
Financial statements of
Municipal Property Assessment
Corporation

December 31, 2021

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Independent Auditor's Report

To the Board Members of
Municipal Property Assessment Corporation

Opinion

We have audited the financial statements of Municipal Property Assessment Corporation (the "Corporation"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Performance Report is expected to be available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter with those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

The financial statements of the Corporation as at and for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements dated March 30, 2021.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
March 30, 2022

Municipal Property Assessment Corporation

Statement of financial position

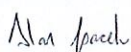
As at December 31, 2021

(In thousands of dollars)

	Notes	2021 \$	2020 \$
Assets			
Current assets			
Cash		16,519	10,233
Investments	3	—	2,076
Accounts receivable		3,335	3,728
Prepaid expenses		2,054	2,570
		21,908	18,607
Long-term investments	3	147,690	131,493
Capital assets	4	8,804	10,343
Long-term prepaid expenses		367	—
Intangible assets	5	9	50
		178,778	160,493
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	14	27,909	27,425
Deferred revenue	6	2,761	1,801
Current portion of capital leases	10	685	759
		31,355	29,985
Employee future benefits	7	49,267	49,899
Deferred lease inducements		1,901	2,306
Long-term portion of capital leases	10	463	1,116
		82,986	83,306
Commitments and contingencies	9 and 11		
Net assets			
Unrestricted		6,958	6,816
Internally restricted	8	81,169	61,853
Invested in capital and intangible assets		7,665	8,518
		95,792	77,187
		178,778	160,493

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

Approved by the Board of Directors


_____, Director


_____, Director

Municipal Property Assessment Corporation
Statement of operations

Year ended December 31, 2021
(In thousands of dollars)

	2021	2020
	\$	\$
Revenue		
Municipal	214,919	214,919
Other	23,601	19,884
Interest and dividend income	3,353	3,217
	241,873	238,020
Expenses		
Salaries and benefits	186,315	182,419
Professional services	13,320	12,741
Information technology	11,222	10,578
Facilities	8,581	9,013
General and administrative	6,096	6,411
Royalties	4,024	3,352
Amortization of capital and intangible assets	3,601	3,883
Gain on disposal of capital assets	(65)	(245)
	233,094	228,152
Excess of revenue over expenses before change in fair value of investments	8,779	9,868
Change in fair value of investments	6,998	8,229
Excess of revenue over expenses for the year	15,777	18,097

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

Municipal Property Assessment Corporation
Statement of changes in net assets

Year ended December 31, 2021
(In thousands of dollars)

	Unrestricted	Internally restricted	Invested in capital and intangible assets	2021 Total	2020 Total
Notes	\$	\$	\$	\$	\$
	(Note 8)				
Net assets, beginning of year	6,816	61,853	8,518	77,187	65,460
Excess of revenue over expenses for the year	19,313	—	(3,536)	15,777	18,097
Remeasurements and other items on employee future benefits	2,828	—	—	2,828	(6,370)
Acquisition of capital and intangible assets	(2,054)	—	2,054	—	—
Proceeds from disposal of capital and intangible assets	98	—	(98)	—	—
Incurred lease obligations for vehicles accounted for as capital leases	32	—	(32)	—	—
(Repayment) retirement of lease obligations for vehicles accounted for as capital leases	(759)	—	759	—	—
Interfund transfers to internally restricted reserves	(19,316)	19,316	—	—	—
Net assets, end of year	6,958	81,169	7,665	95,792	77,187

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

Municipal Property Assessment Corporation

Statement of cash flows

Year ended December 31, 2021

(In thousands of dollars)

	Notes	2021 \$	2020 \$
Operating activities			
Excess of revenue over expenses for the year		15,777	18,097
Employee future benefits payments	7	(505)	(308)
Add (deduct): Items not affecting cash			
Change in fair value of investments		(6,998)	(8,229)
Reinvested investment income		(3,122)	(2,948)
Employee future benefits expense	7	2,701	2,762
Amortization of capital assets		3,560	3,830
Amortization of intangible assets		41	53
Gain on disposal of capital assets		(65)	(245)
Amortization of lease liabilities		(405)	(167)
		10,984	12,845
Changes in non-cash working capital			
Accounts receivable		393	(369)
Prepaid expenses		149	(249)
Accounts payable and accrued liabilities		484	2,139
Deferred revenue		960	493
		12,970	14,859
Investing activities			
Purchase of investments		(7,343)	(17,532)
Proceeds from sale of investments		3,342	5,532
Purchase of capital assets		(2,022)	(2,040)
Proceeds on disposal of capital assets		98	270
Purchase of intangible assets		—	(11)
		(5,925)	(13,781)
Financing activity			
Repayment of lease obligations		(759)	(755)
Increase in cash during the year		6,286	323
Cash, beginning of year		10,233	9,910
Cash, end of year		16,519	10,233
Supplementary cash flow information			
Non-cash transactions			
Acquisition of leased vehicles		(32)	(16)
Incurrence of lease obligations		32	16

