Trillium Lakelands District School Board
Consolidated Financial Statements
For the year ended August 31, 2024

Contents

CORPORATE OFFICE
P.O. Box 420, 300 County Road 36
Lindsay, ON K9V 4S4
1-888-526-5552
Fax: Lindsay 705-328-2036
Fax: Bracebridge 705-645-5973

MANAGEMENT REPORT

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Trillium Lakelands 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 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 preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Audit Committee of the Board meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their 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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

W. Hahn
Director of Education

Treasurer

November 28, 2024

Tel: 705 742 4271
Fax: 705 742 3420
www.bdo.ca

BDO Canada LLP
201 George St N, Suite 202
P.O. Box 1018
Peterborough, ON K9J 7A5 Canada

Independent Auditor's Report

To the Board of Trustees of the
Trillium Lakelands District School Board

Opinion

We have audited the consolidated financial statements of Trillium Lakelands District School Board and its controlled entities (the Board), which comprise the consolidated statement of financial position as at August 31, 2024, and the consolidated statements of operations, consolidated changes in net debt and consolidated 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, 2024 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 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

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 and fair presentation of these 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 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 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 School Board to cease to continue as a going concern.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within 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
Peterborough, Canada
November 29, 2024

Trillium Lakelands District School Board

Consolidated Statement of Financial Position

August 31		2024		2023
		(in thousands of dollars)		
Financial Assets				
Cash and cash equivalents (Note 6)	$	16,623	$	15,831
Accounts receivable				
Government of Ontario - capital (Note 4)		30,046		24,404
Municipalities		10,108		9,377
Other (Note 4)		25,591		18,332
		82,368		67,944
Financial Liabilities				
Accounts payable				
Government of Ontario		4,573		168
Trade payables and accrued liabilities		25,451		19,732
Net long-term debt (Note 9)		15,899		17,058
Deferred revenue (Note 7)		11,554		9,212
Employee future benefits liability (Note 8)		5,226		5,854
Deferred capital contributions (Note 5)		199,877		185,969
Asset retirement obligation (Note 3)		20,306		19,563
		282,886		257,556
Net Debt		(200,518)		(189,612)
Non-Financial Assets				
Prepaid expenses		6,960		3,475
Inventory		321		765
Tangible capital assets (Note 15)		218,178		202,352
		225,459		206,592
Accumulated Surplus (Note 16)	$	24,941	$	16,980

Signed on behalf of the Board

W. Wahn

Director of Education

Colleen Wilcox

Chair of the Board

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

Trillium Lakelands District School Board

Consolidated Statement of Operations

For the year ended August 31	Budget 2024	Actual 2024	Actual 2023
			(in thousands of dollars)
Revenues			
Grants for Student Needs (Core-Ed) (Note 13)			
Education Property Tax	$ 86,899	$ 87,846	$ 85,490
Provincial legislative grants	143,936	152,611	139,230
Provincial grants - other	3,850	25,724	5,257
Federal grants and fees	367	602	492
Other revenues - school boards	1,424	1,814	1,789
Investment income	-	762	282
Other fees and revenues	1,618	2,889	2,465
School generated funds	2,480	5,666	4,949
Amortization of deferred capital contributions			
Related to Provincial Legislative Grants	11,157	10,931	10,704
Related to Third Parties	200	206	179
	251,931	289,051	250,837
Expenses (Note 14)			
Instruction	182,672	206,816	174,278
Administration	6,804	7,676	6,820
Transportation	19,433	18,548	18,676
Pupil accommodation	36,656	38,514	38,078
School generated funds	2,480	5,342	4,791
Other	4,606	4,194	4,663
	252,651	281,090	247,306
Annual surplus (deficit)	(720)	7,961	3,531
Accumulated surplus, beginning of year	23,195	16,980	13,449
Accumulated surplus, end of year	$ 22,475	$ 24,941	$ 16,980

