

# Annual Report 2025

## Extended Health Care Plan for Retired Employees



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# Letters of Transmittal



Her Honour the Honourable Bernadette McIntyre, S.O.M.,  
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I have the honour to transmit herewith the twenty-fourth Annual Report of the Extended Health Care Plan for Retired Employees for the year ending December 31, 2025.

A handwritten signature in blue ink, appearing to read "Jim Reiter". The signature is fluid and cursive.

Honourable Jim Reiter  
Deputy Premier and Minister of Finance

The Honourable Jim Reiter  
Deputy Premier and Minister of Finance

May it Please Your Honour:

On behalf of the Joint Board of Trustees, I have the honour to transmit herewith the twenty-fourth Annual Report of the Extended Health Care Plan for Retired Employees for the year ending December 31, 2025.

A handwritten signature in black ink, appearing to read "Carol Yuzik". The signature is cursive and elegant.

Carol Yuzik, Chair  
Joint Board of Trustees

## **Extended Health Care Plan for Retired Employees**

### **Introduction**

The Extended Health Care Plan for Retired Employees was established on January 15, 2002.

The Fund is used to account for the transactions of the Extended Health Care Plan for Retired Employees which provides health care benefits to eligible retired employees of the Government of Saskatchewan.

As at December 31, 2025, participation in the Plan has been approved by the Lieutenant Governor in Council for all government organizations whose employees are employees of the Government of Saskatchewan as defined under *The Public Service Act, 1998*, and who are members of PS/GE SGEU or CUPE Local 600 and 1871.

### **Joint Board of Trustees**

Chantelle Patrick  
Ministry of Health

Dave Morhart, Vice-Chair  
Ministry of Health

Peggy Atkinson  
Public Service Commission

Kelly Hardy  
Public Service Commission

Andrea Lamont  
Public Service Commission

Kendra LaHaye  
Public Service Commission

Saskatchewan Government and General Employees' Union (SGEU):

Carol Yuzik, Chair  
Johnny Petryshyn  
Justin Priel  
Brent Toles

Canadian Union of Public Employees (CUPE)  
Local No. 600:

Nancy Seman  
Jolene Chamberlain

### **Participating Employers**

The following employers participate in the Extended Health Care Plan for Retired Employees:

With respect to individuals who are, or who immediately prior to the termination of their employment were, members of the PS/GE Saskatchewan Government and General Employees' Union (SGEU):

Advocate for Children and Youth (Office of the Board of Arbitration under *The Surface Rights Acquisition and Compensation Act* (The Enterprise Saskatchewan Farmland Security Board Financial & Consumer Affairs Authority of Saskatchewan Horned Cattle Fund Information and Privacy Commissioner (Office of the) Ombudsman (Office of the) Planner Pensions and Benefits Prairie Diagnostic Services Inc. Provincial Archives of Saskatchewan Public Interest Disclosure Commissioner (Office of the) Saskatchewan Milk Marketing Board Saskatchewan Municipal Board The Government of Saskatchewan with respect to members of the Public Service of Saskatchewan as defined under *The Public Service Act, 1998*

With respect to individuals who are, or who immediately prior to the termination of their employment were, members of the Canadian Union of Public Employees (CUPE), Local 600 and 1871:

The Government of Saskatchewan with respect to members of the Public Service of Saskatchewan as defined under *The Public Service Act, 1998*.

## Administration

The Plan was administered by the Public Employees Benefits Agency (PEBA) until December 31, 2023. Effective January 1, 2024, the Public Pension and Benefits Administration Corporation, operating as Plannera Pensions and Benefits (Plannera, the Corporation), began managing the Plan. As per Order in Council #194-2024, the Government of Saskatchewan authorized PEBA to delegate the administration of the Plan to Plannera.

The Government of Saskatchewan has established a fund pursuant to *The Financial Administration Act, 1993*, for the purpose of providing benefits under the Plan. A Joint Board of Trustees, comprised of an equal number of management and union representatives, has been established and is responsible for reviewing the ongoing operations of the Plan.