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

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

1. Description of business

Municipal Property Assessment Corporation (the Corporation), formerly the Ontario Property Assessment Corporation, was incorporated effective January 1, 1998 and is a special act corporation under the Municipal Property Assessment Corporation Act, 1997 (Ontario). The Corporation is responsible for providing property assessment services for municipalities in the Province of Ontario, as well as providing other statutory duties and other activities consistent with such duties as approved by its board of directors. All municipalities in Ontario are members of the Corporation.

2. Summary of significant accounting policies

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

The significant accounting policies are summarized as follows.

Fund accounting

The financial statements include the following funds:

- The unrestricted fund comprises mainly amounts available for immediate use for the general purpose of the Corporation.
- The reserve for board-appropriated working fund is set aside by the board of directors in accordance with the Corporation's reserve strategy for contingencies and funding for identified one-time expenditures.
- The reserve for employee future benefits is the portion of net assets consisting of internally restricted investments set aside to settle employee future benefits.
- The reserve for enumeration was established to fund the costs associated with the preparation of preliminary voters' lists for municipal and school board elections. The next enumeration process is scheduled for 2022.
- The reserve for assessment update was established to fund the costs associated with the assessment update. The Corporation generally contributes \$2,400 annually to the reserve but may vary the annual contribution with approval from the board of directors. The unspent reserve balance will be maintained to finance the Assessment Update when the Minister of Finance announces the new Assessment date and will be drawn down as expenses are incurred.
- Invested in capital and intangible assets represents assets that have been invested in long-lived capital and intangible assets which are not readily converted to cash, net of any liabilities related to the acquisition of those assets.

Financial instruments

The Corporation records cash, accounts receivable, accounts payable and accrued liabilities initially at fair value and subsequently at amortized cost. Financial assets are tested for impairment at the end of each reporting period when there are indications the assets may be impaired.

Investments are recorded at fair value. Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost and are amortized using the straight-line method as follows:

Office equipment	5 years
Furniture and fixtures	5 to 10 years
Computer equipment	3 to 4 years
Small boats and vessels	3 to 8 years
Vehicles under capital lease	5 years

Leasehold improvements are also amortized on a straight-line basis over the term of the lease or ten years, whichever is less.

Impairment of long-lived assets

The Corporation reviews the carrying amount, amortization and useful lives of its long-lived assets on an annual basis. If the long-lived asset no longer has any long-term service potential to the Corporation, the excess of the net carrying amount over any residual value is recognized as an expense in the statement of operations.

Intangible assets

Intangible assets consist of computer software, which is recorded at cost and is amortized over three years.

The costs of developing in-house software are expensed as incurred.

Revenue recognition

Municipal revenue relates to assessment services and is recognized in the year in which the services are provided and collection is reasonably assured.

Other revenues are comprised of services sold and products delivered from business development. These revenues are recognized when the services have been provided and/or the product is delivered, and collection is reasonably assured.

Interest income is recognized when earned.

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Employee future benefits

The Corporation has defined benefit plans that provide for post-retirement medical and dental coverage and special termination benefits for defined eligible employees. Certain investments have been internally restricted but not segregated to pay for post-retirement benefits.

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

2. Summary of significant accounting policies (continued)

Employee future benefits (continued)

The Corporation has the following policies:

- The Corporation accrues its obligations under defined benefit plans and the related costs when the benefits are earned through current service using the accounting valuation method.
- The cost of post-employment benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimates of retirement ages of employees, expected health-care costs and dental costs. The accrued benefit obligation related to employee future benefits is discounted using market rates on high-quality debt instruments.
- Remeasurements and other items are composed of actuarial gains (losses) on the accrued benefit obligation and arise from differences between the actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation, past service costs and gains and losses arising from settlements and curtailments. Actuarial gains and losses arise when the accrued benefit obligations change during the year. The actuarial gains and losses and other remeasurements including plan amendments are recorded in the statement of changes in net assets when incurred.

In addition, all employees of the Corporation are part of a defined benefit multi-employer benefit plan providing both pension and other retirement benefits. Contributions made to this plan are expensed as paid as the plan is accounted for as a defined contribution plan.

Deferred lease inducements

Lease liabilities include deferred lease inducements, which represent the free rent and improvement allowances received from landlords and are amortized over the term of the lease, and step-rent liability, which represents the difference between the average annual rent over the term of the lease agreement and actual rent paid in the year.

