



Community Health Services (Saskatoon) Association Ltd.

60th Annual General Meeting

Wednesday June 15, 2022 at 6:30 pm, Virtual

Agenda

1. Call to Order
2. Blessing
3. Reading and disposal of the preceding Annual General Meeting
4. Business arising out of minutes
5. Reports of the President, Directors, Administrator, Medical Director, Treasurer and other Officers
6. Reports of Auditors and consideration of the financial statement
7. Discussion, consideration, and disposing of reports set out in Items 4 & 5
8. Resolutions, recommendations and bylaws
9. Elections of Directors and Communications Committee
10. Reports of Special Committees
 - Communications Committee
11. Unfinished Business
12. Appointment of Auditors
13. New Business
 - Foundation
 - REACH presentation
14. Adjournment

AGM 2022 Rules of Order

1. The Chairperson shall call the meeting to order.
- 2.a When a member wishes to speak, they will request to do so via the Zoom Chat and provide their first and last names and whether or not they are a member.
- 2.b The Board secretary will monitor the Zoom Chat and announce to all those present, the first and last names of the person who wishes to speak.
- 2.c The Chairperson will then recognize the speaker. IT will unmute the person who has been recognized to speak by the Chairperson. The speaker, when recognized by the Chairperson, shall give her/his first and last names and confine all remarks to the question at issue.
- 2.d Only requests to speak will be announced by the Board secretary; comments provided in the Zoom Chat will not be announced.
- 3.a A speaker will be permitted to speak for two minutes.
- 3.b This shall not apply to the person presenting a report or resolution when the report or resolution is being presented.
- 3.c The Chairperson may at any time during debate call upon the spokesperson for the Board of Directors or committee to provide an explanation of the report under debate.
- 3.d The Chairperson will inform all present that the speaker's time has reached two minutes either verbally or by a visual or audible signal.
4. A speaker shall not speak more than once per motion, except that the mover or designate, or the person who introduced a report or resolution, may also close the debate.
5. A member shall not interrupt another except to call for a point of order.
6. If a speaker is called to order, the speaker shall yield the floor until the question of order has been decided.
7. Any two members may appeal the decision of the Chairperson by requesting to do so through the Zoom Chat; one of whom shall state the reasons for the appeal, their name and the name of the second member making the appeal. The Chairperson shall make an explanation of the decision and shall put the question: Shall the decision of the Chairperson be sustained? The question shall not otherwise be debatable.
- 8.a Except for procedural motions (see 8.d) voting on motions will be undertaken electronically using the Election Buddy program.
- 8.b Resolutions must be provided in writing 10 days in advance of the meeting and will be included in the meeting package of materials for review by member in advance of the meeting.
- 8.c A vote count will be announced if requested from the floor by any two members.

- 8.d Votes on procedural motions, for example approval of minutes, will be conducted through the Zoom Chat. The Chairperson will present the procedural motion and ask if there are any objections or abstentions and if so, ask that the objection or abstention be indicated in the Zoom Chat. Any member who neither objects nor abstains shall be taken as having voted in favour of the motion. The secretary will inform the meeting as to the number of objections and abstentions.
- 8.e The Chairperson will announce the results of all motions.
9. The Chairperson shall not vote on any question, except in the case of a tie where the Chairperson shall cast the deciding vote.
10. Debate can be closed by the Chairperson if no one seeks the floor for further debate, or by a member calling for the question. When a member calls for the question, no further discussion or amendment of the motion is permitted until there has been a procedural vote on the call for the question. If the majority vote that the question now be put, it shall be put without debate. If the motion to put the question is defeated, debate will continue.
11. A motion may be reconsidered provided the mover of the motion to reconsider voted with the majority, and the motion to reconsider is supported by two-thirds of the members present and voting.
12. The hours of the meeting, including any advance registration deadlines, will be established by the Board of Directors.
13. Any of the above rules may be suspended by unanimous consent or may be changed for the members meeting in which such change is made, by a vote of two-thirds of the members present and voting, on a motion moved and seconded by two members.
14. The Agenda may be changed by a specific motion to do so, provided such motion is supported by two-thirds of the members present and voting, on a motion moved and seconded by two members.
15. Election of Directors shall follow the procedures described in Board Policy G-P 22, *Nomination and Election of Directors*
16. Motions to amend the bylaws must follow the procedures outlined in *The Co-operatives Act, 1996*(Sask).
17. In all matters not otherwise regulated herein, Robert's Rules of Order shall apply.

Minutes of Previous Annual Meeting

The 59th Annual General Meeting took place virtually by Zoom on Wednesday June 16, 2021. Seventy-three members were in attendance.

1. Call to Order

Chairperson Heather Hale called the meeting to order at 6:30 pm.

Heather Hale introduced elder, Florence Highway for a blessing.

Heather Hale announced that the meeting is governed by the Roberts Rules of Order. The written Rules of Orders that were circulated in the meeting package will be used specially for tonight's meeting. Parliamentarian Elizabeth Williamson will be available should any procedural questions arise.

