

June 24, 2004

**Peel board approves balanced budget for 2004-05, concerns over under-funding remain
Not providing special education funding would create 'firestorm of protest,' says chair**

The Peel District School Board approved a budget for 2004-05 totalling over \$1 billion. The budget last year was \$912 million. The student population is expected to grow by 4 per cent to 140,000. The budget for the total operating expenditures is \$915,635,575 and a capital budget of \$85,199,618.

Notes Jim Grieve, director of education, "Though this budget is balanced, it does not address all of the essential priorities for our system. The greatest areas of concern include:

- Staff salary gap (need for benchmark adjustment) \$30 million
- Transportation \$7 million
- Cycle 5 Special Education funding (not yet paid by government) \$5.8 million

Says Grieve, "The Peel board budget is not an end in itself, but rather a tool to help students learn and achieve. With limited resources available, it is important to focus those resources where they will most benefit students. This budget shows a new focus on aligning all expenditures to support literacy and instruction."

In addition to maintaining existing programs, some of the funding requirements for 2004-05 include:

- the opening of five new elementary schools and one secondary school, along with five major additions
- services at Pathways Schools to support children and families in areas of high social risk
- a comprehensive new teacher mentoring program
- Fresh Start program for at-risk students to ensure the success of all students
- learning technology plan

"We can never forget that behind the numbers there are real children with real needs the board must meet. Public education must serve the needs of all students and we have a responsibility to our students, staff and parents to guarantee quality education. The Peel board is committed to maintaining a balanced budget and to ensuring that each child learns, feels valued and achieves maximum potential," he added.

In her remarks, Janet McDougald, chair of the Peel board, highlighted the needs still remaining for Peel schools and the importance of the government taking action on funding commitments. McDougald made the following remarks:

This is perhaps one of our most unusual budget years. We now have a provincial government that has placed the funding of education as a key priority. In fact, they made one of their first major funding announcements in one of our schools. They continue to make new announcements

of intended funding and we expect millions of dollars more to arrive before September. Although many boards have chosen to delay their budget process, waiting for this remaining grant money to be announced, we have chosen to proceed in preparation for September startup. So, this budget is presented as balanced with some risks and the assumption that the remaining unannounced funding will arrive and that Peel will receive our fair share. This is not the most ideal way to build a billion dollar budget but under the present circumstances it's the best we can do.

And we're pleased to have received funding in key areas—funding for longstanding issues we have repeatedly raised. Issues like increased money for ESL, the new Learning Opportunities grant funds to support our groundbreaking Pathways Schools projects, more funding for renewal to help with aging schools and we even have a new funding formula for transportation—sort of—but we'll look at that later. The minister of education even appears at major public school board events and encourages dialogue and input. All of this sounds like better times for education and Peel.

As a board, if we come out now in these 'happy days' and suddenly rain on the funding parade, what does that mean? Are we, as some like to say, never satisfied? Always complaining?

I think the better analogy is in this summer's big movie – Shrek 2. We find out in this movie that the happy couple from movie 1 can't find a perfect place—even when they travel to a land called far, far away! Even there they find problems, issues and concerns.

The same is true for us—but without the presence of ogres! There is much to like in this budget. And this board does appreciate the new funding initiatives and the government's focus on public education. A year ago, we would not have been able to extend ESL, provide increased funding to our neediest schools or deal with aging buildings—though I think in that case the government "borrowed" our debenture idea!

But—and yes, there is always a but; there are still serious problems to be addressed. And some of these problems translate into less service for children.

The greatest of these is the salary gap. We still pay \$30 million more than we receive in salaries because of unrealistic provincial benchmarks. Each new person we hire—for Pathways, or to reduce class size or to staff new schools—worsens the gap. That problem is not solved by a 2 per cent increase on the benchmarks of a salary increase—especially when that translates into less than a 2 per cent actual increase because of the benchmark issues. Obviously, we want to reach fair, negotiated settlements with our employee groups. But the benchmarks must be adjusted or we just keep falling farther and farther behind. And that means pulling money out of other areas to cover the overage—and therefore some services cannot be delivered as we would like.