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

Trillium Lakelands District School Board

Consolidated Statement of Cash Flow

For the year ended August 31	2024	2023
	(in thousands of dollars)	
Operations		
Annual surplus (deficit)	$ 7,961	$ 3,531
Sources and (uses)		
Changes in non-cash items:		
Amortization of tangible capital assets	11,334	11,568
Amortization of deferred capital contributions	(11,137)	(10,883)
Amortization of tangible capital assets ARO	591	-
	8,749	4,216
Change in non-cash working capital balances		
Accounts receivable	(13,631)	5,853
Inventory	443	(280)
Accounts payable and accrued liabilities	10,125	520
Deferred revenues - operating	1,472	2,667
Employee future benefits liability	(628)	390
Prepaid expenses	(3,485)	(2,575)
Net increase (decrease) in cash from operations	3,045	10,791
Capital Transactions		
Cash used to acquire tangible capital assets	(27,009)	(20,327)
Financing		
Additions to deferred capital contributions	25,045	20,328
Debt repayments	(1,158)	(1,108)
Increase (decrease) in deferred revenues - capital	869	(820)
	24,756	18,400
Increase (decrease) in cash and equivalents during the year	792	8,864
Cash and equivalents, beginning of year	15,831	6,967
Cash and equivalents, end of year	$ 16,623	$ 15,831

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

Trillium Lakelands District School Board

Consolidated Statement of Changes in Net Debt

For the year ended August 31	Budget 2024	Actual 2024	Actual 2023
			(in thousands of dollars)
Annual Surplus (Deficit)	$ (720)	$ 7,961	$ 3,531
Tangible Capital Asset Activity			
Acquisition of tangible capital assets	(12,312)	(27,009)	(20,327)
Amortization of tangible capital assets	11,508	11,334	11,568
Increase of tangible capital assets ARO liability	-	(27)	-
Amortization of tangible capital assets ARO	584	591	-
Change in estimate of tangible capital assets ARO	-	(716)	(2,411)
	(804)	(15,827)	(11,170)
Other Non-Financial Asset Activity			
Consumption of supplies inventories		445	(280)
Change in prepaid expenses	-	(3,485)	(2,575)
	-	(3,040)	(2,855)
Change in net debt	(1,524)	(10,906)	(10,494)
Net debt, beginning of year	(179,118)	(189,612)	(179,118)
Net debt, end of year	$ (180,642)	$ (200,518)	$ (189,612)

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

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 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 public sector accounting standard PS3410;
- 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 PS3100; and
- property 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 may be recorded differently under Canadian Public Sector Accounting Standards.

(b) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and fund balances of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

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

(c) Trust Funds

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board.

(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 and cash equivalents	Cost
Accounts receivable	Amortized Cost
Accounts payable	Amortized Cost
Accrued liabilities	Amortized Cost
Long-term debt	Amortized Cost

Amortized cost is measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or a group of financial assets or 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.

Cost category: Amounts are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

(e) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term investments.

(f) 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, performance obligations and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed.

(g) 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 assets received or receivable for use in providing services, shall be recognized as deferred capital contribution 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 purpose
- Other restricted contributions received or receivable for capital purpose
- Property taxation revenues which were historically used to fund capital assets

(h) Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance, and health care benefits, dental benefits, retirement gratuity, worker's compensation 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 Ontario Secondary School Teachers' Federation (OSSTF). The following ELHTs were established in 2017-2018: Canadian Union of Public Employees (CUPE), Education Workers' Benefits Trust (EWBT) and Ontario Non-union Education Trust (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, and other school board staff. Currently AEFO and ONE-T ELHTs also provide benefits to individuals who retired prior to the school board's participation date in 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/Core-Ed), including additional ministry funding in the form of a Crown contribution and Stabilization Adjustment.

Depending on prior arrangements and employee group, the Board continues to provide health, dental and life insurance benefits for eligible retired individuals for all groups 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:

(i) 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 & health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities are 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 & health care benefits for retirees, the cost is actuarially determined using the projected benefits 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 insurance benefit obligations that arise from specific events that occur from time to time, such as obligations for workers compensation and, long-term disability and life insurance and health care benefits for those on disability leave, 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.

(ii) The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period.

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

(i) 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.

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

Asset	Estimated Useful Life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable structures	20
Furniture	10
Equipment	5-15
First-time equipping	10
Computer hardware	3
Computer software	5
Vehicles	5-10

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is 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.