2. Adoption of the Minutes September 29, 2020 AGM

That the CHSA Annual General Meeting Minutes dated September 29, 2020 be accepted as presented.

Moved by Dominique Rislund, Seconded by Sherri Swidrovich/Carried

3. Business Arising out of Minutes

Updates in reports.

4. Reports

Updates from the Board of Directors from Heather Hale, Executive Director, Lisa Clatney and Medical Director, Dr. Morris Markentin.

5. Report of Auditor and Consideration of the Financial Statement

Jesse Radu with PricewaterhouseCoopers reviewed the audit and financial report.

That the Financial Statements for the year-end ending March 31, 2021 be approved as presented.

Moved by Gertie Paul, Seconded by Dominique Rislund/Carried

6. Discussion, Consideration and Disposing of Reports set out in Items 4 & 5

Members and guests wishing to speak were asked to alert the Board Secretary through the chat box. Speakers were unmuted in sequential order of request received. The parliamentarian monitored speaking length to two minutes per speaker.

7. Resolution, Recommendation and Bylaws

Three written resolutions were submitted for membership consideration. Voting occurred virtually by Election Buddy.

Resolution #1

Resolution to Include Long-Term Care in Canada Health Act

Whereas Covid-19 has highlighted the failure of the current long-term care system to protect the safety of Canada's elder citizens living with poor health;

And whereas there is a need for national standards of care to ensure the quality of life of residents in long-term care facilities;

And whereas more adequate staffing levels, improved training of continuing care staff and increased remuneration, are necessary to attract and retain these personnel;

And whereas experience has shown that private-for-profit facilities often fail to adequately serve residents, demonstrating that this is not an appropriate model for delivering long-term care;

Therefore, be it resolved That long-term care should be fully integrated into the health care system, and be included in the Canada Health Act.

And be it further resolved That both Provincial and Federal governments commit to the investment required to remake Canada's long- term care system to meet the needs of our aging population.

Moved by Michael Finley, Seconded by John Sheard/Carried

Resolution #2

Resolution Transfer of Care of Community Clinic Staff-Patients

Whereas The medical group will be withdrawing medical service to staff-patients in July 2021;

And whereas The medical group stated in their Position Statement of December 3, 2019 that:
"SCC has made arrangements with Packham Avenue Medical Clinic to accept SCC staff into their care, should our staff wish to pursue this option. Packham Medical Clinic provides general family physician care in addition to specializing in prenatal, postpartum and new baby care, pediatrics, geriatrics and women's health."

And whereas It has recently come to light that Packham Medical Clinic is now refusing to accept Community Clinic staff-patients who are seeking care;

And whereas Staff-patients are now being given a list of clinics reportedly accepting new patients but with whom SCC has not negotiated any agreements for care.

Therefore, be it resolved That SCC find and negotiate an agreement for staff-patient care with a medical clinic that offers services equal to those offered by Packham Medical Clinic

And That No staff-patient be discharged from the care of their Community Clinic physician until there is an alternative physician, mutually agreed upon by the staff-patient and their Community Clinic physician and who is prepared to accept the staff-patient into their practice.

Moved by Joan Stephens, Seconded by Ruth Cuthand/Defeated

Resolution #3

Co-operative Education

Whereas co-operative education for board members, staff, and members of a co- operative is necessary on an ongoing basis for co-operative principles, values, and identity to endure in the co-operative;

And whereas the mandate of Saskatchewan Co-operative Association (SCA) is to increase awareness and understanding of co-operatives by providing programs and services to co-operative elected officials, staff, and members, including co- operative education tailored to the needs of the individual co-operative;

And whereas the Community Clinic is a member of SCA via our membership in the Community Health Co-operative Federation Limited, and consequently is entitled to the services of the SCA.

Therefore, be it resolved that:

- a) The Clinic strike a member education committee with a mandate to formulate a plan for co-operative education to be provided to board members, staff, and members, and**
- b) there be a report back on this matter to the membership from this committee at the next Membership meeting.**

Moved by Michael Rohatynsky, Seconded by Liz Quinlan/Carried

8. Elections

Andrea Harris, Chasity Head-Stonestand, Janice Paslawski and Frank Quennell were elected by acclamation to the CHSA Board of Directors. Patti Warwick, Vice Chairperson thanked departing board members Fran Forsberg, Marianne Jurzyniec, Gertie Paul and Heather Hale for their leadership and dedication to CHSA.

One position was available for election to the Communications Committee. The position remains unfilled.

9. Report of Special Committee.

No reports as no special committees.

10. Unfinished Business

Dr. Lou Hammond-Ketilson was called upon to provide the final summary of the Unique Value Proposition.

11. Appointment of Auditors

That PricewaterhouseCoopers be appointed as auditor for CHSA for 2021-2022

Moved by, Sherri Swidrovich, Seconded by Gertie Paul/Carried

12. New Business

Angie Fergusson, President of the Saskatoon Community Clinic Foundation was called upon to give the Foundation update.

