Consolidated Financial Statements of

York Region District School Board

August 31, 2023

York Region District School Board

August 31, 2023

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THE EDUCATION CENTRE

York Region DISTRICT SCHOOL BOARD

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Management Report

Year ended August 31, 2023

Re: Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the York Region District School Board are the responsibility of the Board's management and 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, as described in Note 1(a) to the consolidated financial statements.

The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for the preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Audit Committee of the Board meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the Board of Trustees' approval of the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

Original signed by
Director of Education

December 12, 2023
Date

Original signed by
Associate Director of Education and Chief Financial Officer

December 12, 2023
Date

Tel: 289 881 1111
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BDO Canada LLP
360 Oakville Place Drive, Suite 500
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Independent Auditor's Report

To the Board of Trustees of the York Region District School Board

Opinion

We have audited the consolidated financial statements of York Region District School Board ("the Board"), which comprise the consolidated statement of financial position as at August 31, 2023, and the consolidated statements of operations and changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Board as at and for the year ended August 31, 2023 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1(a) to the consolidated financial statements.

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 Consolidated Financial Statements* section of our report. We are independent of the School Board in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1(a) to the consolidated financial statements, which describes the basis of accounting used in the preparation of these consolidated financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with the basis of accounting described in Note 1(a) to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the School Board'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 School Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Board'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 Board'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 consolidated 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 Board to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities or business activities with the Board to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
December 12, 2023

York Region District School Board

Consolidated statement of financial position
As at August 31, 2023
(in thousands of dollars)

	Note	2023	2022 (Note 2) (Restated)
FINANCIAL ASSETS			
Cash and cash equivalents		**215,755**	193,899
Temporary investments	3	**-**	60,034
Accounts receivable		**136,054**	121,058
Accounts receivable-Government of Ontario	4	**700,450**	732,997
TOTAL FINANCIAL ASSETS		**1,052,259**	1,107,988
LIABILITIES			
Accounts payable and accrued liabilities		**120,592**	110,979
Net debenture debt, capital loans and leases	10	**380,623**	441,921
Deferred Revenue	5	**192,666**	195,615
Employee benefits payable	9	**59,423**	61,377
Deferred capital contributions	6	**1,304,175**	1,285,955
Asset Retirement Obligation (ARO)		**21,220**	18,606
TOTAL FINANCIAL LIABILITIES		**2,078,699**	2,114,453
NET FINANCIAL ASSETS (NET DEBT)		**(1,026,440)**	(1,006,465)
NON-FINANCIAL ASSETS			
Prepaid expenses		**1,642**	1,389
Tangible capital assets (TCA)	14	**2,009,859**	1,947,712
TOTAL NON-FINANCIAL ASSETS		**2,011,501**	1,949,101
ACCUMULATED SURPLUS/(DEFICIT)	15	**985,061**	942,636

Approved on behalf of the Board

Original signed by
__________________________ Chair of the School Board

Original signed by
__________________________ Director of Education

The accompanying notes to the financial statements are an integral part of this financial statement.

York Region District School Board

Consolidated statement of operations
As at August 31, 2023
(in thousands of dollars)

	Note	2023 Budget (Restated)	2023 Actual	2022 (Note 2) (Restated)
REVENUES				
Grants for Student Needs				
Provincial legislative grants	12	865,699	**893,810**	836,406
Education property tax	12	688,537	**689,364**	687,041
Provincial grants - other		9,804	**24,529**	57,744
School generated funds revenues		20,000	**29,384**	22,800
Federal grants and fees	20	180	**1,279**	755
Investment income		5,025	**16,255**	9,184
Fees and revenues from other sources		100,285	**77,924**	49,127
Total revenue category		1,689,530	**1,732,545**	1,663,057
EXPENSES				
Total instruction expenses		1,296,894	**1,306,588**	1,269,440
Total administration expenses		39,881	**43,144**	39,937
Total transportation expenses		50,021	**47,736**	47,820
Total pupil accommodation expenses		236,648	**242,968**	233,329
Total school generated funds expenses		20,000	**31,690**	24,506
Other expenses		4,090	**17,994**	22,938
Total expense category	13	1,647,534	**1,690,120**	1,637,970
Annual surplus (deficit)		41,996	42,425	25,087
Accumulated surplus (deficit) at beginning of year		958,094	**942,636**	930,300
Accumulated Surplus (deficit) PSAS Adjustments	2	(13,215)		(12,751)
Adjusted Accumulated Surplus (deficit) at Beginning of Year		944,879	**942,636**	917,549
Accumulated surplus (deficit) at end of year	15	986,875	**985,061**	942,636

The accompanying notes to the financial statements are an integral part of this financial statement.

York Region District School Board

Consolidated statement of changes in net debt

As at August 31, 2023

(in thousands of dollars)

	Note	2023 Budget (Restated)	2023 Actual	2022 *(Note 2)* (Restated)
Annual surplus (deficit) for consolidated statement of change in net debt		41,996	**42,425**	25,087
TANGIBLE CAPITAL ASSET ACTIVITY				
Acquisition of tangible capital assets		(137,262)	**(140,686)**	(83,830)
Amortization of tangible capital assets		79,397	**81,101**	79,319
Proceeds on sale of tangible capital assets		-	**577**	-
Less: Gains on sale allocated to deferred revenue		-	**(533)**	-
Changes in Estimate of TCA-ARO		-	**(2,607)**	-
Total tangible capital asset activity		(57,865)	**(62,148)**	(4,511)
OTHER NON-FINANCIAL ASSET ACTIVITY				
Acquisition of inventories of supplies		-	-	-
Acquisition of prepaid expenses		-	**(3,104)**	(6,252)
Consumption of inventories of supplies		-	**-**	-
Use of prepaid expenses		-	**2,851**	6,693
Total other non-financial asset activity		-	**(253)**	441
Change in net financial assets (net debt)		(15,869)	**(19,976)**	21,017
Restated Net financial assets (net debt) at beginning of year		-	-	-
Net financial assets (net debt) at beginning of year		(1,006,465)	**(1,006,465)**	(1,008,876)
PSAS Adjustments to Net financial assets (net debt)	2	(18,606)	**-**	(18,606)
Restated Net financial assets (net debt) at beginning of year		(1,025,071)	**(1,006,465)**	(1,027,482)
Net financial assets (net debt) at end of year		(1,040,940)	**(1,026,441)**	(1,006,465)