(j) 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, and 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.

(k) Other Revenues

Other revenues from transactions with performance obligations, for example, fees or royalties from the sale of goods or rendering of services, are recognized as the board satisfies a performance obligation by providing the promised goods or services to the payor. Other revenue from transactions with no performance obligations, for example, fines and penalties, are recognized when the board has the authority to claim or retain an inflow of economic resources and when a past transaction or event is an asset. Amounts received prior to the end of the year that will be recognized in subsequent fiscal year are deferred and reported as a liability. The majority of board revenues do not fall under the new PS 3400 accounting standard.

(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. The budget figures are unaudited.

(o) Use of Estimates

The preparation of consolidated financial statements in conformity with the basis of accounting described in (a) above 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 the determination of the liability for post-retirement benefits and the estimated useful life of tangible capital assets. Actual results could differ from these estimates.

There is measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations. These estimates are subject to uncertainty because of several factors including but not limited to incomplete information on the extent of controlled material 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 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 (Core-Ed), under Education Property Tax.

2. Change in Accounting Policies - Adoption of New Accounting Standards

The board adopted the following standards concurrently beginning September 1, 2023 retroactively with restatement: PS 3160 Public Private Partnerships, PS 3400 Revenue and adopted PSG-8 Purchased Intangibles prospectively.

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. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise- to an asset has occurred.

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 P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

The adoption of the above standards did not result in any changes to the consolidated financial statements.

(tabular amounts in thousands of dollars)

3. Asset Retirement Obligation

The board discounts significant obligations where there is a high degree of confidence on the amount and timing of cash flows and the obligation will not be settled for at least five years from the reporting date. The discount and inflation rate is reflective of the risks specific to the asset retirement liability.

As at August 31, 2024, all liabilities for asset retirement obligations are reported at current costs in nominal dollars without discounting based on the uncertainty of the future obligation settlement.

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

	2024	2023
Liability for asset retirement obligations, beginning of year	$ (19,563)	$ (17,153)
Increase in liabilities	(27)	-
Changes in estimate of liabilities	(716)	(2,410)
Liability for asset retirement obligations, end of year	(20,306)	(19,563)

According to provincial instruction, if no other adjustments were made to the estimates at August 31, 2023, boards were to use an adjustment rate of 3.66% at March 31, 2024. The board made an inflation adjustment increase in estimates of 3.66% as at March 31, 2024, in line with the Provincial government fiscal year end, to reflect costs as at that date.

(tabular amounts in thousands of dollars)

4. Accounts Receivable

The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. Trillium Lakelands 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.

The Board has an account receivable from the Province of Ontario of $30,045,527 as at August 31, 2024 (2023 - $24,403,751) with respect to capital grants.

Other accounts receivable as at August 31, 2024 is comprised of:

	2024	2023
Province of Ontario	$ 22,468	$ 15,875
Other	3,123	2,457
	$ 25,591	$ 18,332

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 Province of Ontario at August 31, 2024 is $21,699,344 (2023 - $13,864,884).

5. 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 asset acquired.

Amortization of deferred capital contributions reporting on the Statement of Operations has been modified to remove the reporting from the Provincial Legislative Grants line and identify the split between Amortization of DCC Related to Provincial Legislative Grants and Amortization of DCC related to Third Parties (for example, Federal Government capital funding).

	2024	2023
Opening balance	$ 185,969	$ 176,524
Additions to deferred capital contributions	25,045	20,328
Revenue recognized in the year	(11,137)	(10,883)
	$ 199,877	$ 185,969

(tabular amounts in thousands of dollars)

6. Credit Facilities

The Board has authorized credit facilities of $25,000,000 which bears interest at prime less 0.75%. During the year the Board utilized the credit facility as part of its cash management strategy. On August 31, 2024 this credit facility was not drawn on.