13. Adjournment

The meeting adjourned at 9:30 pm. Seconded by Janice Paslawski.

Community Health Services (Saskatoon) Association Ltd.

Financial Statements
March 31, 2022



Independent auditor's report

To the Members of Community Health Services (Saskatoon) Association Ltd.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Health Services (Saskatoon) Association Ltd. (the Association) as at March 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.

What we have audited

The Association's financial statements comprise:

- the statement of financial position as at March 31, 2022;
- the statement of revenue and expenses – operating fund for the year then ended;
- the statement of revenue and expenses – capital fund for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Other information

Management is responsible for the other information. The other information obtained prior to the date of this auditor's report comprises the information, other than the financial statements and our auditor's report thereon, included in the annual report.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, 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 Association'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 Association'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 Association 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.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Saskatoon, Saskatchewan
May 31, 2022

Community Health Services (Saskatoon) Association Ltd.

Statement of Financial Position

As at March 31, 2022

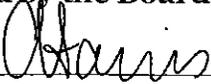
			2022	2021
	Operating fund \$	Capital fund \$	Total \$	Total \$
Assets				
Current assets				
Cash and cash equivalents	4,256,860	-	4,256,860	4,059,189
Investments (note 3)	2,847	-	2,847	302,828
Accounts receivable	177,859	-	177,859	139,911
Inventory (note 4)	290,017	-	290,017	298,576
Prepaid expenses	163,942	-	163,942	158,281
	4,891,525	-	4,891,525	4,958,785
Investments (note 3)	1,515,803	-	1,515,803	1,207,800
Tangible capital assets (note 5)	-	1,781,945	1,781,945	2,034,622
Intangible assets (note 6)	-	118,194	118,194	176,173
	6,407,328	1,900,139	8,307,467	8,377,380
Liabilities and fund balances				
Current liabilities				
Accounts payable and accrued liabilities (note 7)	2,116,460	-	2,116,460	2,301,039
Deferred revenue (note 8)	1,316,166	-	1,316,166	1,378,099
Members' loans (note 9)	23,948	-	23,948	23,948
Interfund	470,830	(470,830)	-	-
	3,927,404	(470,830)	3,456,574	3,703,086
Fund balances				
Net assets	2,479,924	2,370,969	4,850,893	4,674,294
	6,407,328	1,900,139	8,307,467	8,377,380

Line of credit (note 10)

Commitments and contingencies
(note 11)

Economic dependence (note 12)

Approved by the Board of Directors




_____ Director _____ Director

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

Community Health Services (Saskatoon) Association Ltd.

Statement of Revenue and Expenses – Operating Fund

For the year ended March 31, 2022

	2022 \$	2021 \$
Revenues		
Receipts from Saskatchewan Health	13,322,807	12,504,298
Pharmacy (schedule 1)	3,224,301	3,223,299
Other (schedule 2)	381,148	398,626
Refugee clinic	72,384	8,149
	<u>17,000,640</u>	<u>16,134,372</u>
Expenses (note 13)		
Physicians	4,180,048	3,792,445
Pharmacy (schedule 1)	3,030,935	3,083,071
West side	2,433,611	2,319,607
Administration and main building operations	1,842,025	1,857,954
Nursing	1,050,567	936,185
Counselling	936,258	926,317
Laboratory	844,881	786,317
Physiotherapy	596,574	572,555
Reception	465,622	434,197
Information systems	328,643	319,033
Radiology	280,833	280,117
Medical records	165,507	156,837
Members' activities	152,075	145,137
Occupational therapy	121,381	116,825
Nutrition	118,261	116,578
Health promotion	13,707	6,259
Time in lieu	9,457	49
Termination pay (recoveries)	(1,243)	566
Vacation pay (recoveries)	(52,287)	123,574
	<u>16,516,855</u>	<u>15,973,623</u>
Excess of revenue over expenses	<u>483,785</u>	<u>160,749</u>

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

Community Health Services (Saskatoon) Association Ltd.

Statement of Revenue and Expenses – Capital Fund

For the year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Receipts from Saskatchewan Health	105,495	307,969
Donations	32,421	76,254
	<hr/> 137,916	<hr/> 384,223
Expenses		
Amortization	445,102	428,509
	<hr/> 445,102	<hr/> 428,509
Deficiency of revenue over expenses	<hr/> (307,186)	<hr/> (44,286)

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

Community Health Services (Saskatoon) Association Ltd.

Statement of Changes in Fund Balances

For the year ended March 31, 2022

	2022			2021		
	Operating Fund \$	Capital Fund \$	Total \$	Operating Fund \$	Capital Fund \$	Total \$
Balance – Beginning of year	1,996,139	2,678,155	4,674,294	1,632,916	2,924,915	4,557,831
Excess (deficiency) of revenue over expenses	483,785	(307,186)	176,599	160,749	(44,286)	116,463
Interfund transfers	-	-	-	202,474	(202,474)	-
Balance – End of year	2,479,924	2,370,969	4,850,893	1,996,139	2,678,155	4,674,294

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

Community Health Services (Saskatoon) Association Ltd.

