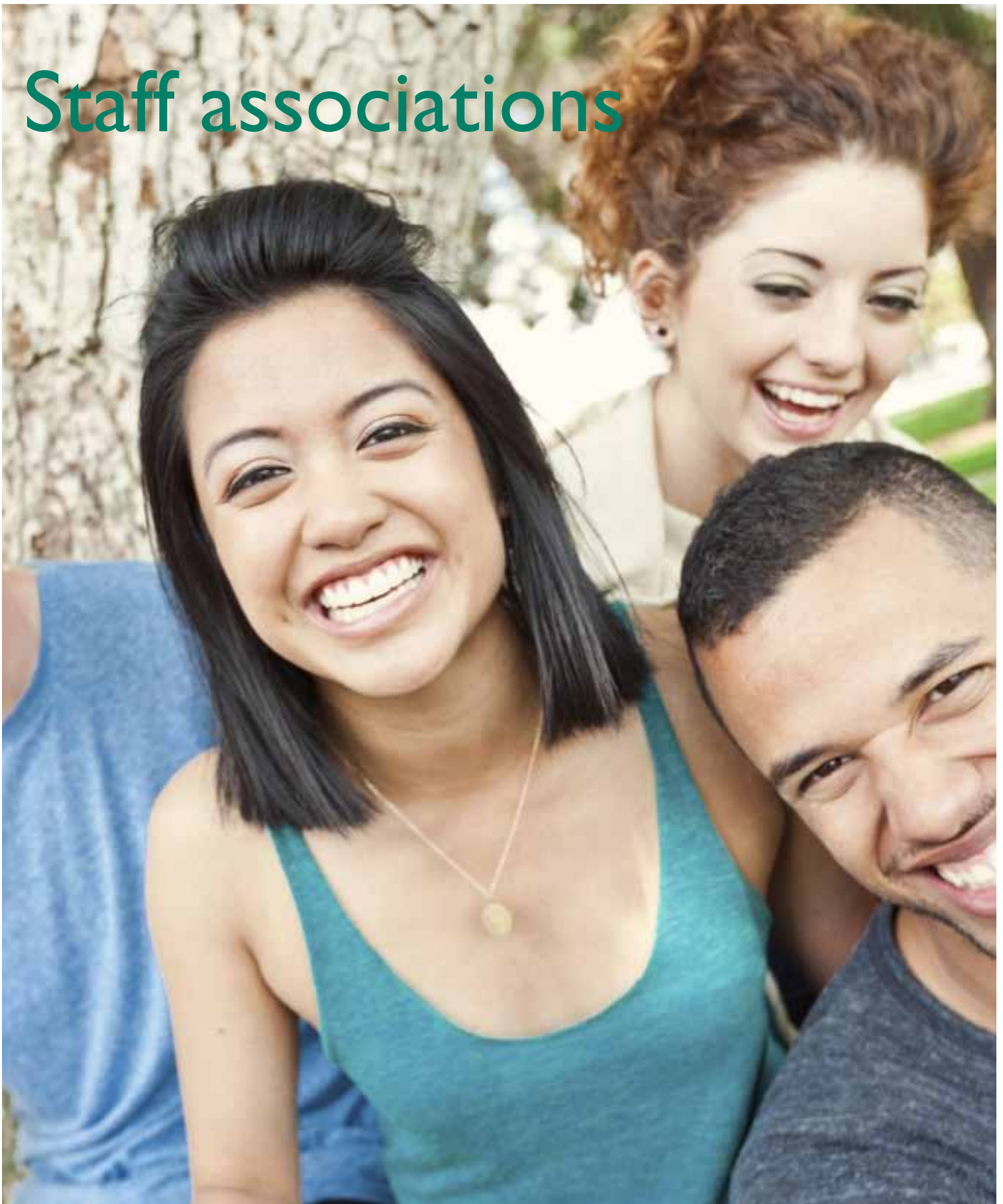
### **Human Resources and Compensation committee:**

Karen Bright (chair), Laurel Garven, Scott Layman, Barb Ryan

The human resources and compensation committee focused its attention this past year on salary administration, employee benefits, recruitment and retention, and the CEO evaluation process. The committee continues to oversee changes to the employees benefit plan including the health spending account (HSA) that was introduced on January 1, 2012. The committee continued to review the objectives, benchmarks, and implementation plans for the agency's diversity plan. In comparison to the previous year the percentage of female staff, aboriginal employees and visible minorities has increased. The aboriginal and minority staffing numbers each increased by 1% and together account for 23% of the staff. The committee reviewed the 2012 turnover report as well as the exit survey report. Approximately 17% of the full-time staff left the agency in 2012 compared to 12% in 2011. The overall percentages were up for all staff with 29% leaving in 2012 compared to 26% in 2011. The exit survey report was quite positive with responses comparable to previous years. The primary reasons for leaving the agency were opportunity for career advancement and personal reasons. In addition to reviewing quarterly human resources indicators, the committee reviewed detailed market analysis in preparation for the salary administration schedule. The committee also worked on establishing an annual CEO evaluation process with the establishment of annual objectives and specific performance indicators.



