

EDMONTON PUBLIC SCHOOLS

September 14, 2004

TO: Board of Trustees

FROM: A. McBeath, Superintendent of Schools

SUBJECT: Response to Trustee Request for Information

ORIGINATOR: A. Habinski, Executive Director, School and District Services

RESOURCE  
STAFF: Dean Power

INFORMATION

**TRUSTEE REQUEST #489, JUNE 14, 2004, (TRUSTEE MARTIN) PROVIDE INFORMATION REGARDING INSTALMENT REVENUE FUNDING IN SOUTH CAROLINE SCHOOL DISTRICTS AND WHETHER THIS WOULD BE FEASIBLE IN ALBERTA FOR P3S.** In South Carolina, school boards may issue debentures to finance new schools if the assessed values of properties rise at least 2% annually. The revenue raised for the increased assessed values over 2%, is then used to pay the interest and principal that is due each year.

In Alberta, the funding of new school buildings is the responsibility of the provincial government. Section 2(1) of the Capital Borrowing Regulation 236/2003 states that "A board shall not borrow money for the construction or purchase of a school building". The province wants to pay for the cost of school buildings from the general revenue fund and not borrow the funds.

In addition, since P3s have financing from the private sector for the construction of schools, the borrowing of funds for the construction would be the responsibility of the developer. (Dean Power, 429-8141)

AH:cg