

# **COST SHARING AGREEMENT**

BETWEEN:

**PRESCOTT FAMILY HEALTH ORGANIZATION**

("PFHO")

-and-

**PRESCOTT FAMILY MEDICAL ASSOCIATES**

("PFMA")

-and-

**THE CORPORATION OF THE TOWNSHIP OF AUGUSTA**

("Augusta")

-and-

**THE CORPORATION OF THE TOWN OF PRESCOTT**

("Prescott")

-and-

**THE CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL**

("Edwardsburgh/Cardinal")

**WHEREAS** PFMA has requested financial assistance from Augusta, Prescott, and Edwardsburgh/Cardinal to help cover the costs associated with operating the clinic located at 555 King Street West, P.O. Box 729, Prescott, ON K0E 1T0 ("the Clinic").

**AND WHEREAS** the owner and landlord of the Clinic has increased PFMA's annual base rent by \$32,516.16.

**AND WHEREAS** PFMA has stated that it may be unable to operate the Clinic without financial assistance from August, Prescott and Edwardsburgh/Cardinal.

**AND WHEREAS** PFMA is affiliated with the Prescott Family Health Organization ("PFHO") which is composed of three (3) physicians being Dr. Bhatt, Dr. Cooke, and Dr. Felemegos.

**AND WHEREAS** The residents of Augusta, Prescott and Edwardsburgh/Cardinal benefit from the primary care programs offered by PFHO.

**NOW THEREFORE** in exchange for the mutual promises contained herein and the sum of \$1.00 and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

**1. TERM:**

1.1 The term of this Agreement shall commence on April 1, 2025, and shall expire on April 1, 2028 (“the Term”) unless otherwise terminated in accordance with the terms herein.

1.2 The Term may not be extended by any of the parties hereto.

**2. GRANT:**

2.1 For the duration of the Term, each of Augusta, Prescott and Edwardsburgh/Cardinal shall make a single, annual payment in the amount of **\$7,226.00** to PFMA (“the Grant”) on April 1<sup>st</sup> of each year during the Term with the first payment due on April 1, 2025, and the last due on April 1, 2027.

2.2 PFMA shall utilize the Grant for the sole purpose of subsidizing the increased rental costs associated with the Clinic.

2.3 During the Term, the PFHO/PFMA, shall not be entitled to receive any other grants, funds, or subsidies from any of Augusta, Prescott and Edwardsburgh/Cardinal for any purpose whatsoever including but not limited to funds for community programming or special events.

**3. FINANCIAL REPORTING:**

3.1 On or before February 28<sup>th</sup> of each year during the Term commencing on February 28, 2026, PFMA shall provide each of Augusta, Prescott and Edwardsburgh/Cardinal with a copy of its annual financial reports prepared in accordance with generally accepted accounting principles, together with a copy of a ledger tracking the use of the Grant for the most recent year of the Term.

**4. RECRUITMENT OBLIGATIONS:**

4.1 The PFHT shall make reasonable efforts during the Term to recruit a fourth physician to provide primary care services at the Clinic. In addition to the financial reporting required by section 3 of this Agreement, the PFHT shall, on or before February 28<sup>th</sup> of each year during the Term, provide Augusta, Prescott and Edwardsburgh/Cardinal with a detailed description of all steps taken to recruit a fourth physician which description shall include a list of all candidates contacted by PFHT or PFHO, interviews conducted, and incentives offered.

4.2 In the event that PFHT recruits a fourth physician, PFHT shall immediately provide written notice to Augusta, Prescott, and Edwardsburgh/Cardinal.

**5. PATIENT PRIORITY:**

5.1 During the Term, PFHT will ensure that any primary care provider availability is allocated to residents of Augusta, Prescott, and Edwardsburgh/Cardinal.

5.2 All advertisements for new patients must state that priority will be given to residents of Augusta, Prescott, and Edwardsburgh/Cardinal.

**6. TERMINATION:**

- 6.1 Either party shall be entitled to terminate this Agreement upon giving the other party no less than sixty (60) days written notice prior to April 1<sup>st</sup> of each year of the Term.
- 6.2 This Agreement shall automatically terminate in the event that the PFHO recruits a fourth physician to work at the Clinic at any point during the Term.
- 6.3 Subject to clause 6.4 of this Agreement, the PFMA will not be required to pay any amounts back to any of Augusta, Prescott and Edwardsburgh/Cardinal already disbursed during any given year of the Term. For example, if this Agreement is terminated prior to April 2026, the PFMA will not be required to pay any portion of the 2025 Grant back to Augusta, Prescott and Edwardsburgh/Cardinal. However, PFMA would not be entitled to the Grant monies otherwise payable pursuant to this Agreement on April 1, 2026.
- 6.4 This Agreement shall automatically terminate in the event that PFMA utilizes any portion of the Grant for any purpose other than rental costs at the Clinic. In the event that any portion of the Grant is spent elsewhere, PFMA shall be obligated to repay to Augusta, Prescott, and Edwardsburgh/Cardinal any amount applied to other costs with such repayment to be made within thirty (30) days of the termination of this Agreement.