# Staff associations



The staff associations of Ranch Ehrlo Society organize staff functions, promote employee involvement within the agency, and operate as committees on behalf of their memberships.

Regionally, each campus operates its own staff association through the direction of a staff council. All members are encouraged to get involved with their local staff council to help organize and promote events such as Christmas parties and sporting events.

## **Buckland/Prince Albert** Staff association president **Jody Weisner**

Prince Albert had an exciting year. We started the year off with a fun costume party/dance in October.

In December we held our Christmas party. The staff association gave away a trip to Vegas, which was won by Hally Grubbe.

Andrew Carrol won a \$30 gift card. We plan to have more draws in the future.

We sent two staff member to the Dr. Geoff Pawson Memorial Golf Classic - Jody Wiesner and Scarlett Dawson.

We also held a bowling night on May 10th at Minto Bowl and a golf and dinner night June 6th.

- president Jody Wiesner
- vice-president Ryan Childress
- secretary Hally Grubbe
- treasurer Tamara Nicolas

## **Corman Park** Staff association president **Josh Lemieux**

Corman Park Staff Association participated in the employee surveying and feedback review that lead to the November 2012 Report to the CEO.

During the year we also held several social evenings for staff including laugh socials at the Laugh Shop, our annual Christmas party, and a curling bonspiel.

The staff association also continues to host regular draws for \$50 gift certificates.

In May, the association elected a new president - Josh Lemieux, a youth care leader at Welke House. Also we had a draw for four people to attend the Dr. Geoff Pawson Memorial Golf Classic in June.

## **Regina/Pilot Butte** Staff association president **Shauna Linnen**

The past year has been a busy one for the Regina/Pilot Butte staff association. We had our annual Christmas party in December which was another huge success. During the event we held our annual Operation Sunshine draw which is a program designed to give workers an opportunity for an expense paid vacation. The agency contributes two weeks leave to the winner of Operation Sunshine. We also had a Christmas Party for the children of staff.

We sponsored a team of four to play in the Dr. Geoff Pawson Memorial Golf Classic. The association also reimbursed any staff member who played in the tournament \$50 towards the entry fee.

We once again held our Rider ticket draw. Every home game we draw a staff member winner who received

two tickets to the Rider game. We also continued our monthly movie ticket draws.

The association allotted money to the conference fund. These funds can be used by staff to attend professional development opportunities within Saskatchewan up to a cost of \$500. Applications that cost more than \$500 or that are out-of-province are now authorized by the requesting individual's director.

We also distributed money for the employee wellness reimbursement program. We initiated this program to promote wellness for staff. Each employee is eligible to apply once per calendar year, for a \$100 reimbursement of the actual costs of an ongoing program of personal fitness. We also sponsored a Ranch beach volleyball team.

The staff association also took leadership this year to help review several staff policies and suggest revisions.



# 2012-2013

## Performance outcomes report

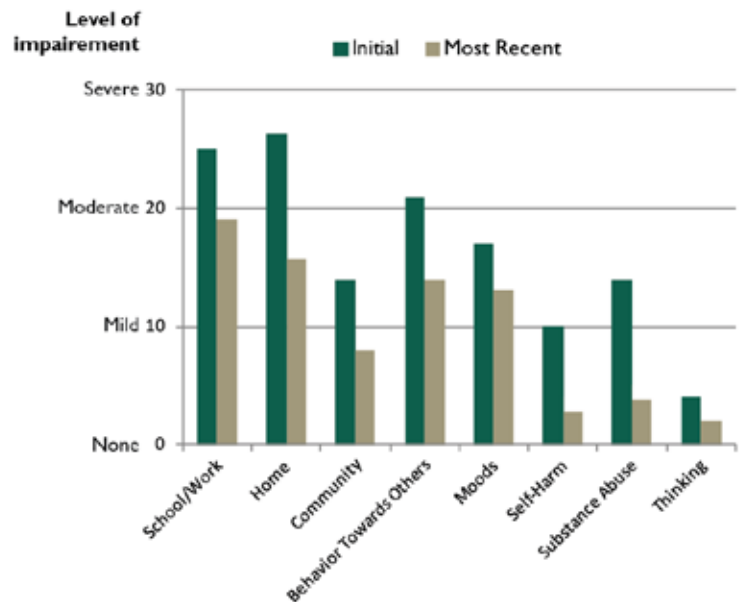
Reporting on youth success at Ranch Ehrlo Society is a major hallmark of the agency. This report presents a summary of resident outcomes at Ranch Ehrlo Society for the period June 1, 2012 to May 31, 2013. For a full report visit [ehrlo.com](http://ehrlo.com). It is the agency's second year using Efforts to Outcomes (ETO) software to manage outcomes.