The Canada Life Assurance Company provides insured extended health coverage to eligible retirees.

The Plan pays a premium subsidy to The Canada Life Assurance Company on behalf of PS/GE SGEU retirees. The Plan's risk is limited to the payment of the monthly premium subsidy as follows under the one-year contract effective January 1, 2025:

Single	\$14.96	per month
Couple	\$29.93	per month
Family	\$37.43	per month

## Funding

Effective October 1, 2002, funding for the Plan was established at a rate of 0.25 per cent of straight time annual payroll. For the period December 1, 2004, to November 30, 2005, the Government and PS/GE SGEU decided to divert funding to the PS/GE SGEU Benefit Plans' Surplus Fund. This amounted to \$1,013,682.

## Benefits

All PS/GE SGEU and CUPE Local 600 and 1871 employees meeting the definition of a Retiree are eligible to enroll in the plan.

Claims are paid on behalf of eligible family members and cover certain health and vision care benefits.

### Definition of PS/GE SGEU Retiree:

A bargaining unit employee, and/or surviving spouse, who on or after October 1, 2000:

- a) ceases to be employed in the bargaining unit;
- b) is age 50 or more when employment ceases;
- c) if ceasing to be employed on or after January 1, 2002, has a minimum of eight years of service with departments, boards, commissions, and other agencies covered by Article 2 of the Collective Agreement;
- d) is in receipt of, or eligible to receive a pension or deferred pension from the Saskatchewan Pension Annuity Fund or the Public Service Superannuation Fund;
- e) was enrolled and participating in the Extended Health Plan for employees at the time of termination/retirement; and
- f) was not terminated for cause.

### Definition of CUPE Local 600 and 1871 Retiree:

A bargaining unit employee, and/or surviving spouse, who on or after October 1, 2000:

- a) ceases to be employed in the bargaining unit;
- b) is age 50 or more when employment ceases;
- c) if ceasing to be employed on or after January 1, 2002, has a minimum of eight years of service with the Executive Government of Saskatchewan;
- d) is in receipt of, or eligible to receive a pension or deferred pension from the Saskatchewan

Pension Annuity Fund or the Public Service Superannuation Fund;

- e) was enrolled and participating in the Extended Health Plan for employees at the time of termination/retirement; and
- f) was not terminated for cause.

# Management's Report

To the Members of the Legislative Assembly of Saskatchewan

As members of management of the Extended Health Care Plan for Retired Employees, we are responsible for the preparation and presentation of the following financial statements in accordance with Canadian public sector accounting standards.

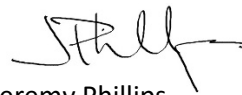
The significant accounting policies adopted in the preparation of the financial statements are fully and fairly disclosed in the financial statements.

The Extended Health Care Plan for Retired Employees has a system of internal controls adequate to provide reasonable assurance that the accounts are faithfully and properly kept to permit the preparation of accurate financial statements in accordance with Canadian public accounting standards.

A Joint Board of Trustees, comprised of an equal number of management and union representatives, has been established and is responsible for reviewing the ongoing operations of the Plan.

Enclosed are the financial statements of the Extended Health Care Plan for Retired Employees for the year ended December 31, 2025, and the Provincial Auditor's report on these financial statements.

Regina, Saskatchewan  
April 9, 2026



Jeremy Phillips  
President and Chief Executive Officer  
Plannera Pensions & Benefits

**Extended Health Care Plan For Retired Employees**

**Financial Statements  
Year Ended December 31, 2025**

## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

### Opinion

We have audited the financial statements of Extended Health Care Plan for Retired Employees, which comprise the statement of financial position as at December 31, 2025, and the statement of operations and changes in net financial assets and accumulated surplus, and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Extended Health Care Plan for Retired Employees as at December 31, 2025, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### 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 are independent of Extended Health Care Plan for Retired Employees in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in *The Extended Health Care Plan for Retired Employees Annual Report for 2025*, but does not include the financial statements and our auditor's report thereon.