The accompanying notes to the financial statements are an integral part of this financial statement.

York Region District School Board

Consolidated statement of cash flows
As at August 31, 2023
(in thousands of dollars)

	2023	2022
		(Restated)
OPERATING TRANSACTIONS		
Annual surplus (deficit) for consolidated statement of cash flow	**42,425**	25,087
Non-cash items including:		
Amortization, write-downs, (gain) loss on disposal of TCA and transfers to AHFS	**80,522**	78,855
…..(Note: excluding deferred gain on disposal of restricted assets)		
Amortization on TCA-ARO	**579**	464
Increase (decrease) of ARO Liabilities excluding settlements	**2,614**	-
Decrease (increase) of TCA-ARO asset excluding amortization on TCA-ARO	**(2,607)**	-
Deferred capital contribution revenue	**(75,311)**	(73,966)
Deferred gain on disposal of restricted assets	**(533)**	-
Decrease (increase) in temporary investments	**60,034**	(60,034)
Decrease (increase) in accounts receivable - other	**(14,997)**	(20,223)
Decrease (increase) in accounts receivable - delayed grant payment	**4,164**	3,779
Increase (decrease) in accounts payable and accrued liabilities	**9,614**	(61,561)
Increase (decrease) in deferred revenues - operating	**16,474**	4,795
Increase (decrease) in employee benefits payable	**(1,954)**	(5,362)
Decrease (increase) in prepaid expenses	**(253)**	441
Decrease (increase) in inventories of supplies	**-**	-
Cash provided by (applied to) operating transactions	**120,771**	**(107,725)**
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	**577**	-
Cash used to acquire tangible capital assets	**(140,685)**	(83,830)
Cash provided by (applied to) capital transactions	**(140,108)**	(83,830)
FINANCING TRANSACTIONS		
Increase (decrease) in temporary borrowing	**-**	-
Debt repaid and sinking fund contributions	**(61,298)**	(54,270)
Decrease (increase) in accounts receivable - Gov of Ontario - approved capital	**28,384**	55,814
Additions to (disposals from) deferred capital contributions	**93,531**	54,618
Increase (decrease) in deferred revenues - capital	**(19,424)**	66,473
Net increase (decrease) in cash from financing	**41,193**	122,635
Change in cash and cash equivalents	**21,856**	**(68,920)**
Opening cash and cash equivalents	**193,899**	262,819
Closing cash and cash equivalents	**215,755**	**193,899**

The accompanying notes to the financial statements are an integral part of this financial statement.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been 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 in Ontario 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, education property tax revenue.

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

- 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 Canadian public sector accounting standard PS 3410;

- externally 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 PS 3100; and

- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS 3510.

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

The 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 York Region District School Board and which are controlled by the Board.

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

Consolidated entities:
School Generated Funds
Student Transportation Services of York Region Consortium

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

c) Trust Funds

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements, as the Board does not control them.

d) Financial Instruments

Financial instruments are classified into three categories: fair value, amortized cost or cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Fair Value
Accounts Receivable	Amortized Cost
Accounts Payable	Amortized Cost
Debenture Debt	Amortized Cost

Fair value category: The board manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost: Amounts are measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period, based on the effective interest rate. It is applied to financial assets or financial liabilities that are not in the fair value category and is now the method that must be used to calculate amortized cost.

e) Cash and Cash Equivalents

Cash and cash equivalents comprise 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 maturity term of less than 90 days.

f) Investments

Portfolio investments are investments in organizations that do not form part of the government reporting entity. These are normally in equity instruments or debt instruments issued by the investee. Portfolio investments in equity instruments that are quoted in an active market must be recorded at fair value. Unrealized gains and losses are recorded in the Statement of Remeasurement Gains and Losses.

Since school boards are generally not allowed to hold stocks, mutual funds or other equity instruments per Ontario Regulation 41/10: Board Borrowing, Investing and Other Financial Matters, the board does not have equity instruments that are quoted in an active market that must be recorded at fair value.

g) Deferred Revenue

Certain amounts are received pursuant to legislation, regulation, or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed.

h) Deferred Capital Contributions

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible capital assets received or receivable for use in providing services, shall be recognized as deferred capital contributions as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

- Government transfers received or receivable for capital purposes;
- Other restricted contributions received or receivable for capital purposes; and
- Property taxation revenues which were historically used to fund capital assets.

i) Retirement and Other Employee Future Benefit Liabilities

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance, health care benefits, dental benefits, retirement gratuity, sick days and worker’s compensation 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 2016-17: Elementary Teachers’ Federation of Ontario (ETFO), and Ontario Secondary School Teachers’ Federation (OSSTF). The following ELHTs were established in 2017-18: Canadian Union of Public Employees (CUPE) and Ontario Non-union Education Trust (ONE-T) for non-unionized employees including principals and vice-principals. The ELHTs provide health, life and dental benefits to teachers (excluding daily occasional teachers), education workers (excluding casual and temporary staff), other school board staff and retired individuals up to a school board’s participation date into the ELHT. These benefits are 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 the 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 group, the Board provides health, dental and life insurance benefits for retired individuals and continues to have a liability for payment of benefits for those who are on long-term disability and for some retirees who are retired under these plans.