The software allows staff to access information, assess youth needs, develop treatment goals, write reports, document progress and efforts, analyze trends, and report to funders.

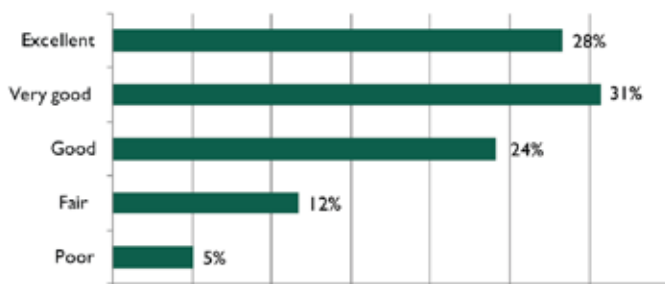
One of the primary goals of the Ranch is improved psychosocial functioning for residents. In order to measure progress for youth in this area, the Ranch uses the Child and Adolescent Functional Assessment Scale (CAFAS). The CAFAS measures the degree of impairment in youth with emotional, behavioural, psychiatric, psychological, or substance abuse problems. CAFAS scores range from 0 to 240, with higher scores indicating more severe impairments in functioning.

The average CAFAS score for youth at their initial assessment was 135. The average score after their most recent assessment was 87. The decreases in scores are significant and indicate that the functioning of Ranch youth has improved within the controlled, nurturing, and supportive environments at the Ranch.

### CAFAS scores then and now

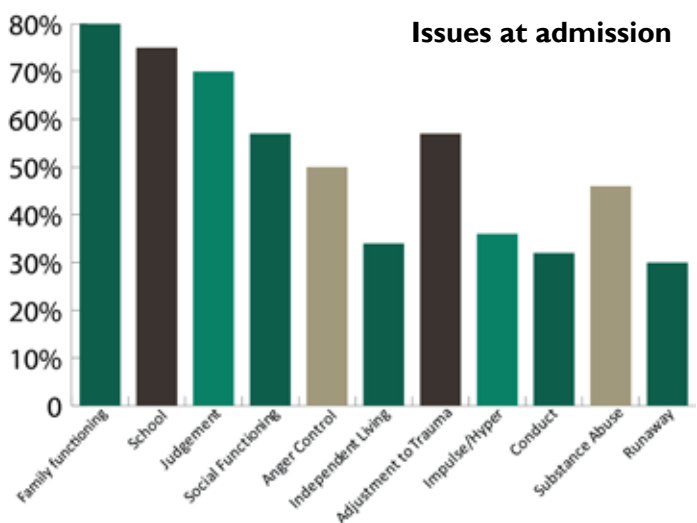


### How well has living at the Ranch helped you deal with your problems?



Residents at the Ranch have a needs assessment completed when they arrive. The graph above lists the main reasons identified for why youth come to the Ranch and helps staff determine the degree of attention each issue requires.

### Issues at admission



# AUDITOR'S report



## To the Members of Ranch Ehrlo Society

We have audited the accompanying financial statements of Ranch Ehrlo Society, which comprise the statements of financial position as at May 31, 2013, May 31, 2012 and June 1, 2011, and the statements of revenues and expenditures, changes in net assets and cash flows for the years ended May 31, 2013 and May 31, 2012, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

## Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ranch Ehrlo Society as at May 31, 2013, May 31, 2012 and June 1, 2011, and the results of its operations and its cash flows for the year ended May 31, 2013 and May 31, 2012 in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Regina, Saskatchewan  
September 3, 2013

  
Mintz & Wallace  
Chartered Accountants LLP



# MANAGEMENT'S responsibility for financial reporting

## Management's Responsibility for Financial Reporting

The financial statements of Ranch Ehrlo Society have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Ranch Ehrlo Society 's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Mintz & Wallace Chartered Accountants LLP, in accordance with Canadian generally accepted auditing standards.