7. 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, 2024 is comprised of:

	Balance as at August 31 2023	Externally Restricted Revenue and Investment Income	Revenue Recognized in the Period	Transferred to DCC	Balance as at August 31 2024
Capital					
School renewal	$ 1,352	$ 3,516	$ 51	$ 2,613	$ 2,204
Rural and northern education	-	1,387	1,387	-	-
Minor tangible capital assets	-	6,067	4,837	1,230	-
Other capital	-	840	840	-	-
Child care retrofitting	503	-	-	-	503
Proceeds of disposition - school	1,179	-	-	-	1,179
Proceeds of disposition - other	12	-	-	-	12
Experiential learning	851	1,033	1,016	-	868
	3,897	12,843	8,131	3,843	4,766
Operating					
Legislative Grants - Operating	4,499	36,824	34,949	-	6,374
PPF (REP) Grants	-	3,619	3,591	-	28
Other	816	539	969	-	386
	5,315	40,982	39,509	-	6,788
	$ 9,212	$ 53,825	$ 47,640	$ 3,843	$ 11,554

(tabular amounts in thousands of dollars)

8. Retirement and Other Employee Future Benefit Liabilities

Liabilities

	2024				2023
	Retirement Benefits	Sick Leave Benefits	Other Employee Future Benefits	Total Employee Future Benefits	Total Employee Future Benefits
Accrued benefit obligation	$ 5,445	$ 142	$ 427	$ 6,014	$ 6,533
Unamortized actuarial gains (losses)	(35)	-	-	(35)	(17)
Employee future benefits liability	$ 5,410	$ 142	$ 427	$ 5,979	$ 6,516

The Board has determined that the liability related to the identified retirees amounts to $753,521 (2023 - $661,726). This portion of the total employee future benefit liability is included in accounts payable and accrued liabilities.

Change in Employee Future Benefit Liability

	2024				2023
	Retirement Benefits	Sick Leave Benefits	Other Employee Future Benefits	Total Employee Future Benefits	Total Employee Future Benefits
Current year benefit cost	$ -	$ 142	$ -	$ 142	$ 124
Interest on accrued benefit obligation	242	-	19	261	262
Benefit payments[1]	(868)	(108)	(82)	(1,058)	(1,039)
Amortization of actuarial (gains)/losses	123	(17)	13	119	246
Net change	$ (503)	$ 17	$ (50)	$ (536)	$ (407)

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

(tabular amounts in thousands of dollars)

8. Retirement and Other Employee Future Benefits - continued

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2024 are based on actuarial assumptions of future events determined for accounting purposes as at August 31, 2021 and based on updated average daily salary and banked sick days as at August 31, 2024. These valuations take into account the plan changes and the economic assumptions used in these valuation as the Board's best estimates of expected rates of:

	2024	2023
Inflation	2.00 %	2.00 %
Wage and salary escalation	- %	- %
Insurance and health care cost escalation	5.00 %	5.00 %
Dental cost escalation	5.00 %	5.00 %
Discount rate	3.80 %	4.40 %

Retirement Benefits

(i) Ontario Teacher's Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teacher's 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. Each year an independent actuary determines the funding status of the plan by comparing the actuarial value of 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 at December 31, 2023. The results of this valuation disclosed an actuarial deficit of $4.202 billion as at that date. During the year ended August 31, 2024, the Board contributed $3,644,805 (2023 - $3,152,306) 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 type of plan is included in the Board's financial statements.

(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.

(tabular amounts in thousands of dollars)

8. Retirement and Other Employee Future Benefits - continued

(iv) Retirement Life Insurance and Health Care Benefits

The Board provides life insurance, dental and health care benefits to eligible employee groups after retirement until the members reach 65 years of age. The premiums are based on the Board experience and retirees' premiums may be subsidized by the Board. The benefit costs and liabilities related to the plan are provided through an unfunded defined benefit plan and are included in the Board's consolidated financial statements.

Other Employee Future Benefits

(i) Workplace Safety and Insurance Board Obligations

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 ½ years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such provision. The actuarially determined future benefit obligation for WSIB claims is $4,971,812 (2023 - $4,395,019). This liability is included in accounts payable and accrued liabilities. The Board holds funds on account with National Bank in the amount of $3,796,436 (2023 - $3,727,741) with the purpose of meeting this obligation when necessary.