The Board has adopted the following policies with respect to accounting for these employee benefits:

- The costs of self-insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities is actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefit method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

- For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for worker's compensation and long-term disability, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.
- The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pension, are the employer's contributions due to the plan in the period.

- The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

j) Tangible Capital Assets

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as interest related to financing during construction and legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(Tabular amounts in thousands of dollars)

Tangible capital assets, except land, are amortized on a straight line basis over their estimated useful life, as follows:

Asset	Estimated Useful Life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable Structures	20
Other Buildings	20
First–time equipping of schools	10
Furniture	10
Equipment	5-15
Computer hardware	3
Computer software	5
Vehicles	5-10
Leasehold improvements	Over the lease term

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the assets are available for productive use.

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as “assets held for sale” on the Consolidated Statement of Financial Position.

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

k) 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 statement of operations at the same rate and over the same periods as the tangible capital assets are amortized.

l) 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.

m) Long-term Debt

Long-term debt is recorded net of related sinking fund asset balances.

n) Budget Figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. The budget figures presented have been adjusted to reflect the same accounting policies that were used to prepare the consolidated financial statements.

o) Use of Estimates

The preparation of these consolidated financial statements in conformity with the basis of accounting described in Note 1(a) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Accounts subject to significant estimates include certain accrued liabilities, deferred revenue, the useful lives of tangible capital assets and related amortization as well as assumptions related to employee future benefits. Actual results could differ from these estimates.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known.

There is measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations of $21,220. These estimates are subject to uncertainty because of several factors including but not limited to incomplete information on the extent of controlled materials used (e.g. asbestos included in inaccessible construction material), indeterminate settlement dates, the allocation of costs between required and discretionary activities and/or change in the discount rate.

p) Education Property Tax Revenue

Under Canadian Public Sector Accounting Standards, the entity that determines and sets the tax levy records the revenue in the consolidated financial statements, which in the case of the Board, is the Province of Ontario. As a result, education property tax revenue received from the municipalities is recorded as part of Grants for Student Needs, under Education Property Tax.

q) Liability for Contaminated Sites

The Board annually reviews its sites to assess whether contamination has occurred that would require the recording of a liability in the consolidated financial statements.

2. CHANGE IN ACCOUNTING POLICY-ADOPTION OF NEW ACCOUNTING STANDARDS

The board adopted the following standards concurrently beginning September 1, 2022 prospectively: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments and PS 3450 Financial Instruments.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency amount to $Nil.

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 Temporary Investments no longer applies.

PS 3280 Asset Retirement Obligations (ARO) establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. This standard was adopted on September 1, 2022 on a modified retroactive basis with prior period restatement.

In the past, the board has reported its obligations related to the retirement of tangible capital assets in the period when the asset was retired directly as an expense. The new standard requires the recognition of a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that result from the normal use of the asset when the asset is recorded, and replaces Section PS 3270, Solid Waste Landfill Closure and Post-Closure Liability (PS 3270). Such obligation justifies recognition of a liability and can result from existing legislation, regulation, agreement, contract, or that is based on a promise and an expectation of performance. The estimate of the liability includes costs directly attributable to asset retirement activities. Costs include post-retirement operation, maintenance, and monitoring that are an integral part of the retirement of the tangible capital asset (if applicable). When recording an asset retirement obligation, the estimated retirement costs are capitalized to the carrying value of the associated assets and amortized over the asset's estimated useful life. The amortization of the asset retirement costs follows the same method of amortization as the associated tangible capital asset.
A significant part of asset retirement obligations results from the removal and disposal of designated substances such as asbestos from board buildings. The board reports liabilities related to the legal obligations where the board is obligated to incur costs to retire a tangible capital asset.

The board's ongoing efforts to assess the extent to which designated substances exist in board assets, and new information obtained through regular maintenance and renewal of board assets may result in additional asset retirement obligations from better information on the nature and extent the substance exists or from changes to in the estimated cost to fulfil the obligation. The measurement of asset retirement obligations is also impacted by activities that occurred to settle all or part of the obligation, or any changes in the legal obligation. Revisions to the estimated cost of the obligation will result in to the carrying amount of the associated assets that are in productive use and amortized as part of the asset on an ongoing basis.

To estimate the liability for similar buildings that do not have information on asbestos and other designated substances, the board uses buildings with assessments on the extent and nature of the designated substances in the building to measure the liability and those buildings and this information is extrapolated to a group of similar assets that do not have designated substances reports. As more information becomes available on specific assets, the liability is revised to be asset specific. In other situations, where the building might not be part of a large portfolio, other techniques are used such as using industry data, experts or basing the estimate on a specific asset that is similar.

