

January 27, 2005

The Honourable Gerard Kennedy  
Minister of Education  
Mowat Block — 900 Bay Street  
Toronto, Ontario  
M7A 1L2

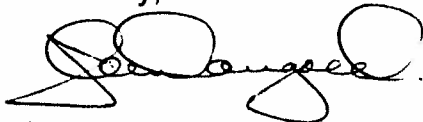
Dear Minister Kennedy:

Vice-Chair Thompson and I thank you once again for meeting with us on November 23, 2004 to discuss some of issues that are of concern to the Peel District School Board.

In follow-up to that meeting, I am pleased to enclose the additional information you requested relating to a number of the issues raised. I hope that you will find this summary a helpful clarification of some of the challenges facing the Peel District School Board.

We appreciate your support. If you require further clarification or wish to discuss this report, please contact me.

Sincerely,



Janet McDougald  
Chair

*attachment*

TRUSTEES

Janet McDougald (Chair)  
Ruth Thompson (Vice-Chair)  
Valerie Arnold-Judge  
Beryl Ford

Daljit Gill  
David Green  
Steve Kavanagh  
Warren Kennedy

Brad MacDonald  
Sue McFadden  
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DIRECTOR OF EDUCATION  
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ASSOCIATE DIRECTOR - INSTRUCTIONAL SUPPORT SERVICES  
Judith Nymn

ASSOCIATE DIRECTOR - OPERATIONAL SUPPORT SERVICES  
Wayne McNally

## TRUSTEES OFFICE

February 7, 2005

TO: Trustees

RE: Chair/Vice-Chair Meeting with Minister of Education

At the last board meeting, it was agreed that we would communicate Peel Board's issues of concern with our school councils. Attached is a letter prepared by Communications. If you would like me to forward an individual letter to each of your school council chairs, please let me know.

Linda

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(DATE)

Dear School Council Chair,

In a recent meeting with Minister of Education Gerard Kennedy, Peel board chair, Janet McDougald and vice-chair, Ruth Thompson, highlighted the unique characteristics and challenges the Peel board faces. At the Minister's request, the board has provided a report with additional information on the following issues:

- The impact of the primary class size on school accommodation
- The gap between the ministry funding model and actual salaries
- The ability of the board to issue long-term debt
- Special education funding
- Enrolment growth

Your role is very important to the board and we would like to share this information with you to ensure that you are kept informed of these issues.

Enclosed is a report to the board regarding the meeting with Education Minister Gerard Kennedy, Janet McDougald and Ruth Thompson. This response is our position that Peel is "unique" and the funding formula does not serve us.

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This report should help you to better understand our dilemma for the upcoming budget and negotiations session.

Please share this information with the members of your council. If I can be of service to your council, please don't hesitate to call.

(TRUSTEE)

**Follow-up Re: Chair/Vice-Chair Meeting With Minister of Education**

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**Recommendation:**

It is recommended that the following report be received.

**Background:**

On November 23, 2004 the Chair and Vice-Chair met with the Minister of Education to discuss a number of issues that are of concern to the Peel District School Board. During that meeting the Minister requested additional information relating to certain issues. Attached is a summary of the additional information that we are providing to the Minister.

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Prepared & submitted by:  
*Wayne McNally, Associate Director, Operational Support Services*

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## **Additional Information for the Minister**

### ***Accommodation Impact of Primary Class Size Cap***

Several months ago, at the request the Ministry's Primary Class Size Technical Working Group the board analyzed the impact of various scenarios regarding class size caps on teacher and accommodation requirements of the school board. Based on current enrolment in the primary grades, the board would require an additional 370 classrooms as a result of a hard cap of 20 on primary class size. There is very little classroom space currently available in Peel schools to accommodate the additional classes created by the cap. Of the 140 schools currently accommodating primary grade students, almost 60% currently have portable classrooms on site. To illustrate the impact by school, attached as appendix 1 is a chart detailing all elementary schools with primary grades detailing the current occupancy percentage and indicating the number of portable classrooms on site.

### ***Funding of Salary Gap***

The salary benchmarks in the funding model are outdated and are not in line with the actual average salaries that are paid by the board. The total salary gap for the Peel District School Board is estimated to amount to \$30 million. The Minister has requested information with respect to how the board funds this salary gap. Attached as appendix 2 is a comparison of funding versus expenditure based on the 2004/05 revised estimates. This information indicates that the salary gap is funded primarily through the use of the local priorities grant in the amount of \$26 million and then through the use of flexibility available between the expenditure lines.

