

Consolidated Financial Statements of

**GREATER ESSEX COUNTY
DISTRICT SCHOOL BOARD**

And Independent Auditors' Report thereon

Year ended August 31, 2020

Emphasis of Matter – Basis of Accounting

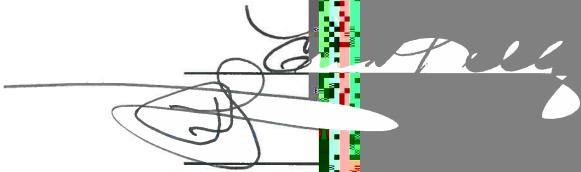
We also:

x I

No

See accompanying notes to consolidated financial statements

On behalf of the Board:

A handwritten signature in black ink, appearing to read "D. Kelly", is written over a horizontal line. The signature is stylized and cursive.

Director of Education

Chair of the School Board

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended August 31, 2020, with comparative information for 2019

| | Budget | 2020 Actual | 2019 Actual |
|--|--------------------|--------------------|--------------------|
| Revenues: | | | |
| Municipal grants | \$ 72,630,126 | \$ 73,496,411 | \$ 74,606,182 |
| Provincial grants - Grants for students needs | 376,123,109 | 371,087,114 | 369,838,570 |
| Provincial grants - Other | 6,147,480 | 7,091,496 | 8,629,696 |
| Ministry of Labour, Training and Skills Development - Ontario Youth Apprenticeship Program | 234,000 | 186,323 | 174,220 |
| Federal grants and fees | - | 260,180 | 241,583 |
| Other fees and revenues | 4,018,500 | 6,911,896 | 6,797,739 |
| Investment income | 500,000 | 1,008,677 | 1,193,360 |
| School fundraising and other activities | 10,000,000 | 5,993,458 | 9,484,512 |
| | <u>469,653,215</u> | <u>466,035,555</u> | <u>470,965,862</u> |
| Expenses | | | |
| Instruction | 350,352,584 | 343,480,912 | 354,310,501 |
| Administration | 11,729,341 | 10,459,694 | 10,699,360 |
| Transportation | 14,037,847 | 13,412,446 | 13,807,476 |
| Pupil accommodation | 71,545,237 | 63,909,867 | 63,559,242 |
| Other | 5,239,609 | 6,866,805 | 9,781,226 |
| School funded activities | 10,000,000 | 5,730,566 | 9,304,734 |
| | <u>462,904,618</u> | <u>443,860,290</u> | <u>461,462,539</u> |
| Annual surplus | 6,748,597 | 22,175,265 | 9,503,323 |
| Accumulated surplus, beginning of year | 16,624,625 | 16,624,625 | 7,121,302 |
| Accumulated surplus, end of year | \$ 23,373,222 | \$ 38,799,890 | \$ 16,624,625 |

See accompanying notes to consolidated financial statements.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Cash Flows

Year ended August 31, 2020, with comparative information for 2019

| | 2020 | 2019 |
|--|---------------|--------------|
| Cash provided by (used in): | | |
| Operating activities: | | |
| Annual surplus | \$ 22,175,265 | \$ 9,503,323 |
| Items not involving cash: | | |
| Amortization of tangible capital assets | 21,841,805 | 21,105,546 |
| Deferred net proceeds on disposal of restricted assets | - | (1,047,902) |
| Transfer to financial assets | 1,697,700 | - |
| Write-down on transfer to asset held for sale | 1,300,291 | - |
| Net proceeds on sale of assets held for sale | - | 1,047,902 |
| Gain on sale of capital assets | (2,043) | (6,093) |
| (Decrease) increase in employee future benefits | (588,815) | 2,802,313 |
| Change in non-cash assets and liabilities: | | |
| (Increase) decrease in accounts receivable | (16,784,478) | 8,647,516 |
| (Increase) decrease in assets held for sale | (1,697,700) | 541,350 |
| (Increase) decrease in inventories of supplies | (479,648) | 19,115 |
| Decrease (increase) in prepaid expenses | 2,090,489 | (2,067,416) |
| Increase (decrease) in accounts payable and accrued liabilities | 32,210,786 | (102,268) |
| Increase (decrease) in amounts held in trust | 612,273 | (441,895) |
| Increase (decrease) in deferred revenue | 4,602,539 | (3,341,754) |
| Increase in deferred cap | | |

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2020

1. Significant accounting policies:

The consolidated financial statements are prepared by management in accordance with the basis of accounting described below.

(a) Basis of accounting:

The consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act.

The Financial Administration Act requires that the consolidated financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario. A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring school boards to adopt Canadian public sector accounting standards commencing with their year ended August 31, 2004 and that changes may be required to the application of these standards as a result of regulation.