Use of estimates

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates include accounts payable and accrued liabilities, useful lives of capital assets and employee future benefits.

3. Investments

Investments are held within third party managed accounts, which invest independently.

The current portion of investments consists of amounts that management estimates to be liquidated within 12 months.

Long-term investments consist of amounts that management estimates and intends to hold longer than 12 months for future use.

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

3. Investments (continued)

The breakdown of total investments by category is outlined below:

	2021	2020
	\$	\$
Cash	250	—
Fixed income	82,154	80,910
Equity	47,528	38,525
Real assets	17,758	14,134
	147,690	133,569
Less: Current portion	—	2,076
Long-term investments	147,690	131,493

The Corporation internally restricts certain securities to fund employee future benefits.

The breakdown of total investments by intended use is outlined below:

	2021	2020
	\$	\$
General investments	76,845	69,895
Internally restricted investments	70,845	63,674
	147,690	133,569

4. Capital assets

	Cost	Accumulated amortization	2021 Net	2020 Net
	\$	\$	\$	\$
Office equipment	546	545	1	3
Furniture and fixtures	8,442	7,437	1,005	901
Computer equipment	15,263	12,933	2,330	2,273
Small boats and vessels	390	377	13	16
Leasehold improvements	20,991	16,605	4,386	5,421
Vehicles under capital lease	3,768	2,750	1,018	1,729
Assets under construction	51	—	51	—
	49,451	40,647	8,804	10,343

5. Intangible assets

	Cost	Accumulated amortization	2021 Net	2020 Net
	\$	\$	\$	\$
Computer software	3,022	3,013	9	50

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

6. Deferred revenue

	2021	2020
	\$	\$
Business development unearned revenue and customer down payments	2,583	1,620
Other deferred amounts	178	181
	<u>2,761</u>	<u>1,801</u>

7. Employee future benefits

The Corporation has accrued an obligation for its post-employment benefits as follows:

Employees who transferred to the Corporation from the Government of Ontario on December 31, 1998

- Employees who transferred to the Corporation with less than ten years of service with the province will receive post-retirement group benefit coverage through the Corporation for themselves and for their dependants' lifetimes. The cost of these benefits is shared equally between the Corporation and the employee for those employees who retire after January 1, 2018.

The Government of Ontario continues to provide post-retirement benefits for employees who transferred to the Corporation with ten or more years of service with the province.

Employees hired by the Corporation after December 31, 1998

- These employees will receive post-retirement group benefit coverage for themselves and for their dependants through the Corporation until age 65.

All employees

- The Corporation is a Schedule II employer under the Workplace Safety and Insurance Act (Ontario), 1997 and follows a policy of self-insurance for all its employees. The obligation as at December 31, 2021 is \$829 (\$1,261 in 2020) and is included in the total obligations below.

Information about the Corporation's accrued benefit obligations and accrued benefit liabilities is as follows:

	2021	2020
	\$	\$
Accrued benefit obligations, beginning of year	49,899	41,075
Current service costs	1,298	1,447
Interest on accrued obligations	1,403	1,315
Actuarial (gain) losses	(2,828)	6,370
Contributions	(505)	(308)
Accrued benefit obligations, end of year	<u>49,267</u>	<u>49,899</u>

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

7. Employee future benefits (continued)

All employees (continued)

The employee future benefits expense recorded in the statement of operations during the year is as follows:

	2021	2020
	\$	\$
Current service costs	1,298	1,447
Interest on accrued obligations	1,403	1,315
	2,701	2,762

Remeasurements and other items, consisting of curtailments, settlements, past service costs and actuarial gain of \$2,828 (loss of \$6,370 in 2020), have been recognized directly in net assets.

The significant actuarial assumptions adopted in measuring the Corporation's accrued benefit obligations are as follows:

	2021	2020
	\$	\$
Discount rate	3.10%	2.8%
Health care inflation	5.4% grading down to 4% by 2040	5.55% grading down to 4% by 2040
Vision and dental care inflation	4.93% grading down to 4% by 2040	4.71% grading down to 4% by 2040

The date of the most recent actuarial valuation of the accrued benefit obligations was December 31, 2019.

The Corporation paid \$28,150 (\$27,634 in 2020) of employer and employee contributions to the defined benefit multi-employer benefit plan.