The same is true for transportation. Yes, there is a new model. Finally. But we are disappointed that it is being phased in. For 2004-05, the new funding model will provide the Peel board with a 4.5 per cent increase, rather than the 10.7 per cent increase the board would be entitled to if the new funding model were fully implemented. For 2004-05, as in 2003-04 and years before, the board will have a shortfall of \$7 million between what we spend on transportation and the actual

funding we will receive. Our preliminary analysis of the new model also leaves us concerned that this model will never fully meet our needs.

To add insult to injury, while we still have to pull money from other parts of the budget to cover the transportation funding deficit, some school boards that are under spending their transportation budgets will actually receive increases in funding for transportation. They did not spend all of their money, but will get more. How do we get in on that deal? Because we—and our colleagues in the Dufferin-Peel Catholic board who partner with us in joint transportation—have been penalized long enough for our efficiency.

This board cannot sustain this chronic under-funding much longer. Perhaps we will need to take dramatic steps—stop running the buses next year when the money runs out, or make significant service cuts—to get this formula fixed. We will not continue to wait—the price is too high.

Another story that may or may not end in 'happily ever after' is about our special education funding. The Peel board has not yet received Cycle 5 ISA Special Education funding amounting to \$5.8 million for 2003-04. These funds have been approved for special needs students, but have not yet been paid by the government. Nor has the government made any announcement about this funding for 2004-05.

Tonight, that money is in our budget as a risk—why? Because the Minister is apparently reviewing how much of the already approved and proven money boards will receive. The minister has said “don't panic.” But it's difficult to relax when so much is at stake. I sincerely hope that they will forward this money immediately, in full since we have already spent it on student needs and programs.

Our skilled and professional staff spend hundreds of hours carefully defining the need for every single dollar of the ISA Cycle 5 money. That funding has enabled us to create a progressive needs-based special education plan to help some of our most vulnerable children. Not an easy feat when we get money mid-year and constantly have to deal with unreasonable timelines from the previous government.

We have children who need and deserve support in terms of programs, staffing and even special equipment and assistive devices. To not provide the Cycle 5 money would create a firestorm of protest and anger from school boards, and from SEACs and parents. Let's hope that is not the direction this government will go. We require every penny of that ISA money. Even with it, our services ratios continue to grow—we are forced to provide less service per student than the year before.

The final area where we must see movement is on class size. Obviously we want to reduce class size, and we appreciate the new funding. But we are not a board with declining enrollment and plenty of space. We are going full-tilt to just deal with growth. This board is unwilling to place teachers just where schools have space—that is not equitable. Nor are we going to buy portables—that's a business we left behind in an expensive pile of mould! We must see some transitional flexibility by the province on this initiative. We need special recognition of the unique nature of Peel as a growth board and we need capital money to build permanent

classrooms and time to build them. Our staff have met with Ministry staff, and I have talked to local MPPs and the minister's office. We have been impressed with the openness we have seen. Now there needs to be follow-through in terms of flexibility.

And my final 'but' is this—at least the ministry appears to be listening. They seem to genuinely care about our concerns and about helping public education. We have that in common. But that does not erase the real concerns we have—concerns that are all about our ability to serve children far, far away from Queen's park, here in Peel.

Again, this coming year, we will continue to bring these concerns to the attention of the ministry and enlist the help of our communities when needed. I know that many groups of staff have had input into this budget and it has been built through creativity and compromise. The trustees appreciate the opportunity to work with the outstanding and talented people in our board who are dedicated to ensuring that all students reach their potential.

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Media contact: Janet McDougald, Chair, Peel District School Board, 905-278-1402

Reference: Brian Woodland, Director, Communications and Strategic Partnerships Support Services, 905-890-1010, ext. 2812