**7. NOTICE:**

- 7.1 Any notice, report or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice, report or other communication is expressly accepted by the party to whom it is given by being delivered to an officer of such party during normal working hours, emailed or mailed to the following addresses of the parties respectively:

**To Prescott Family Medical Associates:**

555 King Street West  
Prescott, ON K0E 1T0  
F: (613) 925-1238

**To the Corporation of the Township of Augusta:**

3560 County Road 26  
Prescott, ON K0E 1T0  
F: (613) 925-4231

**To the Corporation of the Town of Prescott:**

360 Dibble Street West  
Prescott, ON K0E 1T0  
F: (613) 925-4381

**To the Corporation of the Township of Edwardsburgh/Cardinal**

18 Centre Street  
Spencerville, ON K0E 1X0  
F: (613) 658-3055

Any notice, report or other written communication, if delivered, shall be deemed to have been given or made on the date on which it was delivered to any employee of such party, or if mailed, postage prepaid, shall be deemed to have been given or made on the eighth business day following the day on which it was mailed (unless at the time of mailing or within forty-eight hours thereof there shall be a strike, interruption or lock-out in the Canadian postal service in which case service shall be by way of delivery only). Any party may at any time give notice in writing to the other parties of the change of its address for the purpose of this section.

## **8. GENERAL:**

- 8.1 The effective date of this Agreement is the date on which the latter party signs it.
- 8.2 The interpretation of this Agreement shall be governed by the laws of Ontario or Canada applicable thereto.
- 8.3 There are no representations, collateral agreements, warranties, or conditions affecting this agreement. There are no implied agreements arising from the terms herein, and this agreement constitutes the entire agreement between the parties.
- 8.4 Any amendments to this agreement must be in writing, signed by both parties, dated, and witnessed.
- 8.5 Both parties shall execute any such further and other documents as may be necessary to give effect to the terms contained in this agreement.
- 8.6 Nothing herein shall be construed to constitute the parties as employer/employee, partner, joint venturers, co-owners or otherwise as participants in a joint or common undertaking. None of the parties, nor any of their employees, agents, or representatives shall have any right, power, or authority to act or create any obligation, expressed or implied, on behalf of any other.
- 8.7 The headings as to the contents of particular paragraphs herein are intended only for convenience and are in no way to be constructed as a part of this Agreement or as a limitation of the scope of the particular paragraphs to which they refer.
- 8.8 The terms and conditions of this Agreement shall be binding upon the parties and shall extend to and bind the heirs, personal representatives, successors and assigns as applicable.
- 8.9 If any provision of this Agreement is held to be illegal, invalid, or unenforceable at law it shall be deemed to be severed from this Agreement and the remaining provisions hereto shall continue to be in full force and effect.
- 8.10 This Agreement may be executed and delivered as follows:
  - (a) this Agreement may be signed in one more counterparts, as may be convenient or required. All counterparts of this Agreement will collectively constitute one document.

(b) This Agreement or any counterparts may be signed by electronic means and will bind any such party the same way as the party's handwritten signature would.

(c) Delivery of a signed Agreement or any signed counterparts by facsimile and/or electronic mail or other electronic means will be sufficient, and an electronic copy will have the same effect as an original executed Agreement.

8.11 The effective date of this Agreement shall be the date of which the last party hereto executes this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**On behalf of Prescott Family Health Organization/Prescott Family Medical Associates**

By: \_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

**On behalf of Prescott Family Health Organization/Prescott Family Medical Associates**

By: \_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

**The Corporation of the Township of Augusta**

By: \_\_\_\_\_  
Name: Jeff Shaver  
Title: Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Shannon Geraghty  
Title: Chief Administrative Officer

Date: \_\_\_\_\_

**The Corporation of the Town of Prescott**

By: \_\_\_\_\_  
Name: Gauri Shankar  
Title: Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Matthew Armstrong  
Title: Chief Administrative Officer/Treasurer

Date: \_\_\_\_\_

**The Corporation of the Township of Edwardsburgh/Cardinal**

By: \_\_\_\_\_

Name: Tory Deschamps

Title: Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: Sean Nicholson

Title: Chief Administrative Officer

Date: \_\_\_\_\_

-----END OF AGREEMENT-----