

EDMONTON PUBLIC SCHOOLS

May 11, 2010

TO: Board of Trustees  
FROM: Trustee C. Ripley  
SUBJECT: Motion re Special School Tax Levy

RECOMMENDATION

That the Board exercise its right to ask public school electors for a special tax levy on the October 2010 municipal ballot. Further, that the Board request \$20 million per year for the next three years for the purpose of supporting the renewal and upgrading of school buildings.

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Notice of the above motion was served at the April 27, 2010 board meeting.

CR:mmf

- Attachment #1 - Background Information re Special School Tax Levy
- Attachment #2 - Excerpt from February 23, 2010 Board Report – Responses to Board Requests for Information (Response to Board Request #270)
- Attachment #3 - Excerpt from March 23, 2010 Board Report – Responses to Board Requests for Information (Response to Board Request #280)

**Background Information re Special School Tax Levy  
Provided by Jim Davies, General Counsel**

On April 27, 2010, Trustee Ripley served notice of her intent to propose a motion that the Board would authorize the holding of a plebiscite to obtain the approval of the electors respecting a special school tax levy pursuant to section 190 the *School Act*.

Section 190(3)(b) requires that the question that the plebiscite is to determine must be included in the Board's resolution. That question is set out in the ballot form contained in the Schedule to Alberta Regulation 94/1998 (with amendments up to and including Alberta Regulation 181/2008). The ballot form is as follows:

*"The Board of Trustees of (school jurisdiction) No. \_\_\_\_ is seeking approval of electors to levy an additional \$(amount) per year for a period of (number) year/years through a special school tax levy.*

*The funds raised will be used for:*

*Do you approve?*

*Yes, I am in favour of this special school tax levy.*

*No, I am against this special tax levy."*

Trustee's Ripley's Notice of Motion contains sufficient detail to satisfy the requirements of the ballot form, although the amount stipulated falls short of the maximum allowable under the *School Act*, which is 3% of the Board's budget for the year in which the plebiscite is held.

**Public Notice**

Section 190(2) of the *School Act* requires the Board to give public notice not less than 60 days before considering a motion for a plebiscite respecting a special school tax levy. The public notice must be in accordance with the requirements of section 271 (posting in five or more conspicuous places to which the public has normal and regular access **and** publication in a newspaper at least once a week for two weeks). The notice must be in the form prescribed by the Minister.

**Timing**

As the publication requirements of giving public notice will take a minimum of two weeks to complete, the board meeting at which the motion can be considered cannot take place before the expiration of at least 74 days following the meeting at which trustee Ripley's notice of motion is considered. That still leaves plenty of time, as the resolution need only be made 60 days before election day. However, the City may have logistical issues if the Board were to adhere to its strict rights under the *School Act*.

**Excerpt from February 23, 2010 Board Report**  
**Responses to Board Request for Information**

**BOARD REQUEST #270, JANUARY 26, 2010; PROVIDE INFORMATION ON WHAT OTHER REVENUE STREAMS ARE AVAILABLE TO THE BOARD IN ADDITION TO CURRENT REVENUE STREAMS AND WHAT IS REQUIRED TO PURSUE THESE REVENUE STREAMS.** School jurisdictions in Alberta only have the powers and authorities that are provided to them in the *School Act*.

The provincial government established school boards for the purpose of providing programs for the education of our resident students. The province has assumed full responsibility for the funding of school jurisdictions in Alberta. Some decision units in the District have generated revenue by selling their goods and services to other school jurisdictions, and on an occasion the public. The revenue that has been generated by decision units normally is used to offset the expenditures needed to provide the service and goods. Limited opportunities may be available to the District to expand these programs, since we may be perceived as being in competition with the business sector.

The only additional major revenue source available to the District is the Special School Tax Levy.

A Special School Tax Levy allows public and separate school boards to requisition revenues beyond those provided by the government. The *School Act* enables public and separate school boards to pass a resolution to authorize a plebiscite to obtain the approval of the electors. A resolution is passed in the year of a general election for a maximum of three years, ending December 31 of the year of the next general election.

The amount of the levy cannot exceed three per cent of the budget of the District and the funds raised by the levy can only be used for the purpose authorized in the resolution.

The process involves a number of specific steps and timelines (APPENDIX I). The wording of the plebiscite is available in APPENDIX II.

**Excerpt from March 23, 2010 Board Report**  
**Responses to Board Requests for Information**

**BOARD REQUEST #280, FEBRUARY 23, 2010, CONTACT THE CITY OF EDMONTON AND PROVIDE INFORMATION REGARDING THE REQUIREMENTS AND POSSIBLE IMPACT OF A SPECIAL SCHOOL TAX LEVY PLEBISCITE. ALSO PROVIDE INFORMATION FROM THE GOVERNMENT REGARDING SOURCES OF REVENUE THAT WILL NO LONGER BE AVAILABLE TO THE DISTRICT.** A Special School Tax Levy allows a school board to raise up to three per cent of its budget for the year in which the resolution to hold a plebiscite is passed. The plebiscite must be held at the time of the school board general election and if successful the special levy may apply to one, two or three years. The important steps and timelines are attached in APPENDIX I.