  
\_\_\_\_\_  
President and CEO

  
\_\_\_\_\_  
Chief Financial Officer

Pilot Butte, Saskatchewan  
September 03, 2013



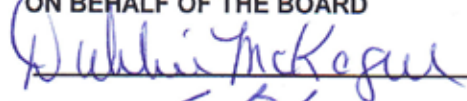


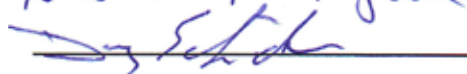
# STATEMENT of financial position

	May 31 2013	May 31 2012	June 1 2011
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash	\$ 2,119,188	\$ 1,696,707	\$ -
Inventory	23,142	32,045	-
Goods and services tax recoverable	67,938	47,291	87,222
Prepaid expenses	134,768	19,824	43,482
Accounts receivable	4,346,047	3,841,015	4,616,925
Trust assets (Note 6)	53,032	54,430	46,519
	<u>6,744,115</u>	<u>5,691,312</u>	<u>4,794,148</u>
<b>CAPITAL ASSETS (Note 4)</b>	<b>12,957,133</b>	<b>11,293,649</b>	<b>4,221,417</b>
<b>INTANGIBLE ASSETS (Note 5)</b>	<b>91,684</b>	<b>-</b>	<b>-</b>
<b>RESTRICTED CASH (Note 7)</b>	<b>489,676</b>	<b>359,026</b>	<b>243,750</b>
	<u>\$ 20,282,608</u>	<u>\$ 17,343,987</u>	<u>\$ 9,259,315</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT</b>			
Bank indebtedness (Note 8)	\$ -	\$ -	\$ 862,043
Accounts payable and accrued liabilities	4,173,895	4,093,217	3,101,149
Callable debt due in one year (Note 10)	204,267	261,903	67,355
Current portion of long term debt (Note 11)	22,193	1,962	-
Employee deductions payable	86,946	79,882	85,229
Deferred revenue (Note 9)	340,040	660,704	388,391
Due to related parties (Note 15)	-	14,064	-
Trust liabilities (Note 6)	53,032	54,430	46,519
	<u>4,880,373</u>	<u>5,166,162</u>	<u>4,550,686</u>
Callable debt due thereafter (Note 10)	462,520	666,685	63,177
	<u>5,342,893</u>	<u>5,832,847</u>	<u>4,613,863</u>
<b>LONG TERM DEBT (Note 11)</b>	<b>962,155</b>	<b>31,475</b>	<b>-</b>
<b>ACCRUED BENEFIT LIABILITY (Note 17)</b>	<b>145,973</b>	<b>174,748</b>	<b>194,612</b>
<b>FORGIVABLE LOANS/CAPITAL FUNDING (Note 12)</b>	<b>4,648,689</b>	<b>4,880,438</b>	<b>-</b>
	<u>11,099,710</u>	<u>10,919,508</u>	<u>4,808,475</u>
<b>NET ASSETS</b>			
General fund	8,693,222	6,065,453	4,207,090
Restricted fund (Note 7)	489,676	359,026	243,750
	<u>9,182,898</u>	<u>6,424,479</u>	<u>4,450,840</u>
	<u>\$ 20,282,608</u>	<u>\$ 17,343,987</u>	<u>\$ 9,259,315</u>

CREDIT FACILITIES/CONTINGENCY (Note 14)

ON BEHALF OF THE BOARD

 Director

 Director



# STATEMENT of revenues and expenditures

Year Ended May 31, 2013

	2013	2012
<b>REVENUES</b>		
Residential	\$ 39,402,471	\$ 36,286,593
Education	8,284,152	7,672,306
Community	5,917,411	5,267,170
Forgiven/amortized capital funding (Note 12)	309,635	155,463
Other	69,465	77,154
	<u>53,983,134</u>	<u>49,458,686</u>
<b>EXPENDITURES</b>		
Salaries and benefits	37,629,434	35,658,418
Occupancy costs (Note 15)	4,683,658	4,699,982
Operational requirements	1,193,399	904,367
Interest and bank charges	42,150	56,267
Interest on callable debt	26,757	20,389
Interest on long term debt	34,538	1,044
Special programs	6,444,913	6,276,811
Miscellaneous other	353,164	363,129
Amortization	816,702	590,125
	<u>51,224,715</u>	<u>48,570,532</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS</b>	<b>2,758,419</b>	<b>888,154</b>
<b>OTHER INCOME</b>		
Gain on amalgamation (Note 2)	-	1,085,485
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 2,758,419</b>	<b>\$ 1,973,639</b>