Statement of Cash Flows

For the year ended March 31, 2022

	2022 \$	2021 \$
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses	176,599	116,463
Item not affecting cash		
Amortization	445,102	428,509
	<u>621,701</u>	<u>544,972</u>
Changes in non-cash working capital items		
Accounts receivable	(37,948)	71,164
Inventory	8,559	5,336
Prepaid expenses	(5,661)	10,103
Accounts payable and accrued liabilities	(184,579)	322,690
Deferred revenue	(61,933)	273,322
	<u>340,139</u>	<u>1,227,587</u>
Investing activities		
Purchase of investments	(8,022)	(308,007)
Disposal of investments	-	304,930
Purchase of tangible capital assets	(134,446)	(421,155)
	<u>(142,468)</u>	<u>(424,232)</u>
Change in cash and cash equivalents during the year	197,671	803,355
Cash and cash equivalents – Beginning of year	4,059,189	3,255,834
Cash and cash equivalents – End of year	<u>4,256,860</u>	<u>4,059,189</u>
Cash and cash equivalents consist of		
Cashable term deposits	2,537,462	1,031,353
Cash balances with banks	1,718,367	3,026,856
Petty cash	1,031	980
	<u>4,256,860</u>	<u>4,059,189</u>

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

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

1 Description of business

Community Health Services (Saskatoon) Association Ltd. (the Association) is incorporated under The Co-operatives Act in the Province of Saskatchewan. The Association's mission is to achieve excellence and innovation in co-operative primary health care.

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organization (ASNPO) and include the following significant accounting policies.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses during the report period and disclosure of contingencies as at the date of the financial statements. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are recorded in the periods in which they become known. Significant items subject to such estimates and assumptions include: the useful lives of tangible capital assets, the accrual for retroactive pay and provisions for contingencies.

Fund accounting

The accounts of the Association are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds.

- Operating Fund

The Operating Fund is a general fund that reflects the primary operations of the Association, including funds received for the provision of health services from Saskatchewan Health and prescription revenue.

- Capital Fund

The Capital Fund is a restricted fund that reflects funds received for the acquisition of tangible capital assets.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits held with banks and term deposits that are highly liquid investments with original maturities of three months or less.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

Inventory

Inventory is stated at the lower of cost and net realizable value, with cost determined by the first-in first-out method. Inventories are written down to net realizable value when the cost of inventories is estimated to be greater than the anticipated selling price less costs to sell. When circumstances that previously caused inventories to be written down below cost no longer exist, the amount of the writedown is reversed.

Tangible capital assets and amortization

Tangible capital assets are recorded at cost less accumulated amortization and impairments. Amortization is based on the estimated useful life for each major class of assets using the straight-line method. The estimated useful lives are as follows:

Buildings	20 years
Equipment	8 years
Computers	5 years
Renovations	5 years
Telephones	5 years
Electronic medical records	5 years

In the year of acquisition, amortization is taken at one-half of the above rates if purchased in the last six months of the fiscal year. If acquired in the first six months of the fiscal year, amortization is taken at the full rate.

Intangible assets

Intangible assets are recorded at cost less accumulated amortization. Intangible assets with finite useful lives are amortized over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Software	5 years
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Impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset (or asset group) exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposal. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value. Impairments of long-lived assets are not reversed.

Revenue recognition

The Association follows the restricted fund method of accounting for contributions. Restricted contributions for which a corresponding restricted fund is present are recognized as revenue of that fund in the current period. Restricted contributions are recognized in the general fund using the deferral method when an appropriate restricted fund does not exist.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

Unrestricted contributions and internally restricted 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. Resources transferred to a restricted fund as a result of the Association imposing internal restrictions are recognized as interfund transfers.

Contributions restricted for the acquisition of tangible capital assets are recorded in the Capital Fund in the year in which the contribution is received. Externally restricted contributions for purposes other than the acquisition of tangible capital assets are deferred and recognized as revenue in the Operating Fund in the year in which the related expenses are incurred.

Revenue from prescriptions is recognized at the time of sale.

Employee future benefits

The Association's employee future benefit program consists of a defined contribution pension plan. The Association's contributions to the defined contribution plan are expensed as incurred.

Income taxes

Due to the nature of the Association's activities as a not-for-profit organization, it is exempt from income taxes.

Financial instruments

Recognition and derecognition

A financial asset or a financial liability is initially recognized when the Association becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished. Where the terms of a financial liability are renegotiated in an arms length transaction, resulting in substantially different terms, this is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, with any difference recognized in the statement of revenue and expenses. Where the terms of a financial liability are renegotiated with a related party, this is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Any difference is recognized in either net income or equity, depending on the circumstances.