In 2011, the government passed Ontario Regulation 395/11 of the Financial Administration Act. The Regulation requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for use in providing services, be recorded as deferred capital contributions and be recognized as revenue in the statement of operations over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. The regulation further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue be recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of Canadian public sector accounting standards which requires that:

x government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410;

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

1. Significant accounting policies (continued):

(a) Basis of accounting (continued):

xexternally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100; and

xproperty taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS3510.

As a result, revenue recognized in the statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

(b) Reporting entity:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Greater Essex County District School Board (the "Board") and which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues and expenses of various entities which exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

Interdepartmental and inter-organizational transactions and balances between these entities are eliminated.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

1. Significant accounting policies (continued):

(c) Cash and short-term investments:

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have a short mat8.1 (e)-12.1 (a s)-8.1(ompr)-6.3uu9.3 (is)- (an)-12.2 (d Td (t)Tj -0.0

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

1. Significant accounting policies (continued):

(f) Retirement and other employee future benefits:

The Board provides defined retirement and other future benefits to employees of certain employee groups. These benefits include life insurance, health care benefits, dental benefits, retirement/sick plan gratuities, workers' compensation benefits and long-term disability benefits.

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the Principals and Vice-Principals Associations, the following Employee Life and Health Trusts (ELHTs) were established in 2016-2017: Elementary Teachers' Federation of Ontario (ETFO) and the Ontario Secondary School Teachers' Federation (OSSTF). The following ELHTs were established in 2017-2018: Canadian Union of Public Employees Education Workers' Benefits Trust (CUPE EWBT) and ONE-T for non-unionized employees including Principals and Vice-principals. The ELHTs provide health, dental and life insurance benefits to teachers (excluding daily occasional teachers), education workers (excluding casual staff), and other school board staff. Currently ONE-T ELHTs also provide benefits to individuals who retired prior to the school board's participation date in the ELHT. These benefits are being provided through a joint governance structure between the bargaining/employee groups, school board trustees associations and the Government of Ontario. Boards no longer administer health, life and dental plans for their employees and instead are required to fund the ELHTs on a monthly basis based on a negotiated amount per full-time equivalency (FTE). Funding for the ELHTs is based on existing benefits funding embedded within the Grants for Student Needs (GSN), including additional ministry funding in the form of a Crown contribution and Stabilization Adjustment.

Depending on prior arrangements and employee groups, the Board continues to provide health, dental and life insurance benefits for retired individuals for certain groups and for some retirees who are retired under these plans.

**GREATER ESSEX COUNTY DISTRICT SCHOOL
BOARD**

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

1. Significant accounting policies (continued):

(g) Tangible capital assets:

Tangible capital assets are recorded at historical cost less accumulated amortization.

c

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

1. Significant accounting policies (continued):

(g) Tangible capital assets (continued):

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

(h) Government transfers:

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. If government transfers contain stipulations which give rise to a liability, they are deferred and recognized in revenue when the stipulations are met.

Government transfers for capital are deferred as required by Regulation 395/11, recorded as deferred capital contributions (DCC) and recognized as revenue in the consolidated statement of operations at the same rate and over the same periods as the asset is amortized.

(i) Investment income:

Investment income is reported as revenue in the period earned.

When required by the funding government or related Act, investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education forms part of the respective deferred revenue balances. ed

GREATER ESSEX

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

5. Assets held for sale:

As of August 31, 2020

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

8. Net long-term debt:

Net long-term debt reported on the Consolidated Statement of Financial Position consists of:

| | 2020 | 2019 |
|---|--------------|--------------|
| Debenture Bylaw #A2003-001 due October 20, 2023, bearing interest at 6.33% per annum. Blended payments of \$253,216 due semi-annually | \$ 1,567,842 | \$ 1,956,482 |
| Debenture Bylaw #B2003-002 due October 20, 2028, bearing interest at 6.42% per annum. Blended payments of \$92,987 due semi-annually | 1,203,834 | 1,307,505 |
| Debenture Bylaw #130100 due May 1, 2026, bearing interest at 5.41% per annum. Blended payments of \$122,412 due monthly | 7,244,518 | 8,289,483 |
| Debenture Bylaw #6 due November 15, 2031, bearing interest at 4.56% per annum. Blended payments of \$678,717 due semi-annually | 12,044,069 | 12,825,470 |
| Debenture Bylaw #7 due July 3, 2032, bearing interest at 5.398% per annum. Blended payments of \$332,485 due semi-annually | 5,817,815 | 6,155,026 |
| Debenture Bylaw #8 due March 3, 2033, bearing interest at | | |