(ii) Long-Term Disability Life Insurance and Health Care Benefits

The Board provided life insurance, dental and health care benefits to employees on long-term disability leave to employees who were not yet members of an ELHT. The Board was responsible for the payment of life insurance premiums and the costs of health care benefits under this plan. The Board provided these benefits through an unfunded defined benefit plan. The costs of salary compensation paid to employees on long-term disability leave were fully insured and not included in this plan. The Board is not anticipated to provide these benefits in the future as all employees have become members of an ELHT.

(iii) Sick Leave Top-Up Benefits

A maximum of eleven unused sick 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 financial statements are $142,251 (2023 - $124,312).

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, 2024 and is based on the average daily salary and banked sick days of employees as at August 31, 2024.

(tabular amounts in thousands of dollars)

9. Net Long-Term Debt

Net long-term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2024	2023
Ontario Financing Authority (OFA) loan payable - Bylaw #2006-1, for Stage 1 of the Good Places to Learn Initiative, 4.560% per annum, repayable $172,259 semi-annually principal and interest, due November 2031	$ 2,168	$ 2,405
Ontario Financing Authority (OFA) loan payable - Bylaw #2008-1 for Stage 1 and 2 of the Good Places to Learn Initiative; Primary Class Size and Prohibitive to Repair Programs, 4.90% per annum, repayable in semi-annual blended payments of $223,432, maturing March 2033	3,162	3,444
Ontario Financing Authority (OFA) loan payable - Bylaw #2009-1 for Stage 2 of the Good Places to Learn Initiative and Primary Class Size, 5.062% per annum, repayable in semi-annual blended payments of $86,865, maturing March 2034	1,332	1,434
Ontario Financing Authority (OFA) loan payable - Bylaw #2010-1 for Stage 2 and 3 of the Good Places to Learn Initiative, 5.232% per annum, repayable in semi-annual blended payments of $112,878, maturing April 2035	1,858	1,982
Ontario Financing Authority (OFA) loan payable – By-law #2011-1 for Stage 3 and Stage 4 of the Good Places to Learn initiative, 4.833% per annum, repayable in semi-annual blended payments of $88,615, maturing March 2036	1,582	1,679
Ontario Financing Authority (OFA) loan payable – By-law #2012-1 for Stage 4 of the Good Places to Learn initiative, 3.564% per annum, repayable in semi-annual blended payments of $23,168, maturing March 2037	473	502
Ontario Financing Authority (OFA) loan payable - Bylaw #2013-1 for New Pupil Places, 3.799% per annum, repayable in semi-annual blended payments of $249,083, maturing March 2038	5,324	5,612
	$ 15,899	$ 17,058

(tabular amounts in thousands of dollars)

9. Net Long-Term Debt - continued

Payments relating to net long-term debt outstanding as at August 31, 2024 are due as follows:

	Principal	Interest	Total
2025	$ 1,212	$ 700	$ 1,912
2026	1,268	644	1,912
2027	1,327	585	1,912
2028	1,389	524	1,913
2029	1,453	460	1,913
Thereafter	9,250	1,452	10,702
	$ 15,899	$ 4,365	$ 20,264

10. Debt Charges and Capital Loan Interest

	2024	2023
Principal payments on long-term liabilities	$ 1,159	$ 1,108
Interest payments on long-term liabilities	754	805
	$ 1,913	$ 1,913

(tabular amounts in thousands of dollars)

11. Ontario School Board Insurance Exchange (OSBIE)

The Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. The school board entered into this agreement on January 1, 2021. OSBIE insures general liability, property damage and certain other risks. Liability insurance is available to a maximum of $27,000,000 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 rate share of claims experience. The current five year term expires December 31, 2026.

Premiums paid to OSBIE for the policy year ending December 31, 2023 amounted to $358,195 (2022 - $326,031).

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.

1. 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.

2. Upon termination of the exchange of reciprocal contracts of insurance within an Underwriting Group, the assets related to the Underwriting Group, after payment of all obligations, and after setting aside an adequate reserve for further liabilities, shall be returned to each Subscriber in the Underwriting Group according to its subscriber participation ratio and after termination the reserve for future liabilities will be reassessed from time to time and when all liabilities have been discharged, any remaining assets returned as the same basis upon termination.