### ***Debt Room***

The Minister raised the matter of our current available debt room and our ability to issue more long-term debt. In accordance with O.R. 472/98 the board is permitted to commit up to 10% of its operating expenditures to the repayment of long-term debt and other long-term obligations, this would amount to approximately \$90 million of debt room. Regardless of the amount of debt room, the board's ability to repay the debt that is issued is a prime consideration. To date the board has completed or committed to approximately \$560 million in capital construction, financed through pupil accommodation grants and the issuance of \$250 million in long-term debt. The board's capital building requirements and the resulting financing needs are identified through the Capital Strategic Plan and the long-term cashflow that is contained therein. At this time the cashflow shows that the board will have an ability to repay current long-term debt based on the pupil accommodation grants that will flow to the board in future years.

The capital funding model has not been adjusted to reflect the funding of additional classrooms required as a result of the primary class size cap. The board should not embark on the construction of these additional classrooms until the grants are adjusted to finance capital and operating costs related to the additional space.

### ***Special Education Funding***

The Chair and Vice-Chair expressed a concern to the Minister regarding the approach that has been taken by the Ministry of Education with respect to special education reserve funds that were held by school boards at August 2003 and August 2004. The Ministry has adjusted the special education grants in 2004/05 to take back a significant portion of these reserves, these funds are being held by the Ministry in an Effectiveness and Equity Fund. The Ministry has taken back \$5.9 million from the Peel District School Board. The reserve funds had been committed by the Board through the budget process to fund special education expenditures in 2004/05. Our reserves at August 2003 and August 2004 are a direct result of the allocation of Cycle 4 and Cycle 5 monies in each year, the board increased special education resources in the subsequent school year to utilize these funds. Attached as appendix 3 is an analysis detailing the special education expenditure and grant position for 2003/04 and 2004/05.

### ***Other Information***

The Minister asked the Chair and Vice-Chair to provide information that would illustrate the unique nature of the Peel District School Board.

Student enrolment in Peel has grown by 32% (32,000 students) between 1998 and 2004 while enrolment in the remainder of the province (excluding York Region) has decreased by almost 3% over that same period. Over the next 15 years our enrolment is forecast to grow by 3,300 students annually. Peel is experiencing the strongest growth of the seventy-two school boards in the province. Ministry forecasts indicate that by 2011 Peel will be the only school board in this province that will be growing at a rate that is greater than 1% annually, five other school boards will experience growth of less than 1% annually and sixty-six school boards will be experiencing declining enrolment. Our rapid growth presents many challenges such as staff recruitment and development, timely delivery of new pupil places and student transportation.

In a comparison of operating grant per pupil, Peel ranks third lowest in the province at \$6,938 per pupil compared to a provincial average of \$7,730 per pupil. Appendix 4 details the per pupil grant for all seventy-two school boards.

As Peel continues to experience extraordinary growth and with our relative position in terms of per pupil funding it becomes more difficult for us to deal with the salary gap. The salary gap continues to grow as we hire additional staff. The Ministry has taken the approach of enveloping new student funding to protect dollars for student program enhancement. These factors impact on Peel's ability to deal with the salary gap. Without some attention to the salary benchmarks in the funding model the financial burden on this school board will become unmanageable.

Many years ago the Peel board computerized the routing of school buses and integrated the management of student transportation with our coterminous school board to achieve operational efficiencies and cost savings. The present funding formula disadvantages the board for having made these changes prior to 1998. In addition the funding does not recognize the transportation requirements placed on the board due to the extraordinary growth, essentially every new student is bused at least until a new school opens in the community. Peel has operated at a funding deficit for student transportation since the inception of the new funding model and it is imperative that the Ministry move forward with and fully implement a more equitable funding model as soon as possible.