# STATEMENT of changes of net assets

## Year Ended May 31, 2013

	General Fund	Restricted Fund	2013	2012
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 6,065,453	\$ 359,026	<b>\$ 6,424,479</b>	\$ 4,450,840
Excess of revenues over expenditures	2,758,419	-	<b>2,758,419</b>	1,973,639
Internal transfer ( <i>Note 13</i> )	(130,650)	130,650	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 8,693,222</b>	<b>\$ 489,676</b>	<b>\$ 9,182,898</b>	<b>\$ 6,424,479</b>



# STATEMENT of cash flows

Year Ended May 31, 2013

	2013	2012
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 2,758,419	\$ 1,973,639
Items not affecting cash:		
Amortization of capital assets	816,702	590,125
Gain on amalgamation	-	(1,085,485)
Gain on disposal of assets	(25,104)	(20,934)
	<u>3,550,017</u>	<u>1,457,345</u>
Changes in non-cash working capital	(864,643)	1,211,706
Cash flow from operating activities	<u>2,685,374</u>	<u>2,669,051</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(2,480,186)	(4,482,202)
Purchase of intangible assets	(91,684)	-
Proceeds on disposal of capital assets	25,104	20,934
Cash flow used by investing activities	<u>(2,546,766)</u>	<u>(4,461,268)</u>
<b>FINANCING ACTIVITIES</b>		
Advances from (to) related parties	(14,064)	145,017
Accrued benefit liability	(28,775)	(19,864)
Proceeds from callable debt financing	-	973,000
Proceeds from long term financing	1,000,000	-
Repayment of callable debt	(261,800)	(174,945)
Repayment of long term debt	(49,098)	(1,890)
Forgivable loans received	77,895	3,396,051
Forgivable loans recognized	(309,635)	(155,463)
Cash acquired on amalgamation	-	304,337
Cash flow from financing activities	<u>414,523</u>	<u>4,466,243</u>
<b>INCREASE IN CASH FLOW</b>	<b>553,131</b>	<b>2,674,026</b>
<b>CASH (DEFICIENCY) - BEGINNING OF YEAR</b>	<b>2,055,733</b>	<b>(618,293)</b>
<b>CASH - END OF YEAR</b>	<b>\$ 2,608,864</b>	<b>\$ 2,055,733</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 2,119,188	\$ 1,696,707
Restricted cash	489,676	359,026
	<u>\$ 2,608,864</u>	<u>\$ 2,055,733</u>



# NOTES

## to financial statements

Year Ended May 31, 2013

### 1. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the Society adopted Canadian Accounting Standards for Not-for-Profit Organizations (ASNFP). These financial statements are the first prepared in accordance with these standards and in relation future employee benefits (Note 17), the Society has chosen to recognize all accumulated actuarial gains and losses and past service costs in net assets at transition date, June 1, 2011. The changes have been applied retrospectively, resulting in changes to beginning equity and restatement of certain liabilities as described below:

a) The statement of financial position at June 1, 2011 has been restated as follows:

	<u>June 1 2011</u>	Adjustment	<u>Restated</u>
Accrued benefit liability	\$ 212,031	\$ (17,419)	<u>\$ 194,612</u>

b) The balance of net assets at June 1, 2011 was adjusted as follows:

	<u>June 1 2011</u>
Net assets, beginning, as previously reported	\$ 4,433,421
Adjustments to beginning net assets:	
Restatement of accrued benefit liability	17,419
Net assets, beginning, as restated.	<u>\$ 4,450,840</u>

c) Excess of revenues over expenditures for the year ended May 31, 2012 which was previously reported using Canadian generally accepted accounting principles, has been restated as follows:

	<u>May 31 2012</u>	Adjustment	<u>Restated</u>
Revenue	\$ 49,458,686	\$ -	<u>\$ 49,458,686</u>
Expenditures	(48,576,665)	6,133	<u>(48,570,532)</u>
Income from operations	882,021	6,133	<u>888,154</u>
Gain on amalgamation	1,085,485	-	<u>1,085,485</u>
Excess of revenues over expenditures	<u>\$ 1,967,506</u>	<u>\$ 6,133</u>	<u>\$ 1,973,639</u>

d) The cash flow statement for the year ended May 31, 2012 was adjusted as follows:

	<u>May 31 2012</u>	Adjustment	<u>Restated</u>
Excess of revenue over expenditures	\$ 1,967,506	\$ 6,133	<u>\$ 1,973,639</u>
Accrued benefit liability	(13,731)	(6,133)	<u>(19,864)</u>



# NOTES

## to financial statements

### 2. NATURE OF ORGANIZATION

The Boards of Ranch Ehrlo Society and Ehrlo Community Services Inc., an associated charity, voted to amalgamate as of June 1, 2011 to form a single larger entity called Ranch Ehrlo Society that will continue to carry on the activities of each of the predecessors.

