



MESSAGE FROM THE LESTER B. PEARSON SCHOOL BOARD PERTAINING TO DEFICIT

On December 7, 2020, the Council of Commissioners approved the financial statements for 2019-20 which indicated a deficit of \$7,9 million. We would like to contextualize some of the reasons for the deficit we are facing.

As we are all aware, the coronavirus pandemic was declared in mid-March 2020. This public health emergency has had a deep impact on our health-care system leading to thousands of infections, hospitalizations, and deaths. It has touched almost every aspect of our lives, including our economy and education system. Our 2019-20 financial statements are indicative of the effect that COVID-19 has had on our board's operating budget.

On March 13th when the Quebec government closed schools and placed the entire province on pause, we were instructed to continue our operations at head office and to continue remunerating all staff.

For the youth and adult education sectors, our financing was already established, through the September 30th enrollment count and through adult education being financed based on the three prior years. However, this was not the case for vocational training where our financing comes as a result of students completing the end of module exams. Since classes were suspended for several months, students could not complete their studies nor sit for exams during that time. This led to a shortfall whereby our expenses exceeded our revenues. We have requested an additional \$7 million from the Ministry of Education (MEQ) to compensate for the lost vocational revenues.

The uncertain nature of last spring's school closures meant that elementary schools did not collect the full year's fees for lunch time and daycare programs. Salaries continued to be paid while we awaited word about the possible reopening of schools. We have been partially reimbursed for these expenses, but we are looking forward to additional revenues from the MEQ. During the same period, we provided emergency daycare services for essential workers. We are awaiting full reimbursement from the Ministry for these expenses as well.

Beginning in March, our board was also faced with the urgent need to spend over \$1 million on masks, PPE, hand sanitizer when supplies were in short supply and costing top dollar.

We have received partial reimbursement for all of these expenses - an initial \$1M towards some of the expenses for March to May and another \$398,743 on October 28th. This does reduce some of the sting of this posted deficit.

On a more positive note, the MEQ has said that they will review each school board's financial statements in the coming months to include additional revenues, so there is still an opportunity for us to receive more funds to offset the impact of the deficit as we enter a new fiscal period.

This financial situation should not distract us from our overarching mission to provide quality educational services for students.