The purpose of the levy is to permit taxpayers to support certain projects or additional services which have the support of the local community. The question put to voters requires a statement of the purpose for which the funds are being raised, the total amount necessary to fund the proposal and the number of years during which the additional requisition is to apply. The wording of the plebiscite is attached in APPENDIX II.

Using the assumption that the District budget for 2010-2011 will be approximately \$796,000,000, the maximum amount of revenue that could be requisitioned is \$24 million. The City of Edmonton has indicated that in order to raise \$24 million, education taxes on residential property would have to be increased 9.74 per cent and 8.01 per cent on non-residential property. This would have the impact on increasing education taxes by \$21 per year for every \$100,000 in assessed value.

Annually, the District prepares and submits a Three-Year Capital Plan to the Province of Alberta. Priority for capital funding requests is established as follows: new construction and replacement school requests; preservation project requests; modular and portable classroom requests; and, other capital projects. With the exception of funding provided for the construction of nine ASAP schools, no funding has been provided for the other priorities since 2007. Notwithstanding the foregoing, the Province has not indicated any change to their school funding mechanism.

With respect to other sources of capital funding, the Government of Alberta provides all school districts annually with Infrastructure, Maintenance and Renewal funding (IMR). This is a block grant distributed to school districts based upon a formula of student population and space inventory and other miscellaneous factors. The amount of IMR funding can fluctuate from year to year based upon funding from Treasury to Alberta Education. Funding has ranged from \$5.8 million in 2004-2005 to \$35.6 million in 2006-2007. Funding for 2008-2009 was \$14.8 million.

The use of IMR funding is used to fund the major maintenance plan and is subject to regulation by Alberta Infrastructure.

The uncertainty of provincial funding continues to create challenges with respect to addressing the District's deferred maintenance.

APPENDIX I - Important Dates to Remember When Considering a 2010 Special School  
Tax Levy

APPENDIX II - Special School Tax Levy Plebiscite Public Notice Form 20A

### 3. IMPORTANT DATES TO REMEMBER WHEN CONSIDERING A 2010 SPECIAL SCHOOL TAX LEVY

**NOTE: CALCULATION OF THE EXACT DATES MUST BE BASED ON WHEN THE  
ACTUAL GENERAL ELECTION DATE IS SCHEDULED TO BE HELD.**

Prior to; Monday, May 3, 2010	Review the <i>School Act (SA)</i> , the <i>Special School Tax Levy Plebiscite Regulation (SSTLP Reg.)</i> , the <i>Local Authorities Election Act (LAEA)</i> , and the <i>Municipal Government Act (MGA)</i> .
Prior to; Monday, May 10, 2010	Contact Municipal Affairs to discuss the potential impact of the Special School Tax Levy on the municipality and jurisdiction, and for the municipal contact information.
Monday, May 17, 2010	Coordinate with each affected municipality's returning officer, if plans are to proceed with a question on the ballot.
Sunday, June 20, 2010	Last day to give public notice of the board's intention to meet and consider a resolution to authorize the holding of a plebiscite (Section 190(2) SA).
Thursday, August 19, 2010	Last day to hold a public meeting and pass a resolution to authorize the holding of a plebiscite (Section 190(1) SA).
Sunday, October 17, 2010	Last day to withdraw a plebiscite by resolution, (Section 190(4) SA).
Monday, October 18, 2010	<b>Election Day</b>
Friday, October 22, 2010	Returning officer must post results of plebiscite vote by noon at the office of each local jurisdiction and advise the relevant Minister's Deputy Minister, (Section 96 LAEA).

**SPECIAL SCHOOL TAX LEVY PLEBISCITE PUBLIC NOTICE FORM 20A**

Form 20A

**SPECIAL SCHOOL TAX LEVY PLEBISCITE  
PUBLIC NOTICE****School Act, Sections 271 & 276  
Special School Tax Levy Plebiscite Regulation, A.R. 94/1998**

ATTENTION: ELECTORS of \_\_\_\_\_

(Name of District or Division)

No. \_\_\_\_\_

(Specify a Separate School Jurisdiction)

TAKE NOTICE that: The Board of Trustees of the above District/Division is seeking the approval of electors to levy an additional \$ \_\_\_\_\_ per year for a period of \_\_\_\_\_ year/years through a special school tax levy.

(amount) (number)

The funds raised will only be used for:

If this special school tax levy is supported by a majority of electors, it will result in an additional tax of approximately \$ \_\_\_\_\_ per year for a period of \_\_\_\_\_ year/years for a property valued at \$100 000 for tax purposes.

(amount) (number)

The Board of Trustees will present the question of a special school tax levy to its electors at the election for school trustees to be held on \_\_\_\_\_

(date of election)

\_\_\_\_\_  
Secretary-Treasurer/Treasurer\_\_\_\_\_  
Name of School District or Division**Public Notice**

271 (1) Subject to this Act, when public notice, other than notice of a public meeting under Section 269, is required to be given under this Act, the notice shall be given

- (a) by posting it in 5 or more conspicuous places to which the public has normal and regular access, and
- (b) by publishing it, at the same time the notice is posted, in a newspaper circulating within the district or division at least once a week for 2 weeks.

(2) A notice given under this section shall be in a form prescribed by the Minister.