Ranch Ehrlo Society is a non-profit, registered charitable organization dedicated to providing programming in the following areas:

- Early learning/vocational
- Affordable housing
- Community therapeutic recreation
- Therapeutic counselling
- Family community
- Family residential
- Adolescent residential/education/clinical
- Life span residential

While the Society operates from a number of facilities in Saskatchewan, it serves communities across Canada on a referral basis.

The Society operates in Saskatchewan and is exempt from income taxes under section 149 of the *Income Tax Act*.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

#### Revenue recognition

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

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

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

(continues)



# NOTES

## to financial statements

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fund accounting

The Society uses fund accounting to recognize internally restricted activities.

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

The Restricted Fund reports amounts set aside by Board motion for specific purposes (See Note 7). These funds may be ongoing in nature or resources for specific future activities.

#### Inventory

Inventory is recorded at the lower of cost and net realizable value using the first in first out cost method.

#### 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. The Society regularly reviews its capital assets to eliminate obsolete items. Amortization begins in the month that the asset is put into use.

Buildings	4 - 10%	declining balance method
Equipment	20%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	50%	declining balance method
Leasehold improvements	10% - 30%	declining balance method

#### Intangible assets

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

#### Employee future benefits

The Society has a defined contribution pension plan. In addition, there is a defined benefit plan available to retirees for Health and Dental benefits. The cost of Health and Dental benefits earned by the employees is determined using the projected benefit method pro-rated on service and is charged to expense as services are rendered. The annual benefit recovery (net) for accounting purposes is actuarially determined based on the assumptions that reflect the management's best estimate of the effect of future events on the actuarial present value of accrued health and dental benefit obligations and the valuation of health and dental plan assets.

#### Forgivable loans

The Society has entered into forgivable loan agreements with Saskatchewan Housing Corporation. These loans are non-interest bearing and can be advanced to cover a portion of the costs of capital asset construction, significant renovations and large repairs. A condition of the advances is that the housing unit must be substantially used to provide long-term accommodation to qualifying persons and families over a specified term (amortization period of the loan). If these conditions are not met, the unamortized portion must be repaid. The forgiven portion annually is taken into income over the amortization period outlined in the contract, which is a reasonable approximation of the life of the underlying asset.



# NOTES

## to financial statements

#### 4. CAPITAL ASSETS

	Cost	Accumulated amortization	2013 Net book value	2012 Net book value
Land	\$ 265,831	\$ -	\$ 265,831	\$ 264,083
Buildings	12,321,130	1,157,813	11,163,317	9,945,994
Equipment	2,186,453	1,421,036	765,417	566,560
Motor vehicles	274,776	213,676	61,100	74,130
Computer equipment	564,783	405,659	159,124	185,509
Leasehold improvements	906,340	363,996	542,344	257,373
	<u>\$ 16,519,313</u>	<u>\$ 3,562,180</u>	<u>\$ 12,957,133</u>	<u>\$ 11,293,649</u>

Included in buildings are new facilities in Pilot Butte totaling \$231,297 (2012 - \$231,297), Prince Albert totaling \$2,912 (2012 - \$2,912), Rorison house \$553,976 (2012 - \$13,400), Regina pocket project \$207,221 (2012 - \$49,332), Corman Park \$Nil (2012 - \$26,263), and Mitchell house \$768,322 which were not ready for use by yearend, and therefore, were not amortized.

#### 5. INTANGIBLE ASSETS

	2013	2012
Software rights and trademarks	<u>\$ 91,684</u>	<u>\$ -</u>

Software was not in use by yearend so no amortization was taken.

#### 6. TRUST ASSETS

The Society administers work project funds, which have been designated for a specific purpose. Revenue generated by and expenditures made by these funds are not included in the Society's operations.

#### 7. RESTRICTED FUND

Restricted fund is cash that has been earmarked for a specific purposes and is tracked in separate bank accounts.

	2013	2012
Geoff Pawson Scholarship	\$ 217,338	\$ 193,535
Avant Garde Bursary	2,453	2,453
Corman Park sewer upgrades	225,615	150,037
Replacement reserve	44,270	13,001
	<u>\$ 489,676</u>	<u>\$ 359,026</u>





# NOTES

## to financial statements

### 8. BANK INDEBTEDNESS

The Society has an operating line with Royal Bank of Canada totaling \$1,600,000 of which \$Nil (2012 - \$Nil) has been advanced at year end. The bank indebtedness figure appearing in the statement of financial position for the prior year will vary from the advance as a consequence of deposits in transit and outstanding cheques. The line of credit bears interest at bank prime + .30% and is secured by accounts receivable. The line of credit is in addition to the credit facility outlined in Note 14 below and is independent of it.

