

June 2006

To students, parents/guardians, faculty, staff and other community members from  
Dufferin-Peel Catholic District School Board Trustees

## Update on Dufferin-Peel's Budget Deficit

Despite the many amazing activities, events and accomplishments that took place in Dufferin-Peel classrooms and schools throughout the 2005-06 school year, the dominant issue in the media and in the boardroom was the board's budget deficit. With the assistance of students, parents/guardians, faculty, staff, we engaged in a public awareness campaign that raised the profile of our situation across the province, highlighting underfunding as the root cause of our deficit position. We are most grateful for your tremendous patience, support and encouragement during the campaign and throughout the year.

We started the school year with an estimated \$17 million deficit. By December, we had managed to reduce the deficit amount to \$15.1 million on a total operating budget of approximately \$670 million. Through various measures, including a hiring freeze, a freeze on various expenditures, strategic redeployment of staff and the receipt of some additional grants from the province, we have managed to further reduce the deficit to approximately \$8 million today. These measures, which were intended to keep as many cuts away from the classroom as possible, are not sustainable over the long term. In this regard, we are looking to the Ministry to make appropriate adjustments to the educational funding formula to ensure that school boards are funded to levels that equal the realistic cost of the programs and services we are required to run.

In February, the Ministry of Education appointed two investigators to review our financial situation. These individuals produced a report which recommended various cuts to programs and services. This report also acknowledged the existence of underfunding and called on the provincial government to address this concern.

In June, the Ministry of Education announced its funding to school boards for 2006-07. While Dufferin-Peel will receive an additional 3.69% or \$23 million in additional funding over the previous year, this, unfortunately, will not help our deficit position. Most of the additional funding is tied to specific new Ministry-initiated programs, or must be directed to specified existing areas. One of the areas that our board had raised as being underfunded is transportation. Next year, our deficit in transportation will be an estimated \$6 million. We will receive an additional \$200,000 from the province for transportation next year.

Another area of concern we highlighted during our public awareness campaign was underfunding in teachers' salaries and benefits. While the province has indicated that it has closed the gap in this area, the fact is that it has accomplished this closure by redirecting existing funds that were applied by Dufferin-Peel and other boards to other discretionary areas. The funding shortfall still exists as a result, but is not as readily identifiable.

In June, the board was advised of the appointment of a "special advisor" by the province to work with Dufferin-Peel trustees to produce a financial plan that would eliminate the board's deficit within two years. It is our intention to keep our community fully apprised of developments as this process unfolds. Obviously there are communication challenges over the summer months and we would ask that you monitor our website at [www.dpcdsb.org](http://www.dpcdsb.org) during the summer for ongoing updates, including any public meetings or consultations that may take place.

Again, your support during this challenging year is very much appreciated. We thank you and wish you and your family God's richest blessings during the summer months.

Dufferin-Peel Catholic District School Board Trustees

**Mario Pascucci • Albert B. Casuga • Anna Abbruscato • Tracy Thomas • Peter Ferreira • Bruno Iannicca • Esther O'Toole  
Ken Adamson • Linda Zanella • Arthur Peters • Frank Di Cosola**