Summary of Schools With Primary Grades					
Municipality	School Name	Grades	Classrooms	% Enrolment/ Capacity	Portables
B	Aloma Crescent	(K - 5)	20	115	4
B	Agnes Taylor	(K - 5)	26	92	0
B	Alloa	(K - 8)	16	117	6
C	Alton	(K - 6)	3	135	3
B	Arnott Charlton	(K - 5)	17	116	8
M	Artesian Drive	(K - 5)	26	75	0
M	Ashgrove	(K - 5)	18	61	0
M	Barondale	(K - 5)	21	110	1
C	Belfountain	(K - 6)	5	111	1
B	Birchbank	(K - 5)	19	21	0
M	Brandon Gate	(K - 5)	24	80	0
M	Briarwood	(K - 5)	20	95	0
B	Brisdale	(K - 5)	27	117	5
M	Britannia	(K - 5)	24	99	3
M	Brookmede	(K - 5)	14	99	3
M	Burnhamthorpe	(K - 5)	23	90	0
B	Burnt Elm	(K - 5)	25	101	8
M	Byngmount Beach	(K - 8)	18	55	0
C	Caledon Central	(K - 8)	26	97	0
C	Caledon East	(K - 8)	13	92	1
M	Cashmere Avenue	(K - 6)	18	64	0
M	Castlebridge	(K - 5)	24	98	1
M	Champlain Trail	(K - 5)	26	87	0
B	Cherrytree	(K - 5)	30	109	5
M	Churchill Meadows	(K - 5)	26	92	2
B	Claireville	(K - 4)	27	133	11
B	Clark Blvd.	(K - 5)	22	133	6
M	Clarkson	(K - 5)	11	63	0
M	Clifton	(K - 5)	12	115	0
B	Conestoga	(K - 6)	28	100	0
M	Cooksville Creek	(K - 5)	26	70	0
M	Corliss	(K - 5)	16	106	1
M	Corsair	(K - 5)	23	104	5
M	Credit Valley	(K - 5)	18	120	6
C	Credit View	(K - 8)	5	121	2
M	Derry West Village	(K - 5)	25	104	6
M	Dixie	(K - 5)	23	76	0
B	Dorset	(K - 5)	19	112	5
M	Dunrankin	(K - 5)	28	88	0
B	Eastbourne	(K - 5)	18	58	0
B	Edenbrook Hill	(K - 5)	26	107	5
M	Edenrose	(K - 5)	23	82	1
M	Ellengale	(K - 6)	12	75	0
C	Ellwood Memorial	(K - 5)	15	124	3
M	Elmcrest	(K - 5)	21	67	0
B	Esker Lake	(K - 6)	23	101	4
M	Fairview	(K - 5)	19	93	0
B	Fallingdale	(K - 5)	14	92	1

Municipality	School Name	Grades	Classrooms	% Enrolment/ Capacity	Portables
B	Fernforest	( K - 8 )	33	146	15
M	Floradale	( K - 6 )	25	109	3
B	Folkstone	( K - 5 )	18	118	7
M	Forest Avenue	( K - 6 )	9	72	0
M	Forest Glen	( K - 5 )	22	93	3
M	Garthwood Park	( K - 5 )	18	85	0
B	Glendale	( K - 5 )	20	66	0
B	Goldcrest	( K - 5 )	15	99	0
B	Great Lakes	( K - 8 )	33	106	4
B	Grenoble	( K - 5 )	15	71	0
B	Hanover	( K - 5 )	15	98	0
B	Harold F. Loughin	( K - 5 )	15	107	4
M	Havenwood	( K - 5 )	31	95	5
M	Hawthorn	( K - 8 )	6	147	3
B	Helen Wilson	( K - 6 )	15	82	0
C	Herb Campbell	( K - 8 )	30	98	4
B	Hickory Wood	( K - 5 )	33	103	3
M	Hillcrest	( K - 8 )	25	83	0
B	Hilldale	( K - 5 )	12	81	0
B	Homestead	( K - 5 )	33	114	10
M	Huntington Ridge	( K - 5 )	18	104	4
B	Huttonville	( K - 8 )	20	82	3
C	James Bolton	( K - 5 )	16	114	5
B	Jefferson	( K - 5 )	15	113	4
M	Kenollie	( K - 6 )	10	83	0
M	Kindree	( K - 5 )	24	119	4
M	King's Masting	( K - 5 )	14	75	0
B	Kingswood Drive	( K - 5 )	27	84	0
M	Lancaster	( K - 5 )	19	116	4
B	Larkspur	( K - 5 )	33	125	12
M	Levi Creek	( K - 5 )	25	115	4
M	Lorne Park	( K - 5 )	6	145	5
M	Lyndwood	( K - 8 )	19	64	0
C	Macville	( K - 8 )	12	99	3
B	Madoc	( K - 5 )	14	89	2
M	Maple Wood	( K - 6 )	11	93	2
M	Marvin Heights	( K - 5 )	24	93	0
B	Massey Street	( K - 5 )	25	78	0
M	McBride Avenue	( K - 6 )	24	112	4
B	McHugh	( K - 5 )	14	99	3
M	Meadowvale Village	( K - 5 )	12	172	10
M	Middlebury	( K - 5 )	23	85	0
M	Miller's Grove	( K - 6 )	17	74	0
M	Mineola	( K - 6 )	14	89	0
B	Morton Way	( K - 5 )	25	135	7
B	Mountain Ash	( K - 8 )	29	70	0
M	Munden Park	( K - 5 )	15	101	1
M	Nahani Way	( K - 5 )	28	100	2
M	Neil C. Matheson	( K - 5 )	15	76	0