The Society has an additional line of credit with Conexus Credit Union totaling \$75,000 of which \$Nil (2012 - \$Nil) has been advanced at year end. The line of credit bears interest at bank prime + .5% and is secured by a general security agreement.

### 9. DEFERRED REVENUE

	2013	2012
2013-2014 Golf tournament	\$ 49,171	\$ 36,912
Specialized after school program	2,775	-
Ehrlo Child and Family Foundation counseling grant	-	200,000
Ehrlo Child and Family Foundation family treatment funding	-	62,200
Regina Qu'Apelle Health Region Autism camp grant	-	135,665
Treatment Foster Support Program	227,122	147,385
Groundwork-Montreal St	22,426	-
Avant Garde student tuition	38,546	78,542
	<u>\$ 340,040</u>	<u>\$ 660,704</u>



# NOTES to financial statements

## 10. CALLABLE DEBT

Royal Bank loan bearing interest at 2.25% per annum, repayable in monthly blended payments of \$5,800. The loan is renewable on November 5, 2013. The security on this loan is outlined in Note 14.

	<u>2013</u>	<u>2012</u>
	\$ -	\$ 64,253

Royal Bank loan bearing interest at prime plus 0.30% per annum, repayable in monthly blended payments of \$8,100. The loan is renewable on August 18, 2013. The security on this loan is outlined in Note 14.

266,996	353,744
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Royal Bank loan bearing interest at prime plus 0.30% per annum, repayable in monthly blended payments of \$10,500. The loan is renewable on December 16, 2013. The security on this loan is outlined in Note 14.

<u>399,791</u>	<u>510,591</u>
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666,787	928,588
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Principal due in one year

<u>(204,267)</u>	<u>(261,903)</u>
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<u>\$ 462,520</u>	<u>\$ 666,685</u>
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Principal repayment terms are approximately:

2014	\$ 204,267
2015	211,111
2016	206,844
2017	<u>44,565</u>
	<u>\$ 666,787</u>

The above loans are advanced on a demand basis but the Royal Bank has agreed to fixed repayment terms that extend beyond one year.



# NOTES

## to financial statements

### 11. LONG TERM DEBT

	<u>2013</u>	<u>2012</u>
Toronto Dominion bank loan bearing interest at prime plus 1% per annum, repayable in monthly blended payments of \$272. The loan is secured by the McTavish St. property.	\$ -	\$ 33,437
Conexus Credit Union loan bearing interest at 4.487% per annum, repayable in monthly blended payments of \$5,528. The mortgage is renewable on August 1, 2015 and is secured by McEwen land/building and a general security agreement.	<u>984,348</u>	-
	<b>984,348</b>	33,437
Amounts payable within one year	<u>(22,193)</u>	<u>(1,962)</u>
	<b>\$ 962,155</b>	<b>\$ 31,475</b>

Principal repayment terms are approximately:

2014	\$ 22,193
2015	23,209
2016	24,272
2017	25,384
2018	<u>26,547</u>
	<b>\$ 121,605</b>

### 12. FORGIVABLE LOANS/CAPITAL FUNDING

	<u>2013</u>	<u>2012</u>
Saskatchewan Housing Corporation Forgivable Loan - forgivable in monthly instalments of \$16,667.	\$ 3,376,263	\$ 3,576,274
Federal/Municipal grant funding - amortized in monthly instalments of \$5,703.	906,869	975,269
Ehrlo Child and Family Foundation capital funding - amortized at a rate of 10-20% annually.	287,661	328,895
Saskatchewan Housing Corporation Forgivable Loan - pocket project	<u>77,896</u>	-
	<b>\$ 4,648,689</b>	<b>\$ 4,880,438</b>

The forgiven/amortized portion is recorded as revenue in the statement of revenue and expenditures.

In the event that 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.

The Pocket project is not complete and thus forgiveness has not begun.



# NOTES

## to financial statements

### 13. INTERNAL TRANSFERS

In the current year the board of directors approved a \$130,650 (2012 - \$115,276) transfer from the general fund. All restricted fund amounts are now transferred from the general operating bank account to a restricted fund bank account and at yearend the total in the account is \$489,676 (2012 - \$359,026).