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

8. Net long-term debt (continued):

| | 2020 | 2019 |
|--|-----------------------|-----------------------|
| Debenture Bylaw #22 due March 11, 2039, bearing interest at 4.003% per annum. Blended payments of \$6,557 due semi-annually | 172,202 | 178,240 |
| Debenture Bylaw #26 due March 9, 2040, bearing interest at 2.993% per annum. Blended payments of \$274,485 due semi-annually | 8,160,924 | 8,458,932 |
| Debenture Bylaw #29 due March 15, 2041, bearing interest at 3.242% per annum. Blended payments of \$50,510 due semi-annually | 17,875,469 | 18,468,507 |
| | \$ 151,402,135 | \$ 159,626,349 |

Principal and interest payments relating to net long-term debt outstanding as at August 31, 2020 are as follows:

| | Principal Payment | Interest | Total |
|---|-----------------------|----------------------|-----------------------|
| 2020/21 | \$ 8,624,821 | \$ 6,757,539 | \$ 15,382,360 |
| 2021/22 | 9,044,365 | 6,337,987 | 15,382,352 |
| 2022/23 | 9,484,998 | 5,897,362 | 15,382,360 |
| 2023/24 | 9,694,122 | 5,435,014 | 15,129,136 |
| 2024/25 | 9,903,188 | 4,972,741 | 14,875,929 |
| Thereafter | 104,650,641 | 25,680,737 | 130,331,378 |
| Total payments in respect of long-term debt | \$ 151,402,135 | \$ 55,081,380 | \$ 206,483,515 |

Interest expense on net long-term debt amounted to \$ 7,054,234 (2019 - \$438,412).

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

9. Deferred revenue:

Revenues received that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Consolidated Statement of Financial Position.

Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2020 consists of:

| | Balance as at August 31, 2019 | Externally restricted additions | Transferred to DCC | Revenue recognized in the period | Balance as at August 31, 2020 |
|-------------------------------------|-------------------------------------|---------------------------------------|-----------------------|--|-------------------------------------|
| Proceeds of Disposition | \$ 1,047,902 | \$ - | \$ 1,047,902 | \$ - | \$ - |
| Assets held for Sale | 635,000 | 1,608,695 | - | - | 2,243,695 |
| Education development charges | 43,481 | 1,228,351 | - | 934,898 | 336,934 |
| Restricted grants | 12,040,666 | 92,195,678 | 5,287,010 | 83,160,375 | 15,788,959 |
| | \$13,767,049 | \$95,032,724 | \$ 6,334,912 | \$ 83,160,375 | \$114,204,860 |

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

10. Retirement and other employee future benefits:

The Board provides defined post retirement and other future benefits to employees of certain employee groups. These benefits include post retirement life insurance and health care benefits, dental benefits, retirement/sick plan gratuity benefits, future paid sick leave benefits, and worker's compensation benefits. The liabilities associated with these plans are as follows:

| | Retirement health benefits | Retirement gratuities | Sick leave/top-up benefits | Workers' Compensation benefit | 2020 Total employee future benefits |
|------------------------------|----------------------------|-----------------------|----------------------------|-------------------------------|-------------------------------------|
| Balance at August 31 | \$ 27,755,359 | \$ 20,891,076 | \$ 208,471 | \$ 10,783,285 | \$ 59,638,191 |
| Loss for year ⁽¹⁾ | 2,373,161 | 755,043 | 183,882 | 1,547,007 | 4,859,093 |
| Less: benefit payments | (1,419,491) | (2,450,969) | (152,984) | (1,424,464) | (5,447,908) |
| Balance at August 31 | \$ 28,709,029 | \$ 19,195,150 | \$ 239,369 | \$ 10,905,828 | \$ 59,049,376 |

| | Retirement health benefits | Retirement | Sick leave/top-up | Workers' Compensation | 2019 Total employee future |
|----------------------|----------------------------|---------------|-------------------|-----------------------|----------------------------|
| Balance at August 31 | \$ 28,709,029 | \$ 19,195,150 | \$ 239,369 | \$ 10,905,828 | \$ 59,049,376 |

(90)

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

10. Retirement and other employee future benefits (continued):

The components of the cost of providing these benefits for the year are as follows:

| | Post retirement benefits | Retirement gratuities | Sick leave/top-up benefits | Workers' Compensation benefits | 2020 Total employee future benefits |
|--|--------------------------|-----------------------|----------------------------|--------------------------------|-------------------------------------|
| Current year benefit cost ⁽²⁾ | \$ - | \$ - | \$ 239,369 | \$ 1,332,263 | \$ 1,571,632 |
| Interest on accrued benefit obligation | 540,912 | 438,354 | - | 214,744 | 1,194,010 |
| | 540,912 | 438,354 | 239,369 | 1,547,007 | 2,765,642 |
| Amortization of actuarial loss (gain) | 1,832,249 | 316,689 | (55,487) | - | 2,093,451 |
| Net expense for the year ⁽¹⁾ | \$ 2,373,161 | \$ 755,043 | \$ 183,882 | \$ 1,547,007 | \$ 4,859,093 |