(Tabular amounts in thousands of dollars)

As a result of applying this accounting standard, an asset retirement obligation of $21,220 (2022 – $18,606) was recognized as a liability in the Statement of Financial Position. These obligations represent estimated retirement costs for the board owned buildings, including tanks, and restoration costs related to leasehold improvements. The board has restated the prior period based on a simplified approach, using the ARO liabilities, ARO assets and the associated ARO accumulated amortization, amortization expense and accretion expense (for discounted ARO liabilities) for the period September 1, 2022 to August 31, 2023 as a proxy for September 1, 2021 to August 31, 2022 information. The associated DCC, DCC revenue, TCA gross book value, TCA accumulated amortization and TCA amortization expense were not restated. The adoption of PS 3280 ARO was applied to the comparative period as follows:

2022	As previously reported	Adjustments	As restated
	$	$	$
Statement of Financial Position			
Tangible Capital Assets including ARO	1,942,321	5,391	1,947,712
Asset retirement obligation liability	-	18,606	18,606
Accumulated Surplus (deficit)	955,851	(13,215)	942,636
Statement of Change in Net Debt			
Net Debt beginning of year	(1,008,876)	(18,606)	(1,027,482)
Annual Surplus (deficit)	25,551	(464)	25,087
Amortization of TCA (incl TCA-ARO)	78,855	464	79,319
Statement of Operations			
Accumulated Amortization beginnning of year	930,300	(12,751)	917,549
Amortization of TCA-ARO	-	464	464
Surplus/(deficit) for the year	25,551	(464)	25,087

3. INVESTMENTS

York Region District School Board does not carry any investments as of August 31, 2023 (2022 - $60,034 temporary investments). The investments are carried on the Statement of Financial Position. The terminology for investments has changed as at September 1, 2022 and the terms Temporary Investments and Investments are discontinued as of August 31, 2022.

Portfolio investments are carried at amortized cost if not actively traded on the open market or at fair value if traded in the open market. These investments are assessed regularly for impairment and are written down if a permanent impairment exists.

4. ACCOUNTS RECEIVABLE – GOVERNMENT OF ONTARIO

The Province of Ontario (Province) replaced variable capital funding with a one-time debt support grant in 2009-10. York Region District School Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board receives this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in this account receivable.

(Tabular amounts in thousands of dollars)

The Board has an account receivable from the Province of Ontario of $421,165 (2022 - $449,548) with respect to capital grants.

The Ministry of Education introduced a cash management strategy effective September 1, 2018. As part of the strategy, the Ministry delays part of the grant payment to school boards where the adjusted accumulated surplus and deferred revenue balances are in excess of certain criteria set out by the Ministry. The balance of delayed grant payments included in the receivable balance from the Government of Ontario at August 31, 2023 is $279,285 (2022 - $283,449).

5. DEFERRED REVENUE

Revenues received and 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, 2023 is comprised of:

	Balance as at August 31, 2022	Externally restricted revenue and investment income	Revenue recognized in the year	Transfers to deferred capital contributions	**Balance as at August 31, 2023**
	$	$	$		**$**
Special Education	10,975	5,032	(2,985)		**13,022**
Targeted Student Supports	6,235	6,613	(5,654)		**7,194**
Indigenous Language, FNMI, and BAP	1,614	11,854	(7,799)		**5,669**
Priorities and Partnerships Fund	41	20,070	(19,993)		**118**
Tuition Fee - International or VISA Student	19,435	30,539	(21,999)		**27,975**
Other Third Party	8,000	3,301	(1,719)	(1,469)	**8,113**
School Renewal	24,780	18,040		(26,249)	**16,571**
Temporary Accommodation	685	1,450		(999)	**1,136**
Experiential Learning	1,827	3,474	(3,276)	(19)	**2,006**
Schools Child Care Retrofit	4,745	-	-		**4,745**
Proceeds of Disposition	26,424	1,468		(1,542)	**26,350**
Education Development Charges	90,854	26,414		(37,501)	**79,767**
Total	195,615	128,255	(63,425)	(67,779)	**192,666**

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accordance with Regulation 395/11 that have been expended by year end. The contributions are amortized into revenue over the life of the tangible capital asset acquired.

(Tabular amounts in thousands of dollars)

	2023	2022
	$	$
Balance, beginning of year	**1,285,955**	1,305,303
Additions to deferred capital contributions	**93,531**	54,618
Revenue recognized in the year	**(75,311)**	(73,966)
Balance, end of year	**1,304,175**	1,285,955

7. ASSET RETIREMENT OBLIGATIONS

The board has recorded ARO as of the September 1, 2022 implementation date on a modified retroactive basis, with a simplified restatement of prior year amounts.

As at August 31, 2023, all liabilities for asset retirement obligations are reported at current costs in nominal dollars without discounting.

A reconciliation of the beginning and ending aggregate carrying amount of the ARO liability is below:

As at August 31 ($ Thousands)	2023	2022
Liabilities for Asset Retirement Obligations at Beginning of Year	**18,606**	
Opening Adjustments for PSAB Adjustment	**-**	18,606
Liabilities Incurred During the Year	**2,614**	
Increase in Liabilities Reflecting Changes in the Estimate of Liabilities[1]	**-**	-
Increase in Liabilities due to Accretions[2]	**-**	-
Liabilities Settled During the Year	**-**	-
Liabilities for Asset Retirement Obligations at End of Year	**21,220**	18,606

[1] Reflecting changes in the estimated cash flows and the discount rate

[2] Increase in the carrying amount of a liability due to the passage of time

8. REVALUATION OF ASSET RETIREMENT OBLIGATIONS LIABILITY

As a result of recent high levels of inflation, liability balances based on previous cost estimates, the board has made an inflation adjustment increase in estimates of 14.05% as at March 31, 2023, in line with the Provincial government fiscal year end, to reflect costs as at that date. This rate represents the percentage increase in the Canada Building Construction Price Index (BCPI) survey from October 1, 2021 to September 30, 2022 and is the rate being used to update costs assumptions in the costing models in order to be reflective of March 31, 2023 costs.