Measurement

The Association initially measures financial assets originated or acquired and financial liabilities issued or assumed in an arm's length transaction at fair value. These financial assets and liabilities are subsequently measured at amortized cost, except for equity investments quoted in active markets and derivative financial instruments, which are measured at fair value. Changes in fair value are recognized in net income. Financial assets measured at amortized cost include cash and cash equivalents, investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and member loans.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

Where transactions with related parties result in the recognition of derivative contracts, quoted debt or equity instruments, or debt instruments where significant inputs to measure their fair value are observable, these are initially measured at fair value. All other financial assets originated or acquired, and financial liabilities issued or assumed in a related party transaction are initially measured at cost. For financial instruments with repayment terms, cost is determined as the sum of undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. For financial instruments with no repayment terms, cost is determined by reference to the consideration transferred or received by the Association in the transaction. Equity instruments quoted in active markets and derivative financial instruments are subsequently measured at fair value, with changes in fair value recognized in revenue. All other financial instruments resulting from related party transactions are subsequently measured at cost less any reduction for impairment.

Transaction costs on financial assets and liabilities measured at amortized cost are adjusted against the carrying value of the related asset or liability and then recognized over the expected life of the instrument using the straight-line method. Transaction costs on equity investments quoted in active markets are recognized immediately in the statement of revenue and expenses.

Impairment

At the end of each reporting period, the Association assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there are indicators of impairment, and the Association determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized.

For all financial assets, other than investments in debt or equity instruments originated or acquired in a related party transaction and initially measured at cost, the carrying amount of the asset is reduced to the higher of: the expected cash flows expected to be generated by holding the asset, discounted using a current market rate of interest, the amount that could be realized by selling the asset as at the balance sheet date, and the amount that could be realized by exercising the Association's right to any collateral held, net of all costs necessary to exercise those rights.

For a debt instrument originated or acquired in a related party transaction and initially measured at cost, the carrying amount of the asset is reduced to the higher of: the undiscounted expected cash flows, excluding interest and dividends, the amount that could be realized by selling the asset as at the balance sheet date, and the amount that could be realized by exercising the Company's right to any collateral held, net of all costs necessary to exercise those rights.

For an equity instruments originated or acquired in a related party transaction and initially measured at cost, the carrying amount is reduced to the amount that could be realized by selling the asset.

If circumstances change, a previously recognized impairment may be reversed to the extent of the improvement, provided the adjusted carrying amount is no greater than the amount that would have been recognized if the impairment had not been recorded.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

3 Investments

	2022 \$	2021 \$
Guaranteed investment certificates (GICs)	1,515,803	1,507,800
Share account in cooperative organizations	2,847	2,828
	<hr/>	<hr/>
	1,518,650	1,510,628
Less: Current portion	2,847	302,828
	<hr/>	<hr/>
	1,515,803	1,207,800
	<hr/>	<hr/>

Long-term investments maturing between 2023 to 2027 are subject to fixed interest rates ranging from 0.85% to 3.25% (2021 – 0.85% to 3.20%).

4 Inventory

	2022 \$	2021 \$
Westside Pharmacy	132,490	137,505
Pharmacy	101,773	106,528
Supplies	55,754	54,543
	<hr/>	<hr/>
	290,017	298,576
	<hr/>	<hr/>

Inventory recognized as an expense during the year amount to \$2,105,477 (2021 – \$2,238,079).

5 Tangible capital assets

	2022		2021	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Land	371,975	-	371,975	371,975
Buildings	3,274,882	2,401,654	873,228	908,794
Renovations	1,596,092	1,367,695	228,397	409,359
Equipment	1,455,119	1,300,608	154,511	165,314
Computers	341,727	212,432	129,295	179,180
Electronic medical records	295,421	295,421	-	-
Telephones	109,929	85,390	24,539	-
	<hr/>	<hr/>	<hr/>	<hr/>
	7,445,145	5,663,200	1,781,945	2,034,622
	<hr/>	<hr/>	<hr/>	<hr/>

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

6 Intangible assets

			2022	2021
	Cost	Accumulated	Net	Net
	\$	amortization	\$	\$
		\$		
Software	325,358	207,164	118,194	176,173

7 Accounts payable and accrued liabilities

	2022	2021
	\$	\$
Accrued vacation pay	860,856	913,144
Trade accounts payable	772,790	978,216
Accrued termination pay	252,397	253,640
Accrued salaries payable	162,206	104,279
Other accrued liabilities	50,606	43,569
Accrued time in lieu	17,336	7,883
PST payable	269	308
	<u>2,116,460</u>	<u>2,301,039</u>

As at March 31, 2022, the Association has outstanding government remittances payable including amounts for provincial sales taxes and payroll taxes of \$39,192 (2021 – \$98,155). None of these remittances are in arrears.

The Association is liable for termination pay to its employees. As at March 31, 2022, the potential liability was approximately \$252,396 (2021 – \$253,640). Amounts have been accrued for termination pay based on estimates prepared for the Association for the contractual obligation.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

8 Deferred revenue

Deferred revenue arises from funding provided by the Saskatchewan Ministry of Health, Affinity Credit Union, Health Canada and the Saskatoon Community Clinic Foundation (SCCF).