| | Post retirement benefits | Retirement gratuities | Sick leave/top-up benefits | Workers' Compensation benefits | 2019 Total employee future benefits |
|--|--------------------------|-----------------------|----------------------------|--------------------------------|-------------------------------------|
| Current year benefit cost | 707,007 | 1,236,036 | 1,129,064 | 1,570,453 | 4,662,560 |
| Interest on accrued benefit obligation | 1,017,000 | 1,017,000 | 1,017,000 | 1,017,000 | 4,068,000 |
| Amortization of actuarial loss (gain) | 1,017,000 | 1,017,000 | 1,017,000 | 1,017,000 | 4,068,000 |
| Net expense for the year | 1,731,007 | 2,253,036 | 2,146,064 | 2,587,453 | 8,727,560 |

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

10. Retirement and other employee future benefits (continued):

(b) Retirement Gratuities:

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are as follows:

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

10. Retirement and other employee future benefits (continued):

(e) Workplace Safety and Insurance Board (WSIB) obligations:

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act (the Act) and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of the payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. School boards are required to provide salary top-up to a maximum of 4 ½ years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such a provision.

Other benefits

(i) Ontario Teachers' Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teachers' Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board's contributions equal the employee contributions to the plan. During the year ended August 31, 2020, the Board contributed \$5,571,500 (2019 - \$5,620,968) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for these arrangements is included in the Board's consolidated financial statements.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

11. Deferred capital contributions:

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accord

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

13. Accumulated surplus:

Accumulated surplus consists of the following:

| | 2020 | 2019 |
|--|---------------|---------------|
| Surplus: | | |
| Operating | \$ 29,867,986 | \$ 19,741,013 |
| Employee future benefits | (36,255,455) | (41,124,066) |
| Interest accruals | (1,649,836) | (1,753,740) |
| School generated funds | 5,106,232 | 4,843,340 |
| Revenues recognized for land | 29,475,412 | 22,466,982 |
| Amounts restricted for future use by board motion: | | |
| School budgets | 1,142,838 | 475,265 |
| Campbell Public School | 827,340 | 854,466 |
| Administrative buildings – capitalized assets | 1,518,279 | 1,561,360 |
| LaSalle Public School | 2,451,159 | 2,583,654 |
| Better Places | 6,315,935 | 6,976,351 |
| | \$ 38,799,890 | \$ 16,624,625 |

Amounts restricted for future use by board motion – School budgets represents the current year's ,5.1 (s)-8 l2.3 (be)]en.1 (h)-1 shool

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

16. Commitments:

At August 31, 2020, the Board is committed to capital expenditures in the amount of \$32,394,053 (2019 - \$10,929,451) to be funded by Ministry of Education capital grant programs.

17. Contingent liabilities:

In the normal course of operations, the Board becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at August 31, 2020 cannot be predicted with certainty, it is the opinion of the Board that their resolution will not have a material adverse effect on the Board's financial position or results of operations.

18. Transportation consortium:

On January 20, 2003, the Board entered into an agreement with the Windsor-Essex Catholic District School Board and Conseil scolaire catholique Providence, formerly named Conseil Scolaire de district des écoles catholiques du Sud-Ouest, in order to provide common administration of student transportation within the combined jurisdictions of the current member school boards. On September 10, 2009, a new agreement was entered into and included the Conseil scolaire Viamonde. The consortium agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the Boards.

On July 18, 2013 the consortium incorporated and became a separate legal entity known as Service de transport des élèves - Windsor-Essex Student Transportation Services. Under the formal agreement, decisions related to the financial and operating activities are shared. No partner is in a position to exercise unilateral control.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

18. Transportation consortium (continued):

The Board's consolidated financial statements reflect proportionate consolidation, whereby they include the assets it controls, the liabilities that it has incurred, and its pro-rata share of revenue and expenses.

T1n 0.00T2<</Attached 7 0 711 1.1 (he l 2 (e.-12.3 ((1n 0.00T)-5.5 (2<</A (7.386 0 Tes)-8w -0.0

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2020

20. Global Pandemic (COVID-19):

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (“COVID-19”) a global pandemic. This resulted in the Province mandating that all Boards close their schools and administrative buildings on March 13, 2020 and moving to online/learn-from-home education format for the remainder of the 2019-2020 school year based on recommendations from Public Health Ontario. For the 2020-2021 school year the schools reopened to students, effective September 2020, with enhanced public health protocols, or the option to continue with online education and at-home distance learning. The Board continues to monitor the situation and plan for potential changes during the fiscal 2021 school year and beyond.

As a result of the pandemic, the Board may experience increased risk exposure in several areas. This includes an increased credit risk exposure on accounts receivable where the risk of default on contractual obligations may increase.

The Board is actively monitoring cash flow forecasts and budget. As detailed in note 2 and 6, to mitigate the financial impact of the deferral on the education property tax to school boards, the