Municipality	School Name	Grades	Classrooms	% Enrolment/ Capacity	Portables
B	Northwood	(K - 5)	24	102	1
M	Oakridge	(K - 6)	10	92	1
M	Osprey Woods	(K - 5)	22	82	0
M	Owenwood	(K - 5)	6	78	1
C	Palgrave	(K - 8)	17	127	5
B	Parkway	(K - 6)	15	114	5
M	Pheasant Run	(K - 5)	17	59	0
M	Plowman's Park	(K - 6)	17	76	3
M	Plum Tree Park	(K - 6)	27	87	1
B	Queen Street	(K - 5)	26	73	0
M	Queenston Drive	(K - 8)	24	86	0
M	Ray Underhill	(K - 6)	12	81	1
B	Ridgeview	(K - 5)	28	101	2
M	Ridgewood	(K - 5)	24	103	2
M	Riverside	(K - 8)	20	69	0
B	Robert J. Lee	(K - 8)	34	118	11
B	Russell D. Barber	(K - 5)	23	114	6
M	Russell Langmaid	(K - 6)	10	55	0
M	Sawmill Valley	(K - 6)	17	85	2
M	Settler's Green	(K - 6)	25	83	0
M	Shelter Bay	(K - 6)	22	82	0
M	Sheridan Park	(K - 6)	26	95	0
M	Sherwood Mills	(K - 5)	25	120	7
M	Silver Creek	(K - 5)	13	84	0
M	Silverthorn	(K - 5)	15	72	0
B	Sir Wilfrid Laurier	(K - 6)	16	76	0
B	Sir Winston Churchill	(K - 8)	22	65	1
B	Somerset	(K - 6)	20	87	0
B	Springdale	(K - 8)	34	112	6
M	Springfield	(K - 6)	19	95	4
M	Tecumseh	(K - 8)	18	120	3
B	Terry Fox	(K - 6)	17	89	4
M	Thorn Lodge	(K - 6)	21	63	0
M	Thornwood	(K - 5)	26	98	0
B	Treeline	(K - 8)	34	127	4
M	Trelawny	(K - 5)	18	107	5
M	Vista Heights	(K - 6)	24	103	3
M	Westacres	(K - 6)	12	67	0
B	Westervelts Corners	(K - 5)	19	94	0
M	Whitehorn	(K - 5)	26	135	10
M	Whiteoaks	(K - 5)	18	93	0
M	Willow Glen	(K - 5)	18	60	0
M	Willow Way	(K - 5)	18	86	1
B	Worthington	(K - 5)	26	109	4
					340