(Tabular amounts in thousands of dollars)

9. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFIT LIABILITIES

Retirement and Other Employee Future Benefit Liabilities			2023	2022
	Retirement and sick leaves benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
	$	$	$	$
Accrued Employee Future Benefit Obligations at August 31	**33,505**	**25,388**	**58,893**	61,834
Unamortized Actuarial Gains (Losses) at August 31	**530**	**-**	**530**	(457)
Employee Future Benefits Liability at August 31	**34,035**	**25,388**	**59,423**	61,377

Retirement and Other Employee Future Benefit Expenses			2023	2022
	Retirement and sick leaves benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
Current year benefit bost	**1,554**	**5,156**	**6,710**	5,358
Interest on accrued benefit obligation	**1,310**	**851**	**2,161**	1,167
Cost of plan amendments	**-**	**-**	**-**	-
Change due to plan curtailment	**-**	**-**	**-**	-
Amortization of actuarial (gain) losses	**(513)**	**(18)**	**(531)**	1,499
Employee Future Benefits Liability at August 31[1]	**2,351**	**5,989**	**8,340**	8,024

[1]Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

The employee future benefits expense above excludes pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan described below.

The amount of benefits paid during the year were $5,434 (2022 - $8,390) for retirement and sick leave benefits and $4,860 (2022 - $4,995) for other employee future benefits.

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2023 are based on actuarial valuations for accounting purposes as at August 31, 2023. These actuarial valuations were based on assumptions about future events.

(Tabular amounts in thousands of dollars)

The economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2023	2022
	%	%
Inflation	**2.00**	2.00
Inflation (WSIB)	**2.50**	2.70
Salary grid placement	**0.00**	0.00
Health care cost escalation	**5.00**	5.00
Health care cost escalation (WSIB)	**4.00**	4.00
Dental costs escalation	**5.00**	5.00
Discount on accrued benefit obligations	**4.40**	3.90

Retirement Benefits

(i) **Ontario Teachers' Pension Plan**

Teachers and related employee groups are eligible to be members of the 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 of Ontario. Accordingly, no cost 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 contributions equal the employee contributions to the plan. During the year ended August 31, 2023, the Board contributed $21,508 (2022 - $20,211) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this plan is included in the Board's consolidated financial statements.

Each year, an independent actuary determines the funding status of OMERS Primary Pension by comparing the actuarial value of the invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted as at December 31, 2022. The results of this valuation disclosed total actuarial liabilities as at that date of $130,306 million in respect of benefits accrued for service with actuarial assets as at that date of $123,628 million indicating an actuarial deficit of $6,678 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employers. As a result, the Board does not recognize any share of the OMERS pension deficit.

(iii) **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 included in the Board's consolidated financial statements. The amount of the gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days and years of service at August 31, 2012.

(iv) **Retirement Life Insurance, Dental and Health Care Benefits**

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement. The eligible members of the employee group who retired on or before August 12, 2021 are entitled to core health and dental coverage with the Board paying 100% of the retiree ONE-T premium rates on early retirement until the member or member's spouse turns age 65 or for a period of 10 years whichever comes first. The premiums are based on the Board's experience and retirees' premiums are subsidized by the Board. The benefit costs and liabilities related to the subsidization of these retirees under this group plan are included in the Board's consolidated financial statements.

Other Employee Future Benefits

(v) **Workplace Safety and Insurance Board**

The Board is a Schedule 2 employer under the Workplace Safety and Insurance 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 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 4.5 years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such a provision.

(vi) **Long-term Disability Salary Compensation**

The costs of salary compensation paid to employees on long-term disability leave are fully insured and are not included in the defined benefit plan.

(vii) **Sick leave top-up benefits**

A maximum of 11 unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short- term leave and disability plan in that year. The benefit costs expensed in the consolidated financial statements are $742 (2022 - $2,533).

For accounting purposes, the valuation of the accrued benefit obligation for the sick leave top-up is based on actuarial assumptions about future events determined as at August 31, 2023 and is based on the average daily salary and banked sick days of employees as at August 31, 2023.

(Tabular amounts in thousands of dollars)

10. NET LONG-TERM DEBT

Net long-term debt reported on the statement of financial position is comprised of the following:

	2023	2022
Debentures	$	$
CDS&Co. Bylaw 2002-01, 6.450%, maturing June 2024	10,707	20,755
CDS&Co. Bylaw 2003-01, 5.300%, maturing June 2025	16,710	24,432
CDS&Co. Bylaw 2004-01, 5.531%, maturing May 2026	14,258	18,515
CDS&Co. Bylaw 2005-01, 4.616%, maturing June 2027	15,748	19,256
CDS&Co. Bylaw 2006-01, 5.095%, maturing June 2031	30,737	33,780
CDS&Co. Bylaw 2007-01, 5.098%, maturing June 2032	44,285	48,078
	132,445	164,816
OFA, Bylaw 2006-03, 4.560%, maturing November 2031	12,965	14,188
OFA, Bylaw 2008-01, 4.900%, maturing March 2033	13,634	14,696
OFA, Bylaw 2008-02, 5.347%, maturing November 2033	42,806	45,777
OFA, Bylaw 2009-01, 5.062%, maturing March 2034	10,354	11,057
OFA, Bylaw 2009-02, 5.047%, maturing November 2034	11,626	12,356
OFA, Bylaw 2010-01, 5.232%, maturing April 2035	19,673	20,839
OFA, Bylaw 2011-01, 4.833%, maturing March 2036	28,932	30,530
OFA, Bylaw 2011-02, 3.970%, maturing November 2036	22,509	23,748
OFA, Bylaw 2012-01, 3.564%, maturing March 2037	10,635	11,221
OFA, Bylaw 2013-01, 3.799%, maturing March 2038	17,332	18,188
OFA, Bylaw 2014-01, 4.003%, maturing March 2039	28,575	29,849
OFA, Bylaw 2015-01, 2.993%, maturing March 2040	2,996	3,132
OFA, Bylaw 2016-01, 3.242%, maturing March 2041	26,141	27,210
	248,178	262,791
CDS&Co. Bylaw 2001-01, Sinking Fund Debenture	**-**	150,000
Net long-term liabilities	**380,623**	577,607
Less: Sinking Fund Assets	**-**	(135,686)
	380,623	441,921