	2022			
	Balance – Beginning of the year \$	Contributions \$	Recognized as revenue during the year \$	Balance – End of year \$
College of Medicine and Dentistry	12,855	89,300	(96,660)	5,495
Physician increase	99,306	-	(99,306)	-
Affinity Credit Union Grant program	1,092	-	-	1,092
Chronic disease management	94,629	3,131	-	97,760
SCCF diabetes programming	4,511	-	-	4,511
Saskatchewan Health Authority	1,039,929	1,779,062	(1,751,820)	1,067,171
Ministry of Health	-	11,663,304	(11,663,304)	-
Canadian Association of CHC's	-	17,000	(2,640)	14,360
Non-targeted	125,777	-	-	125,777
	1,378,099	13,551,797	(13,613,730)	1,316,166
	2021			
	Balance – Beginning of the year \$	Contributions \$	Recognized as revenue during the year \$	Balance – End of year \$
College of Medicine and Dentistry	13,832	25,783	(26,760)	12,855
Physician increase	-	99,306	-	99,306
Affinity Credit Union Grant program	1,092	-	-	1,092
Chronic disease management	79,123	15,506	-	94,629
SCCF diabetes programming	4,511	-	-	4,511
Saskatchewan Health Authority	649,717	1,894,986	(1,504,774)	1,039,929
CUPE	28,250	-	(28,250)	-
Ministry of Health	-	11,140,734	(11,140,734)	-
Non-targeted	328,252	-	(202,475)	125,777
	1,104,777	13,176,315	(12,902,993)	1,378,099

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

9 Members' loans

	2022 \$	2021 \$
Unsecured, non-interest bearing, non-maturing members' loans totalling \$20,524 (2021 – \$20,524). The remaining \$3,243 (2021 – \$3,243) represents unsecured members' loans bearing interest rates from 6% to 10% per annum	23,767	23,767
Debentures fully matured, bearing interest rate of 6.75%, interest payable monthly	181	181
	<u>23,948</u>	<u>23,948</u>

Members' loans have no fixed repayment terms. In the absence of a signed agreement confirming repayment terms, the entire outstanding balance is presented as a current liability.

10 Line of credit

The Association has four credit facilities available up to a maximum of \$1,525,000 with interest rates ranging from 2.7% to 4.2%. No amounts were drawn on these facilities as at March 31, 2022. The facilities are secured by GICs, term deposits, certain buildings and land.

11 Commitments and contingencies

Funding

The Association has entered into funding agreements with the Saskatchewan Ministry of Health. Funding received under these agreements is subject to repayment if the Association fails to comply with the terms and they must be set aside as a reserve fund for unforeseen losses or other contingencies for the maintenance or further development of the services provided by the community clinic.

Retroactive pay

The Association has unsigned contracts with its employees. Negotiations towards new agreements are ongoing and settlements may result in retroactive salary and benefit increases.

12 Economic dependence

During the year, the Association received 78% (2021 – 78%) of its funding from the Saskatchewan Ministry of Health. The Association's ability to continue ongoing operations in its present form is dependent on continued funding from the Ministry.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

13 Expenses by object

	2022	2021
	\$	\$
Salaries	11,288,671	10,608,903
Cost of sales	2,105,477	2,238,079
Employee benefits	1,589,365	1,429,258
Utilities	267,035	244,919
Licences fees and study leave	236,242	237,168
Repairs and maintenance	209,027	223,384
Medical supplies	188,469	160,077
Professional fees	156,500	177,103
Supplies and printing	102,662	108,846
Insurance	87,489	99,175
Security	59,245	56,689
Laundry and clothing allowance	37,952	39,447
Travel and car allowance	34,844	30,579
Minor equipment	23,588	39,358
Advertising	23,137	27,370
Computer	18,141	17,795
Board of directors	18,014	8,475
Workers' compensation	17,516	21,305
Subscription fees	17,132	16,112
Health promotion	13,707	6,259
Bank charges	11,029	11,284
Postage	9,534	11,323
Time in lieu	9,454	49
Meals and entertainment	9,049	5,728
Contracted services	8,801	9,005
Program costs	8,275	2,954
Parking	7,200	7,200
Delivery and freight	6,493	6,106
Photocopier	5,097	5,198
Administration	1,240	335
Termination pay (reversal)	(1,243)	566
Vacation pay (recoveries)	(52,287)	123,574
	<u>16,516,855</u>	<u>15,973,623</u>

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

14 Related party

The Association has significant influence in Saskatoon Community Clinic Foundation Inc. (the Foundation). The Foundation raises money to support grants to the Association for new programming, equipment, therapies, research and resources that improve the quality of healthcare for members of the Association. The Foundation is incorporated under the Saskatchewan Non-Profit Corporations Act and is a registered charity under the Income Tax Act (Canada). The Foundation solicits funds on behalf of the Association and contributes a substantial amount of the funds solicited to the Association. During the year, the Foundation contributed \$41,195 (2021 – \$83,150) to the Association. As at March 31, 2022, accounts receivable includes \$44 (2021 – \$117) receivable from the Foundation.

