

November 30th 2021

I would like to explain some of the reasons for the deficit of \$14,4 million that the Lester B. Pearson School Board is facing as mentioned in our 2020-2021 financial statements, which were approved by the Council of Commissioners on November 29th.

Contributing to the 2020-2021 deficit

\$2.8 million provision in pay equity adjustments to some professional and support staff categories of employment dating back to 2010. The Quebec government negotiated the agreement with school boards to pay out the amounts in 2021-2022. We have not received confirmation of reimbursement from the provincial government. We anticipate that after the payments have been made and the government has analyzed the financial statements that we will be financed for both the pay equity and collective salary agreement expenses.

\$14.1 million provision for salary increases dating back to April 1, 2019, based on the recently signed collective agreements. We have not received confirmation of reimbursement from the provincial government. We anticipate that after the payments have been made and the government has analyzed the financial statements that we will be financed for both the pay equity and collective salary agreement expenses.

Reduction in revenues and an increase in expenses due to COVID. The Ministry of education has reimbursed the school board for most of the revenue shortfall and increase in expenses, but the school board is awaiting an additional allocation.

It is worth noting that the Quebec government negotiates collective agreements with unions in the education sector. As the Quebec government has agreed to the pay equity and salary increases with the unions, we believe they will be reimbursing the school board for these expenses.

Carol Heffernan,

Assistant Director General, LBPSB