Principal repayments and sinking fund contributions relating to net long-term borrowings of $380,623 outstanding as at August 31, 2023 (2022 - $441,921) are due as follows:

	Principal repayments	Interest	**Total**
	$	$	**$**
2023-2024	49,491	17,371	**66,862**
2024-2025	40,725	14,909	**55,634**
2025-2026	33,731	12,987	**46,718**
2026-2027	30,093	11,402	**41,495**
2027-2028	27,130	10,008	**37,138**
Thereafter	199,453	35,907	**235,360**
	380,623	102,584	**483,207**

(Tabular amounts in thousands of dollars)

Sinking funds matured on April 2023 to pay off the $150,000 sinking fund debenture. Interest on sinking fund contributions together with remaining contributions and internal appropriations were sufficient to retire the outstanding sinking fund debenture at maturity. Included in the net long-term debt in 2022 were outstanding sinking fund debentures of $150,000 secured by sinking fund assets with a carrying value of $135,686 (market value - $136,028).

11. TEMPORARY BORROWING

The Board has two available credit facilities, which include a $60,000 general operating facility and a $10,000 facility to provide interim funding for capital projects pending receipt of the Ministry of Education capital grants. The capital borrowing facility can be increased to $60,000 on an optional basis if required. The facilities bear interest at the bank's prime lending rate minus 0.5% for the general operating facility and at the banks' prime lending rate minus 0.25% for the facility relating to funds for capital projects. As at August 31, 2023, the amount drawn was $nil ($nil in 2022).

12. GRANTS FOR STUDENT NEEDS

School boards in Ontario receive the majority of their funding from the provincial government. This funding comes in two forms: provincial legislative grants and local taxation in the form of education property tax. The provincial government sets the education property tax rate. Municipalities in which the Board operates collect and remit education property taxes on behalf of the Province of Ontario. The Province of Ontario provides additional funding up to the level set by the education funding formulas; 91.6% of the consolidated revenues of the Board are directly controlled by the provincial government through the grants for student needs.

The payment amounts of this funding are as follows:

	2023	2022
	$	$
Provincial Legislative Grants	**893,810**	836,406
Education Property Tax	**689,364**	687,041
Grants for Student Needs	**1,583,174**	1,523,447

13. EXPENSES BY OBJECT

The following is a summary of the expenses reported on the statement of operations and accumulated surplus by object:

(Tabular amounts in thousands of dollars)

	2023 Budget (Restated)	**2023 Actual**	2022 Actual (Restated)
	$	**$**	$
Salaries and wages	1,163,627	**1,173,902**	1,143,139
Employee benefits	194,853	**197,000**	188,643
Staff development	5,606	**2,962**	3,927
Supplies and services	84,162	**93,342**	82,842
Interest charges on capital	30,091	**25,297**	31,487
Rental expenses	696	**1,050**	999
Fees and contract services	66,593	**65,849**	63,299
Other expenses	2,509	**17,920**	19,811
Amortization and Write Downs and Net Loss on Disposal - TCA and TCA-ARO	79,397	**81,101**	79,318
Accretion and other expenses on ARO	-	**7**	-
School funded activities	20,000	**31,690**	24,505
	1,647,534	**1,690,120**	1,637,970

14. TANGIBLE CAPITAL ASSETS

	Cost						
	TCA with ARO - Balance at September 1, 2022	Adjustment for PS3280[1]	ARO - change in Estimate	TCA with ARO - additions and transfers	TCA with ARO - Disposals	Revaluation of TCA-ARO	Balance at August 31, 2023
	$	$	$	$	$	$	$
Land	576,820			38,582	44		615,358
Land Improvement	60,110			10,982	-		71,092
Buildings	2,158,591	18,557	2,607	60,320	-		2,240,075
Portable Structure	37,260			5,230	-		42,490
Equipment	10,805			373	800		10,378
First Time Equipping	22,041			285	4,254		18,072
Furniture	838			78	107		809
Computer Hardware	24,005			5,835	5,811		24,029
Computer Software	7,282			1,474	142		8,614
Vehicles	2,229			-	91		2,138
Construction In Progress	9,160			18,904	-		28,064
Pre-Construction Cost	2,943			(1,405)	-		1,538
Pre-Acquisitions Cost	522			28	-		550
ARFS	212			-	212		-
	2,912,818	**18,557**	**2,607**	**140,686**	**11,461**	**-**	**3,063,207**

(Tabular amounts in thousands of dollars)

Accumulated Amortization						
	TCA with ARO - Balance at September 1, 2022	Adjustment for PS3280[1]	ARO - change in Estimate	TCA with ARO Amortization	TCA with ARO - Disposals, write-off and adjustments	TCA with ARO - Balance at August 31, 2023
	$	$	$	$	$	$
Land	-			-	-	-
Land Improvement	18,135			4,311	-	22,446
Buildings	904,501	13,166		61,468	-	979,135
Portable Structure	11,884			1,970	-	13,854
Equipment	5,117			1,035	800	5,352
First Time Equipping	14,998			1,993	4,254	12,737
Furniture	400			82	107	375
Computer Hardware	12,341			8,084	5,811	14,614
Computer Software	1,254			1,969	142	3,081
Vehicles	1,656			189	91	1,754
Construction In Progress	-			-	-	-
Pre-Construction Cost	-			-	-	-
Pre-Acquisitions Cost	-			-	-	-
ARFS	212			-	212	-
	970,498	**13,166**	**-**	**81,101**	**11,417**	**1,053,348**