8. Internally restricted net assets

	2021	2020
	\$	\$
Reserve for board-appropriated working fund	47,283	37,121
Reserve for employee future benefits	21,578	13,775
Reserve for enumeration	2,200	2,681
Reserve for assessment update	10,108	8,276
	81,169	61,853

Interfund transfers are approved by the board of directors. During the year, the board of directors approved the transfers between the unrestricted fund and the internally restricted net assets as follows: \$10,162 to (\$11,400 to in 2020) the board-appropriated working fund reserve to pay for future one-time expenditures; \$1,832 to (\$1,389 to in 2020) the assessment update reserve to set aside funds for the property assessment process, and \$481 from (\$1,968 to in 2020) the enumeration reserve.

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

8. Internally restricted net assets (continued)

The purpose and use of the employee future benefits reserve was approved by the board of directors at initial setup, and an annual approval for transfers is not required. A transfer of \$7,803 to (\$1,611 from in 2020) the employee future benefit reserve was made during the year.

Refer to note 2 for a description of the reserves.

9. Commitments

The Corporation has commitments under various operating leases for properties. Minimum lease payments due in each of the next five years and thereafter are as follows:

	\$
2022	4,714
2023	4,579
2024	3,590
2025	2,906
2026	1,814
Thereafter	703
	<u>18,306</u>

The Corporation is also committed to paying operating costs and property taxes on its various property leases.

10. Capital leases

The Corporation entered into several vehicle leases with an interest rate of between 2.51% and 4.34%, with lease terms up to 60 months. On termination of the lease, the Corporation has guaranteed a certain residual value of the vehicle to the lessor, depending on the ultimate lease term.

As at December 31, 2021 the current portion of the capital leases is \$685 (\$759 in 2020) and the long-term portion is \$463 (\$1,116 in 2020).

Future minimum annual lease payments required under capital lease arrangements are as follows:

	\$
2022	729
2023	412
2024	57
2025	8
Total lease payments	1,206
Less: amount representing interest	<u>(58)</u>
	1,148
Less: current portion	<u>685</u>
	<u>463</u>

Municipal Property Assessment Corporation

Notes to the financial statements

December 31, 2021

(In thousands of dollars)

11. Contingent liabilities and guarantees

The Corporation has been named as a defendant in certain legal actions in which damages have either been sought or, through subsequent pleadings, could be sought. The outcome of these actions is not determinable or is considered insignificant as at December 31, 2021 and, accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year the related litigation is settled.

In the normal course of business, the Corporation enters into agreements that meet the definition of a guarantee, as outlined in the Chartered Professional Accountants of Canada Handbook. The Corporation's primary guarantee subject to disclosure requirements is as follows:

- The Corporation enters into agreements that include indemnities in favor of third parties, such as purchase agreements, confidentiality agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Corporation to compensate counterparties for losses incurred by the counterparties as a result of breaches of contractual obligations, including representations and regulations, or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of the above indemnifications prevents the Corporation from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability, which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Corporation has not made any significant payments under such or similar indemnification agreements and, therefore, no amount has been accrued in the statement of financial position with respect to these agreements.

12. Risk management

Market risk

The Corporation's investments are susceptible to market risk, which is defined as the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation's market risk is affected by changes in the level or volatility of market rates or prices, such as interest rates, foreign currency exchange rates and equity prices. The Corporation is subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rate sensitive investments. The risk is mitigated through the Corporation's investment policy, which requires investments to be held in high grade, low risk investments.

Credit risk

Credit risk arises from the potential a counterparty will fail to perform its obligations. The Corporation is exposed to credit risk from banks and debtors. The risk is mitigated in that the Corporation conducts business with reputable financial institutions and its debtors are mainly entities within a level of the provincial government.

Liquidity risk

Liquidity risk is the risk the Corporation will not be able to meet its financial obligations as they come due. The Corporation manages liquidity through regular monitoring of forecasted and actual cash flows.

Municipal Property Assessment Corporation
Notes to the financial statements

December 31, 2021

(In thousands of dollars)

13. Credit facility

The Corporation has an unsecured credit facility of \$10,000 to be used for its operations, which is renewable annually. The credit facility was temporarily extended to \$50,000 in 2020 and continued to December 31, 2021. Starting on January 1, 2022, the extended credit facility was not renewed. The unsecured credit facility of \$10,000 remains in place.

14. Government remittances

Government remittances consist of workplace safety insurance costs, sales taxes and payroll withholding taxes required to be paid to government authorities when the amounts come due. In respect of government remittances, \$3,258 (\$3,140 in 2020) is included in accounts payable and accrued liabilities.

15. Significant event

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time. While it has limited business travel, reduced office utilization, and postponed the Assessment Update, it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial position, results of operations and cash flows of the Corporation in future periods.

16. Prior year comparative figures

Certain of prior year's comparative figures have been reclassified to conform with current year's presentation.