15 Financial instruments and risk management

The Association, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments.

Liquidity risk

Liquidity risk is the risk an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Association is exposed to liquidity risk mainly with respect to its accounts payable and accrued liabilities and member loans. The Association manages liquidity risk by forecasting cash flows from operations in amounts sufficient to maintain an adequate cash balance.

Credit risk

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Association to credit risk consist principally of cash and cash equivalents, investments and accounts receivable. The carrying amount of financial assets on the statement of financial position represents the Association's maximum exposure as at the statement of financial position date. The credit risk on cash and cash equivalents and investments is limited because the counterparties are chartered banks with high credit ratings. The Association does not have a significant credit risk exposure attributable to its accounts receivable.

Market risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The Association is exposed to interest rate risk.

Interest rate risk

Investments bear interest at fixed rates, which creates interest rate risk. The Association does not actively manage this risk as it does not consider itself to have significant interest rate risk exposure.

Community Health Services (Saskatoon) Association Ltd.

Notes to Financial Statements

March 31, 2022

16 Meger Transportation Trust Fund

In 1981, a trust fund was established with monies received by the Association under bequest for the purpose of providing transportation for the elderly. The balance and transactions of the trust fund are not reflected in the financial statements of the Association. A summary of balances and transactions of the fund for the year are as follows:

	2022	2021
	\$	\$
Receipts		
Interest	1,816	1,951
	<hr/>	<hr/>
Disbursements		
Transportations	2,612	1,936
Administration	40	15
	<hr/>	<hr/>
	2,652	1,951
	<hr/>	<hr/>
Net change in trust fund	(836)	-
Balance – Beginning of year	101,295	101,295
	<hr/>	<hr/>
Balance – End of year	100,459	101,295
	<hr/>	<hr/>
Total assets	100,459	101,295
	<hr/>	<hr/>
Total liabilities	-	-
	<hr/>	<hr/>

Community Health Services (Saskatoon) Association Ltd.

Schedule 1 – Pharmacy

For the year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Prescriptions	3,224,301	3,223,299
Cost of sales	<u>2,105,477</u>	<u>2,238,079</u>
	<u>1,118,824</u>	<u>985,220</u>
Expenses		
Salaries	736,615	674,122
Employee benefits	117,452	105,702
Licences, fees and study leave	26,891	12,424
Bank charges	17,468	8,749
Delivery and travel	8,389	8,493
Laundry, linen and clothing allowance	8,010	1,251
Minor equipment	7,757	1,253
Repairs and maintenance	1,818	8,961
Administration and building costs	1,208	795
Supplies	(150)	23,242
	<u>925,458</u>	<u>844,992</u>
Excess of revenue over expenses before amortization	193,366	140,228
Amortization of pharmacy equipment	<u>3,787</u>	<u>2,878</u>
Excess of revenue over expenses	<u>189,579</u>	<u>137,350</u>

Community Health Services (Saskatoon) Association Ltd.

Schedule 2 – Other Revenue

For the year ended March 31, 2022

	2022 \$	2021 \$
Rental	170,951	174,356
Medical fees	100,668	107,079
Interest	44,731	49,927
Sundry	30,882	36,906
Memberships and assessment fees	17,520	17,505
Foot care fees	11,603	11,003
Radiology fees	3,600	1,758
Physiotherapy fees	1,147	75
Laboratory fees	27	-
Dividends and patronage refunds	19	17
	<hr/>	<hr/>
	381,148	398,626
	<hr/>	<hr/>

Resolution

Provincial Coverage for Shingles Vaccine for Seniors

Whereas nearly one in three older adults will suffer from Shingles, which according to the National Institute on Aging (NIA), infects 90,000 Canadians over 50 years of age every year, costing the national health care system an estimated \$67-82 million;

And whereas despite the prevalence of Shingles in the older population, and the risk of serious health complications it carries for them, only 27% of Canadians 50 years of age and over have received a Shingles vaccine;

And whereas cost is a major deterrent or barrier for seniors to receive the protection vaccination would provide, as the vaccine is not covered by the Saskatchewan Seniors' Prescription Drug Program (the effective Shingrix vaccine costs more than \$300 in Saskatchewan);

And whereas the vaccine would prevent the harm and suffering caused by shingles, and in would in most cases be less costly than the treatment costs incurred by a patient who contracts shingles;

Be it resolved that the Community Clinic Board request that the government of Saskatchewan include coverage for seniors to receive the Shingrix vaccine through the Saskatchewan Seniors' Prescription Drug Program.