Net Book Value		
	TCA with ARO - August 31, 2023	TCA with ARO - August 31, 2022
	$	$
Land	**615,358**	576,820
Land Improvement	**48,646**	41,975
Buildings	**1,260,940**	1,259,482
Portable Structure	**28,636**	25,376
Equipment	**5,026**	5,688
First Time Equipping	**5,335**	7,043
Furniture	**434**	438
Computer Hardware	**9,415**	11,664
Computer Software	**5,533**	6,028
Vehicles	**384**	573
Construction In Progress	**28,064**	9,160
Pre-Construction Cost	**1,538**	2,943
Pre-Acquisitions Cost	**550**	522
ARFS	**-**	-
	2,009,859	**1,947,712**

[1] See Note 2 Change in Accounting Policy

(Tabular amounts in thousands of dollars)

a. Assets under construction, pre-construction and pre-acquisition costs

Assets under construction, pre-construction costs, and pre-acquisition costs have not been amortized. Amortization of these tangible capital assets will commence when the asset is put into service.

b. Write-down of Tangible Capital Assets

The write-down of tangible capital assets during the year was $Nil (2022 - $Nil).

c. Asset inventories for sale (assets permanently removed from service)

The Board has reclassified from tangible capital assets $Nil (2022 - $Nil) tangible capital assets with a net book value of $Nil (2022- $Nil) that qualifies as "assets permanently removed from service".

15. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2023	2022
	$	$
Available for compliance - unappropriated	**138,738**	129,556
Available for compliance - internally appropriated	**239,674**	246,510
Unavailable for compliance		
Revenues recognized for land	**615,908**	577,342
School generated funds	**9,465**	11,771
Debenture interest accrual	**(4,923)**	(9,328)
Asset Retirement Obligations to be covered in the future	**(13,801)**	(13,215)
Total Unavailable for compliance	**606,649**	566,570
	985,061	**942,636**

16. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE (OSBIE)

The School Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. The Board entered into this agreement on December 1, 2020. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of $7,000 per occurrence.

The premiums over a five-year period are based on the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five-year term expires on December 31, 2026.

Premiums paid to OSBIE for the policy year ending December 31, 2022 amounted to $2,281 (2021-$2,885).

OSBIE exercises stewardship over the assets of the reciprocal, including the guarantee fund. While no individual school board enjoys any entitlement to access the assets of the reciprocal, the agreement provides for two circumstances when a school board, that is a member of a particular underwriting group, may receive a portion of the accumulated funds of the reciprocal.

In the event that the board of directors determines, in its absolute discretion, that the exchange has accumulated funds in excess of those required to meet the obligations of the Exchange, in respect of claims arising in prior years in respect of the underwriting group, the Board of Directors may reduce the actuarially determined rate for policies of insurance or may grant premium credits or policyholder dividends for that underwriting group in any subsequent underwriting year.

In the event that a Board or other Board organization ceases to participate in the exchange of contracts of insurance within an Underwriting Group or within the Exchange, it shall continue to be liable for any Assessment(s) arising during or after such ceased participation in respect of claims arising prior to the effective date of its termination of membership in the Underwriting Group or in the exchange, unless satisfactory arrangements are made within the board of directors to buy out such liability

17. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

a. Contractual Obligations

The Board has awarded tenders for capital projects to various builders for a total of $166,920 (2022 - $40,483). As at August 31, 2023, approximately $50,198 (2021 - $$22,493) has been applied against these contracts, leaving a balance of $116,722.

b. Legal Claims

The Board has been named as the defendant in certain legal actions, in which damages have been sought. Any losses arising from these actions are recorded in the year that the related litigation is settled or when any likely amounts are measurable. Where the outcomes of actions are not determinable as at August 31, 2023, no provision is made in the consolidated financial statements.

c. Other Contingent Liabilities

The Board has provided letters of credit related to construction projects amounting to approximately $1,808 (2022 - $696) as at year end.

18. 2022-23 BUDGET RECONCILIATION

The budget data presented in these consolidated financial statements is based upon the 2023 budgets approved by the board. The budget was prepared prior to the implementation of the PS 3280-Assets Retirement Obligations (ARO) standard.

The chart below reconciles the approved budget to the budget figures reported in the Consolidated Statement of Operations.

Where amounts were not budgeted for (ARO amortization and accretion expenses), the actual amounts for 2023 were used to adjust the budget numbers to reflect the same accounting policies that were used to report the actual results.

The adjustments do not represent a formal amended budget as approved by the board. This is an amendment to make the 2023 budget information more comparable.

(Tabular amounts in thousands of dollars)

Consolidated Statement of Operations (Simplified)
For the year ended August 31

	2022-23 Budget	Change	2022-23 Budget - restated
	$	$	$
Revenues	1,689,530		1,689,530
Expenses	1,646,955		1,646,955
Amortization of TCA-ARO		579	579
ARO accretion expenses	-		-
Annual Surplus (Deficit)	**42,575**	(579)	41,996
Accumulated Surplus (Deficit) at beginning of year	958,094		958,094
Accumulated Surplus (deficit) PSAS Adjustments		(13,215)	(13,215)
Adjusted Accumulated Surplus (Deficit) at beginning of year			944,879
Accumulated Surplus / (Deficit) at end of year	**958,094**	**(13,215)**	**944,879**

19. TRANSPORTATION CONSORTIUM

On September 2010, the Board renewed its agreement with the York Catholic District School Board to provide common administration of student transportation in the region. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the boards. Under this agreement, decisions related to the financial and operating activities of Student Transportation Services of York Region Consortium are shared. No partner is in a position to exercise unilateral control.