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 with in the board of directors to buy out such liability.

(tabular amounts in thousands of dollars)

12. Trust Funds

Trust funds administered by the Board amounting to $372,034 (2023 - $274,054) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

13. 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. 89 percent of the consolidated revenues of the board are directly controlled by the provincial government through the Grants for Student Needs (Core-Ed). The payment amounts of this funding are as follows:

	2024	2023
Provincial Legislative Grants	$ 152,611	$ 139,230
Education Property Tax	87,846	85,490
	$ 240,457	$ 224,720

(tabular amounts in thousands of dollars)

14. Expenses by Object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object:

	Budget 2024	Actual 2024	Actual 2023
Current expenses			
Salary and wages	$ 155,170	$ 188,932	$ 154,218
Employee benefits	31,230	32,307	28,037
Staff development	678	910	805
Supplies and services	21,477	18,843	20,907
Interest	824	740	790
Rental expenses	11	255	9
Fees and contract services	27,351	25,894	27,094
Other	3,818	1,284	3,878
Amortization of tangible capital assets	11,508	11,334	11,568
Amortization of asset retirement obligation	584	591	-
	$ 252,651	$ 281,090	$ 247,306

(tabular amounts in thousands of dollars)

15. Tangible Capital Assets

	Cost				Accumulated Amortization				Net Book Value	Net Book Value
	Opening	Additions	Disposals	Closing	Opening	Additions	Disposals	Closing	2024	2023
Land	$ 2,838	$ -	$ -	$ 2,838	$ -	$ -	$ -	$ -	$ 2,838	$ 2,838
Land improvements	4,426	510	-	4,936	1,726	289	-	2,015	2,921	2,700
Buildings	351,467	24,196	-	375,663	156,864	10,503	-	167,367	208,296	194,603
Portable structures	153	1,815	-	1,968	153	51	-	204	1,764	-
Computer hardware	1,418	975	(131)	2,262	429	613	(131)	911	1,351	989
Computer software	1,427	227	(155)	1,499	948	292	(155)	1,085	414	479
Equipment - 5 year	37	11	-	48	7	8	-	15	33	30
Equipment - 10 year	832	17	-	849	296	84	-	380	469	536
Equipment - 15 year	98	-	-	98	77	3	-	80	18	21
Furniture	40	-	(34)	6	38	2	(34)	6	-	2
First-time equipping - 10 year	591	-	(251)	340	526	47	(251)	322	18	65
Vehicles	640	-	-	640	551	33	-	584	56	89
	$ 363,967	$ 27,751	$ (571)	$ 391,147	$ 161,615	$ 11,925	$ (571)	$ 172,969	$ 218,178	$ 202,352

(tabular amounts in thousands of dollars)

16. Accumulated Surplus

Accumulated surplus consists of the following:

	2024	2023
Available for Compliance - Unappropriated		
Operating accumulated surplus	$ 19,236	$ 11,288
Available for Compliance - Internally Appropriated		
Retirement gratuities	2,000	2,000
Committed capital projects	6,187	4,420
Capital reserve	1,986	3,600
Supporting Student Funding	149	63
Benefit surplus reserve	346	346
Pay Equity	1,000	1,000
Total Internally Appropriated	11,668	11,429
Unavailable for Compliance		
Invested in tangible capital assets	2,838	2,838
School generated funds	2,439	2,116
Interest to be accrued	(210)	(253)
Asset retirement obligation	(11,030)	(10,438)
Total Unavailable for Compliance	(5,963)	(5,737)
Total Accumulated Surplus	$ 24,941	$ 16,980

17. 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 record's. The in-kind revenue recorded for these transfers is $486,738 with expenses based on use of $486,378 for a net impact of $nil.