### 14. CREDIT FACILITIES/CONTINGENCY

#### Royal Bank

Ranch Ehrlo Society and RES & E Holding Corporation share a common credit facility. The security for this facility is a general security agreement covering all assets of these two entities and thus each is contingently liable for the debts of the other in addition to their own debt. At yearend the facility consisted of:

	Drawn by Ranch Ehrlo Society	Drawn by RES & E Holding Corporation	2013 Total
<u>Capital line of Credit</u>			
The established limit of this facility is \$2,000,000 and it bears interest at RBC bank prime plus .30%. Each advance has fixed repayment terms that cannot exceed 5 years. Ranch Ehrlo Society and RES & E Holding Corporation can draw upon this line.	\$ 666,787	\$ 184,239	\$ 851,026
<u>Fixed Term</u>			
The established limit of this facility is \$5,000,000 and it bears interest at 3.95% per annum. Each advance has fixed repayment terms with an amortization period that cannot exceed 15 years. RES & E Holding Corporation can draw upon this debt.	\$ -	\$ 3,278,276	\$ 3,278,276
	<u>\$ 666,787</u>	<u>\$ 3,462,515</u>	<u>\$ 4,129,302</u>

### 15. RELATED PARTIES

The Society is related to RES & E Holding Corporation in that they share a common credit facility and the Society is the Corporation's only tenant.

During the year the Society paid rent and related expenses of \$1,472,021 (2012 - \$1,737,914). Rent is intended to recover all costs plus a modest allowance for overhead. As at the yearend, the balance owing from the Society to RES & E Holding Corporation was \$Nil (2012 - \$14,064). Payments between related parties are treated like trade payables and are settled on a current basis. In addition, these two related parties share common credit facilities as outlined in Note 14.



# NOTES

## to financial statements

### 16. DEFINED 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 \$945,157 (2012 - \$886,960).

### 17. ACCRUED BENEFITS LIABILITY

The Society has a defined benefit group insurance plan available to employees upon eligible retirement.

The most recent actuarial valuation of the defined benefit group insurance plan occurred effective May 31, 2010. The results of the actuarial valuation have been extrapolated to May 31, 2013. Information about the defined benefit plan of the Society is as follows. A discount rate of 5.75% was used in the valuation.

	2013	2012
<u>Accrued benefit obligation:</u>		
Balance - beginning of year	\$ 422,384	\$ 399,418
Current service cost	41,700	41,700
Interest cost	26,607	26,067
Benefits paid in year	(3,600)	(11,051)
Actuarial loss (gain)	(40,420)	(33,750)
	<u>\$ 446,671</u>	<u>\$ 422,384</u>
<u>Fair value of plan assets</u>		
Balance - beginning of year	\$ 247,636	\$ 204,806
Benefits paid	(3,600)	(11,051)
Employer contributions	39,600	47,051
Investment return(loss)	17,062	6,830
	<u>\$ 300,698</u>	<u>\$ 247,636</u>
Plan assets have been invested in RBC mutual funds and are reported at fair market value.		
<u>Funded status</u>		
Accrued benefit obligation	\$ (446,671)	\$ (422,384)
Fair value of plan assets	300,698	247,636
	<u>\$ (145,973)</u>	<u>\$ (174,748)</u>
<u>Accrued benefit liability</u>		
Funded status - (deficit)	\$ (174,748)	\$ (194,612)
Recovery (expense)	(10,825)	(27,187)
Contribution	39,600	47,051
	<u>\$ (145,973)</u>	<u>\$ (174,748)</u>



# NOTES

## to financial statements

### 18. LEASE COMMITMENTS

The Society has long term leases with respect to property, equipment and vehicles. Future minimum lease payments as of May 31, 2013 are as follows:

	Equipment	Vehicles	Property	Total
2014	\$ 34,386	\$ 472,656	\$ 2,395,118	\$ 2,902,160
2015	29,677	352,174	1,960,360	2,342,211
2016	14,240	148,123	1,890,310	2,052,673

### 19. 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, 2013.

#### 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 a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Society has a significant number of customers which minimizes concentration of credit risk and most of those are government agencies or large institutions and 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 or 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. The Society has also made arrangements with its financial institution to provide a credit facility which will meet any anticipated shortfalls.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities but it is not significantly levered and thus this risk is considered low.

### 20. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.



# Ranch Ehrlo Society senior leadership



Meet the team (l to r): Corinna Hayden-Fidler - vice-president of education, Ian Rea - chief financial officer, Carole Bryant - vice-president of administration and quality improvement, Dr. Marion MacIver - president and CEO, Dean Parker - vice-president of human resources, Linda Meyer - vice-president of clinical services and research, and Malcolm Neill - vice-president of residential services.





Ranch Ehrlo Society

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View this annual report online at: [www.ehrlo.com](http://www.ehrlo.com)