The following summarizes the Board's share of expenses:

	2023		2022	
	Total	**Board Portion**	Total	Board Portion
	$	**$**	$	$
Expenses	**1,572**	**786**	1,751	876

20. GOVERNMENT OF CANADA TUITION AND FUNDING AGREEMENTS

The Government of Canada on behalf of Chippewas of Georgina Island paid $170 (2022 - $151) for tuition fees for First Nations pupils attending York Region District School Board schools as per the Tuition Agreement, and $98 (2022 - $191) for the costs of operating Waabgon Gamig First Nation School including seconded staff as per the Education Services Agreement. The Board also collected revenues of $672 (2022 - $389) from Government of Canada for the Language Instruction for New Canadians ("LINC") program and Youth Mentorship.

The Board received federal funds to support the continued safe operation of schools: COVID-19 Resilience Infrastructure Stream (CVRIS) 80% of Nil (2022 - $24), and Federal Priorities and Partnerships Funding (PPF) for Ventilation Improvements in Schools of $339 (2021 - Nil).

21. REPAYMENT OF "55 SCHOOL BOARD TRUST" FUNDING

On June 1, 2003, the Board received $11,434 from the "55 School Board Trust" for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the Trust. The 55 School Board Trust was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the Trust. Under the terms of the agreement, the 55 School Board Trust repaid the Board's debt in consideration for the assignment by the Board to the Trust of future provincial grants payable to the Board in respect of the NPF debt.

As a result of the above agreement, the liability in respect of the NPF debt is no longer reflected in the Board's statement of financial position. The flow-through in grants in respect of the above agreement for the year ended August 31, 2023 was $852 (2022 - $852) is recorded in these consolidated financial statements.

22. IN-KIND TRANSFERS FROM THE MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY

The Board has recorded entries, both revenues and expenses, associated with centrally procured in-kind transfers of personal protective equipment (PPE) and critical supplies and equipment (CSE) received from the Ministry of Public and Business Service Delivery (MPBSD). The amounts recorded were calculated based on the weighted average cost of the supplies as determined by MPBSD and quantity information based on the Board's records. The 2022-23 in-kind revenue recorded for these transfers is $1,082 (2022 - $16,241) with expenses based on use of $1,082 (2022 - $16,241) for a $Nil net impact.

23. RELATED PARTY DISCLOSURES

Ontario Regulation 41/10 under the Education Act allows school boards to borrow money for permanent improvements from the Ontario Financing Authority (OFA) when the initial maturity is more than one year. The Ontario Financing Authority (the "OFA") was established as an agency of the Crown by the Capital Investment Plan Act to conducts borrowing, investment and financial risk management for the Province of Ontario and therefore deemed to be a related party of the Board. The net long-term debt issued to the Board by the OFA in the form of debentures is $248,178 as at August 31, 2023 ($262,791 in 2022) as described in Note 10.

24. FINANCIAL INSTRUMENTS AND RISK

The board is exposed to a variety of financial risks including credit risk, liquidity risk and market risk. The board's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the board's financial performance.

Credit risk
The board's principal financial assets are cash, accounts receivable and investments, which are subject to credit risk. The carrying amounts of financial assets on the Statement of Financial Position represent the board's maximum credit exposure as at the Statement of Financial Position date.

Market risk
The board is exposed to interest rate risk on its long-term debt, which is regularly monitored.

The board's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is the board's opinion that the board is not exposed to significant interest rate or currency risks arising from these financial instruments except as otherwise disclosed.

25. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation.

26. FUTURE ACCOUNTING STANDARD ADOPTION

The Board is in the process of assessing the impact of the upcoming new standards and the extent of the impact of their adoption on its consolidated financial statements.

Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the Board for as of September 1, 2023 for the year ending August 1, 2024):

PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non- exchange transactions.

PSG-8 Purchased Intangibles provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm’s length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

PS 3160 Public Private Partnerships (P3s) provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

27. Bill 124

Subsequent to the financial statement date, a monetary resolution to Bill 124 was reached between the Crown and four education sector unions: the Ontario Secondary School Teachers’ Federation (OSSTF) Teachers, OSSTF Education Workers, the Elementary Teachers’ Federation of Ontario Education Workers (ETFO-EW) and the Canadian Union of Public Employees Ontario School Board Council of Unions (CUPE OSBCU). The agreements provide for a 0.75% increase in salaries and wages for the 2019-20 school year and a 0.75% increase in salaries and wages for the 2020-21 school year for the four unions. For OSSTF and ETFO-EW, the agreement provides a minimum of 1.5% to a maximum of 3.25% increase in salaries and wages for the 2021-22 school year, which will be awarded through an arbitration process expected to be completed in the 2023-24 school year. The increase in salaries and wages for the 2021-22 school year for CUPE OSBCU will be as determined for OSSTF.

The agreements include a provision whereby the Crown has committed to funding this monetary resolution for these employee groups to the applicable school boards consistent with the appropriate changes to the Grants for Student Needs benchmarks.

No other agreements have been reached with other education workers and teachers.

Management is currently assessing the impact of this on the Board.