18. Monetary Resolution to Bill 124, The Protecting a Sustainable Public Sector for Future Generations Act

A monetary resolution to Bill 124 was reached between the Crown and the following education sector unions: Elementary Teachers' Federation of Ontario (ETFO), Ontario Secondary School Teachers' Federation (OSSTF), Ontario English Catholic Teachers' Association (OECTA), and Association des Enseignantes et Enseignants Franco-Ontariens (AEFO) <Canadian Union of Public Employees (CUPE), Elementary Teachers' Federation of Ontario- Education Workers (ETFO-EW), Ontario Secondary School Teachers' Federation- Education Workers (OSSTF-EW), Education Workers' Alliance of Ontario (EWAO), Ontario Council of Education Workers (OCEW). This agreement provides a 0.75% increase for salaries and wages on September 1, 2019 , a 0.75% increase for salaries and wages on September 1, 2020, and a 2.75% increase in salaries and wages on September 1, 2021, in addition to the original 1% increase applied on September 1 in each year during the 2019-22 collective agreements. The same increases also apply to non-unionized employee groups (excluding Principals and Vice-Principals and school board executives).

The Crown has funded the monetary resolution for these employee groups to the applicable school boards though the appropriate changes to the Grants for Student Needs (GSN/Core-Ed) benchmarks and additional Priorities and Partnerships Funding (PPF/REP).

Subsequent to the financial statement date, a monetary resolution to Bill 124 was reached between the Crown and the associations representing principals and vice-principals (Ontario Principals' Council, Catholic Principals' Council of Ontario and Association des directions et directions adjointes des écoles franco-ontariennes). This agreement provides a 0.75% increase for salaries and wages on September 1, 2020, a 2.75% increase for salaries and wages on September 1, 2021, and a 2.00% increase in salaries and wages on September 1, 2022, in addition to the original 1% increase applied on September 1 in each year during the 2020-23 collective agreements. The memorandum of settlement was reached on August 10, 2024 and was ratified on September 30, 2024.

The Crown intends to fund the monetary resolution for principals and vice-principals to the applicable school boards through the appropriate changes to the GSN (Core-Ed) benchmarks.

Due to this resolution, there is an impact on salary and wages expenses of $23,712,876 in the 2023-24 fiscal year. The portion related to 2019-20 to 2022-23 is $17,317,210, with the remainder of $6,395,666 related to 2023-24.

19. 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 financial statements.

Standards applicable for fiscal years beginning on or after April 1, 2026 (in effect for the board as of September 1, 2026 for the year ending August 31, 2027). Standards must be implemented at the same time:

New Public Sector Accounting Standards (PSAS) Conceptual Framework:

This new model is a comprehensive set of concepts that underlie and support financial reporting. It is the foundation that assists:

- prepares to account for items, transactions, and other events not covered by standards;
- auditors to form opinions regarding compliance with accounting standards;
- users in interpreting information in financial statements; and
- Public Sector Accounting Board (PSAB) to develop standards grounded in the public sector environment.

The main changes are:

- Additional guidance to improve understanding and clarity
- Non-substantive changes to terminology/definitions
- Financial statement objectives foreshadow changes in the Reporting Model
- Relocation to recognition exclusions to the Reporting Model
- Consequential amendments throughout the Public Sector Accounting Handbook

The framework is expected to be implemented prospectively.

Reporting Model- PS 1202- Financial Statement Presentation:

This reporting model provides guidance on how information should be presented in the financial statements and will replace PS 1201-Financial Statement Presentation. The model is expected to be implemented retroactively with restatement of prior year amounts.

The main changes are:

- Restructured Statement of Financial Position
- Introduction of financial and non-financial liabilities
- Amended non-financial asset definition
- New components of net assets- accumulated other and issued share capital
- Relocated net debt to its own statement
- Renamed the net debt indicator
- Revised the net debt calculation
- Removed the Statement of Change in Net Debt
- New Statement of Net Financial Assets/Liabilities
- New Statement of Changes in Net Assets Liabilities
- Isolated financing transaction in the Cash Flow Statement

20. Financial Instruments

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 and accounts receivable, 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.

Liquidity Risk

Liquidity risk is the risk that the board will not be able to meet all cash flow obligations as they come due. The board mitigates the risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining sufficient cash on hand if unexpected cash outflows arise.

Market risk

The board is exposed to interest rate risk on its long-term debt all of which are 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.

21. Comparative Amounts

The comparative amounts presented in the financial statements have been restated to conform to the current year's presentation.