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 any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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 these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, 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 Extended Health Care Plan for Retired Employees' 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 Extended Health Care Plan for Retired Employees or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Extended Health Care Plan for Retired Employees' 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 Extended Health Care Plan for Retired Employees' 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 Extended Health Care Plan for Retired Employees' 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 Extended Health Care Plan for Retired Employees 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 identified during the audit.

Regina, Saskatchewan  
April 9, 2026

Tara Clemett, CPA, CA, CISA  
Provincial Auditor  
Office of the Provincial Auditor

**Extended Health Care Plan For Retired Employees  
Statement of Financial Position**

**Statement 1**

**As At December 31**

	<u>2025</u>	<u>2024</u>
<b>Financial Assets</b>		
Cash (Note 3)	\$ 23,099,418	\$ 21,764,271
Employer Contributions Receivable	330,770	125,202
Other Receivables	<u>50,136</u>	<u>68,504</u>
	<u>23,480,324</u>	<u>21,957,977</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities	<u>23,776</u>	<u>14,094</u>
Net Financial Assets and Accumulated Surplus (Statement 2)	<u>\$ 23,456,548</u>	<u>\$ 21,943,883</u>

(See accompanying notes to the financial statements)

**Extended Health Care Plan For Retired Employees****Statement 2****Statement of Operations and Change in Net Financial Assets and Accumulated Surplus**

For The Year Ended December 31

	<b>2025</b>		<b>2024</b>
	<b>Budget</b> (Note 6)	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Employer Contributions (Note 1)	\$ 1,685,117	\$ 1,802,128	\$ 1,660,198
Interest Income (Note 3)	896,524	674,981	1,024,270
	<u>2,581,641</u>	<u>2,477,109</u>	<u>2,684,468</u>
<b>Expenses</b>			
Insurance Premium Subsidy (Note 1)	805,164	852,470	797,731
Administration	137,952	111,974	74,230
	<u>943,116</u>	<u>964,444</u>	<u>871,961</u>
Operating Surplus	1,638,525	1,512,665	1,812,507
Net Financial Assets and Accumulated Surplus, Beginning of Year	<u>21,943,883</u>	<u>21,943,883</u>	<u>20,131,376</u>
Net Financial Assets and Accumulated Surplus, End of Year (Statement 1)	<u>\$ 23,582,408</u>	<u>\$ 23,456,548</u>	<u>\$ 21,943,883</u>

(See accompanying notes to the financial statements)

**Extended Health Care Plan for Retired Employees  
Statement of Cash Flow**

**Statement 3**

**For The Year Ended December 31**

	<u>2025</u>	<u>2024</u>
<b>Cash Flow From (Used In) Operating Activities:</b>		
Employer Contributions Received	\$ 1,596,560	\$ 1,695,516
Interest Income Received	693,349	1,205,029
Insurance Premium Subsidies Paid	(852,470)	(797,731)
Administration Expenses Paid	(102,292)	(67,043)
	<u>1,335,147</u>	<u>2,035,771</u>
<b>Cash Flow From Operating Activities</b>	<b>1,335,147</b>	<b>2,035,771</b>
Net Increase in Cash	1,335,147	2,035,771
Cash, Beginning of Year	21,764,271	19,728,500
Cash, End of Year	<u>\$ 23,099,418</u>	<u>\$ 21,764,271</u>

(See accompanying notes to the financial statements)

# Extended Health Care Plan For Retired Employees

## Notes to the Financial Statements

December 31, 2025

### 1. Description of the Plan

The Extended Health Care Plan for Retired Employees (Plan) was established on January 15, 2002, pursuant to subsection 64(2) of *The Financial Administration Act, 1993*. The Plan provides extended health care benefits to eligible retired employees of the Government of Saskatchewan who were members of either, the Saskatchewan Government and General Employees' Union (PS/GE SGEU) or the Canadian Union of Public Employees' Local 600 and 1871 (CUPE).