Peel District School Board Appendix 2

	Comparison of Grant Allocation to Net Expenditure						
	Elementary Grant	Secondary Grant	Total Grant	Flexibility	Grant Net of Flexibility	Net Expenditure	Variance
<b>Classroom</b>							
Classroom Teachers	301,175,568	140,102,717	441,278,285	9,805,139	431,473,146	458,477,274	-27,004,128
Supply Teachers	9,984,896	2,942,373	12,927,269	319,463	12,607,806	12,427,070	180,736
Teacher Assistants	31,439,517	10,415,543	41,855,060	16,906	41,838,154	41,544,450	293,704
Textbooks/supplies	18,105,634	12,031,645	30,137,279	731,983	29,405,296	30,403,862	-998,566
Computers	5,204,606	2,374,501	7,579,107	185,807	7,393,300	7,601,958	-208,658
Prof/Paraprof/Tech	15,957,140	6,676,266	22,633,406	315,723	22,317,683	19,292,381	3,025,302
Library/Guidance	10,185,509	11,149,075	21,334,584	490,175	20,844,409	20,330,638	513,771
Staff Development	1,542,037	487,799	2,029,836	42,536	1,987,300	3,076,081	-1,088,781
<b>Subtotal</b>	<b>393,594,907</b>	<b>186,179,919</b>	<b>579,774,826</b>	<b>11,907,732</b>	<b>567,867,094</b>	<b>593,153,714</b>	<b>-25,286,620</b>
<b>Non-classroom</b>							
Prep Time	29,898,568	27,550,376	57,448,944	1,251,403	56,197,541	59,060,924	-2,863,383
Principals/VPs	33,934,334	10,979,531	44,913,865	1,182,062	43,731,803	42,839,167	892,636
Department Heads	-	1,397,080	1,397,080	35,225	1,361,855	1,446,818	-84,963
School Office	13,258,311	8,459,995	21,718,306	603,039	21,115,267	24,958,589	-3,843,322
Co-ord & consult	7,710,401	2,720,871	10,431,272	161,375	10,269,897	16,068,590	-5,798,693
Board Admin	20,507,378	8,878,722	29,386,100	-	29,386,100	27,697,831	1,688,269
School Oper/Maint	59,945,637	37,689,573	97,635,210	-	97,635,210	100,999,808	-3,364,598
Continuing Ed	2,092,427	7,644,507	9,736,934	-	9,736,934	10,002,214	-265,280
Transportation	18,279,463	7,880,771	26,160,234	-	26,160,234	33,403,164	-7,242,930
<b>Subtotal</b>	<b>185,626,519</b>	<b>113,201,426</b>	<b>298,827,945</b>	<b>3,233,104</b>	<b>295,594,841</b>	<b>316,477,105</b>	<b>-20,882,264</b>
Local Priorities	18,331,800	7,936,800	26,268,600	-	26,268,600	-	26,268,600
Flexibility							
<b>Total</b>	<b>597,553,226</b>	<b>307,318,145</b>	<b>904,871,371</b>	<b>15,140,836</b>	<b>904,871,370</b>	<b>909,630,819</b>	<b>-4,759,449</b>

<b>Special Education Grants</b>					
	<b>Budget 2003-04</b>	<b>Revised 2003-04</b>	<b>Actual 2003-04</b>	<b>Projected 2004-05</b>	<b>Revised 2004-05</b>
ISA 4	1,563,432	1,655,956	2,024,577	1,655,956	2,098,830
ISA 2&3	22,193,963	22,193,963	22,193,963	22,193,963	22,193,963
Cycle 3 & SIP/Cycle 6	5,634,037	5,634,037	6,025,537	5,634,037	5,634,037
Cycle 4	2,262,000	2,262,000	2,262,000	2,262,000	2,262,000
Cycle 5		5,691,000	5,691,000	5,691,000	5,691,000
Reserve Adjustment				(5,989,145)	(5,989,145)
Log Grant					1,800,000
ISA 1	120,000	120,000	252,655	200,000	200,000
SEPPA	53,291,363	53,248,111	53,138,889	57,736,004	57,444,183
<b>Sub-total</b>	<b>85,064,795</b>	<b>90,805,067</b>	<b>91,588,621</b>	<b>89,383,815</b>	<b>91,334,868</b>
Foundation	10,964,648	10,714,659	10,960,486	12,453,880	12,325,160
Omers	(365,588)	(316,335)	(472,259)	-	-
<b>Total</b>	<b>95,663,855</b>	<b>101,203,391</b>	<b>102,076,848</b>	<b>101,837,695</b>	<b>103,660,028</b>
<b>TOTAL GRANTS</b>	<b>\$ 95,663,855</b>	<b>\$ 101,203,391</b>	<b>\$ 102,076,848</b>	<b>\$ 101,837,695</b>	<b>\$ 103,660,028</b>
<b>SUMMARY OF SPECIAL EDUCATION</b>					
	<b>Budget 2003-04</b>	<b>Revised 2003-04</b>	<b>Actual 2003-04</b>	<b>Projected 2004-05</b>	<b>Revised 2004-05</b>
<b>Total Expenditures</b>	97,978,668	99,880,209	102,906,136	113,217,472	116,907,047
<b>Total Grants</b>	95,663,855	101,203,391	102,076,848	101,837,695	103,660,028
<b>Reserve</b>	<b>(2,314,813)</b>	<b>1,323,182</b>	<b>(829,288)</b>	<b>(11,379,777)</b>	<b>(13,247,019)</b>
Prior Year	6,306,039	7,192,745	7,192,745	6,363,457	6,363,457
Cummulative	3,991,226	8,515,927	6,363,457	(5,016,319)	(6,883,561)

# Ontario School Boards Total Operating Grant Per Pupil 2004/05