Moved by: Michael Finley, Seniors Advisory Council Co-Chair

Seconded by: Cheryl Loadman, Seniors Advisory Council Member

Board of Directors – Candidates' Statements

COLE, CATHY

I am currently the Director of Patient and Client Experience for the Saskatchewan Health Authority. I am passionate about health care improvement, with specific focus on Patient and Family Centered Care. This passion is what drew me to become a member of the community clinic in 2012, as the co-op model continues to provide exemplary care for myself and my children.

My interest in health care has led me to develop a variety of skills that contribute to the great work of the Saskatoon Community Clinic. I specialize in the development of co-creating people centered care strategy, metrics, research and leadership capacity in the Saskatchewan Health Authority. Leadership development is an interest of mine, evidenced by a co-authored chapter in the newest health care leadership book *Bringing Leadership to Life in Health: LEADS in a Caring Environment, 2020*. Throughout my various roles in health care, I have maintained strong collaborative relationships with health system partners that support the Saskatoon Community Clinic to continue to advance its work.

One of my proudest achievements in my current role is the development of the Patient and Family Leadership Council. In collaboration with patients and leadership in the Saskatchewan Health Authority, a new leadership model has been developed from the concept of two-eyed-seeing (where Indigenous ways of knowing and Western ways of knowing are balanced) resulting in a leading practice to respond to the calls the Truth and Reconciliation.

My hope is to contribute to the Saskatoon Community Clinic through the Board of Director role to support patients, staff, and our community and advancement of the co-op model of care.

Nominated by: Dr. Leane Pask and Mardi Apesland

MAJID, JASON

Currently, I am Vice-President, General Counsel and Chief Privacy Officer at Wyth Financial, the new trade name of Concentra Bank, owned by Canada's credit union system. In this capacity, I also serve as a member of the Legislative and Regulatory Affairs Committee for the Canadian Credit Union Association, member of the Advisory Board for the Canadian Centre for the Study of Co-operatives at the University of Saskatchewan, and a member representative to the Saskatchewan Co-operative Association.

I hold an MBA from University of Saskatchewan, a JD from Queen's University, a BA(Hons) from University of Calgary, and a Certified Information Privacy Professional/Canada designation from the International Association of Privacy Professionals. I have been a member and patient of the Saskatoon Community Clinic since 2015, previously serving on the Board in 2015-2018 and 2022.

Nominated by: Patrick Lapointe and Angela Arneson

PASLAWSKI, JANICE

I am a registered professional engineer in several Canadian provinces including my home province of Saskatchewan. I am currently a resident of Saskatoon. I was raised in rural Saskatchewan and born in Humboldt. My early working life began with my first employer at Bethany Pioneer Village care community in Middle Lake Saskatchewan where I worked as a care aid and cleaning staff member in 1980 at 16 years of age. Since that start in the working world, I continued my education and adult life in Saskatoon by pursuing an education in the field of an Engineering at the University of Saskatchewan. I have worked for the City of Saskatoon and then moved into Environmental Engineering in Calgary Alberta with continued education interspersed all from the U of S.

Personally, I became a patient at Community Clinic in my late teens and then returned to Saskatoon and continued my affiliation with Community Clinic with a family of 3 children under a special request of Dr. Carla Eisenhower in 2004 when our family returned to Saskatoon. She graciously accepted me and my 3 children into her already full practice at Community Clinic. I have a great appreciation for the quality of care I have received in the Community Clinic from an early age, through parenting years. I am seeking the opportunity to return service in a capacity that I am capable of as a Director of the Board.

My expertise over the past 25 year has been primarily focused on parenting and managing a career leading a national team of environmental toxicology specialists. I lead a team of technical experts in environmental science for SNC-Lavalin's Engineering Design and Project Management team in Saskatoon. I am an adjunct professor at the University of Saskatchewan in the College of Civil, Geological and Environmental Engineering. I have gained experience in business and regulatory governance during my career of over 30 years working for an Engineering Consulting firm in the field of environmental service. I have benefited from a diverse set of experiences through academics and employers which have included working with clients such as Health Canada, Saskatchewan Ministry of Environment and Environment Canada Climate Change to name a few of the regulatory groups I have been proud to assist. I would like to share my expertise, desire to service and learn to the benefit of our Saskatchewan population and specifically Saskatoon.

I am seeking the opportunity to support and help my community here in a governance role. I believe that the skills I have gained in working, parenting and through my leadership role with multi-disciplinary teams would be transferable to a volunteer support role with your Board of Directors. Please consider my application to serve on your Board in a capacity that would fit with my skills and support the strategic direction of CHSA.

Nominated by: June (Qiong) Lu and Edith Arthur

Communications Committee – Candidates' Statements

Doucette, Anne

I am seeking this position because I have been away from volunteering for a few years now, and feel that I have the time and energy for the position.

I served as a board member for a total of 18 years, some as President, so I feel I can bring those years of experience. I have been a member of the clinic since 1977 and have seen many changes over those years, and look forward to facing more challenges and more changes to the organization.

Thanks for your attention, and support over the years.

Nominated by: Michael Finley and Ingrid Larson