As per Order in Council #194-2024, the Government of Saskatchewan authorized Public Employees Benefits Agency (PEBA) to delegate the administration of the Plan to the Public Pension and Benefits Administration Corporation. Effective January 1, 2024, the Public Pension and Benefits Administration Corporation, operating as Plannera Pensions and Benefits (Plannera, the Corporation) began managing the Plan under the direction of the Joint Board of Trustees. The Joint Board of Trustees is made up of equal representation of union members and employers' representatives.

The Government, through the Minister of Finance has entered into an agreement with an insurance company to provide eligible retirees with extended health coverage. The retirees are responsible to pay the insurance company the premiums set out in the agreement less a premium subsidy which is paid by the Plan. Currently, only retired PS/GE SGEU members are eligible for the premium subsidy from the Plan. The Plan's risk is limited to the payment of a monthly premium subsidy for eligible retired PS/GE SGEU members. The monthly premium subsidy for the year was \$14.96 for a single policy, \$29.93 for a couple policy, and \$37.43 for a family policy.

The Plan is funded by employers, whose participation in the Plan has been approved by the Lieutenant Governor in Council. The contribution rate, set out in the PS/GE SGEU collective bargaining agreement with the Government, is 0.25 per cent of the regular pay of current PS/GE SGEU employees. Currently, the Plan receives no contributions for retired CUPE members and does not pay any premium subsidies for these retirees.

### 2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards. These statements do not present a Statement of Remeasurement Gains and Losses as the Plan has no remeasurement gains or losses. The following accounting policies are considered significant:

#### a) Employer Contributions

Contribution billings are done at the end of each month. Contributions are recognized as revenue when due.

#### b) Interest Revenue

Interest is recognized as income when earned.

c) Insurance Premium Subsidy

Insurance premium subsidies are paid monthly. The monthly premium subsidies are recognized as an expense when due.

d) Financial Instruments

The Canadian Public Sector Accounting Handbook, Section 3450 establishes standards for recognizing and measuring financial assets and financial liabilities. The measurement basis depends on whether the financial assets or liabilities have been categorized in one of two measurement categories: fair value, or cost or amortized cost.

The Plan's financial assets include cash, employer contributions receivable and other receivables. The Plan's financial liabilities include accounts payable and accrued liabilities. The Plan has categorized and measured all its financial assets and financial liabilities at cost.

e) Public Sector Accounting Standards not yet in effect

The Public Sector Accounting Board has issued a new conceptual framework and reporting model that will be effective for fiscal years beginning on or after April 1, 2026.

The Plan intends to adopt the new standards in the fiscal year in which they become effective. Management is currently analyzing the impact these new standards will have on the financial statements.

### 3. Cash

The Plan's bank account is included in Plannera's Master Client Agreement. Per the agreement, interest is earned at a rate per annum equal to the daily value of Royal Bank Prime rate (RBP) less 1.90 per cent. The average interest rate earned in 2025 was 2.99 per cent (2024 - 4.85 per cent).

### 4. Financial Risk Management

The nature of the Plan's operations results in a statement of financial position that consists primarily of financial instruments. The risk that arises from financial instruments is credit risk. The Plan is not exposed to market risk or liquidity risk as it does not hold any investments.

#### Credit Risk

Credit risk is the risk that one party does not pay funds owed to another party. The Plan's credit risk arises primarily from the following distinct sources:

	<u>2025</u>	<u>2024</u>
Cash	\$ 23,099,418	\$ 21,764,271
Employer Contributions Receivable	330,770	125,202
Other Receivables	50,136	68,504

The maximum credit risk to which the Plan is exposed is limited to the carrying value of the financial assets summarized above.

The Plan is exposed to minimal credit risk from the potential non-payment of contributions and other receivables as these are receivables from government agencies and were collected shortly after year-end. Credit risk related to cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit rating agencies. There has been no change in the risk exposure in 2025.

## **5. Related Party Transactions**

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Plan by virtue of common control by the Government of Saskatchewan, as well as key management personnel and their close family members (collectively referred to as "related parties"). Related party transactions with the Plan are in the normal course of operations and are recorded at fair market value.

## **6. Budget**

Plannera prepared the 2025 budget for approval by the Joint Board of Trustees. The budget was approved on January 28, 2025.