



For Immediate Release

News Release

Multi-Use Facility Tax Implications

Edson, Alberta, September 11th, 2019 – The Town of Edson Council and Administration remain committed to minimizing the tax impact of the joint Multi-Use Facility project. During September 10th Committee of the Whole meeting, Edson Town Council received an update on those efforts.

The initial tax impact numbers were based on the highest operational cost estimates and largest amount of capital needing to be borrowed. With further review of actual operational costs of similar facilities, and by adjusting the capital funding plan, it's expected that the tax impact will be substantially less than the original estimate.

Originally, an operational cost deficit of \$3.5 million was used in the calculations. Financial data from Grande Cache, the Tri-Leisure Centre in Spruce Grove, and other similar facilities has shown deficits of less than \$2 million. With that in mind, we've adjusted the operational cost projections in our calculations to \$2 million.

The capital plan has also been adjusted to reflect the actual timeline of the project (extended over a longer period of time), utilizing money from the Revenue Sharing Agreement with Yellowhead County over that timeline, and reflecting the current lower interest rates. This means the actual amount needing to be borrowed has been reduced from \$15 million to \$9 million.

**Every \$1 million needing to be borrowed adds an average of \$15 to the tax implications for a home assessed at \$350,000.*

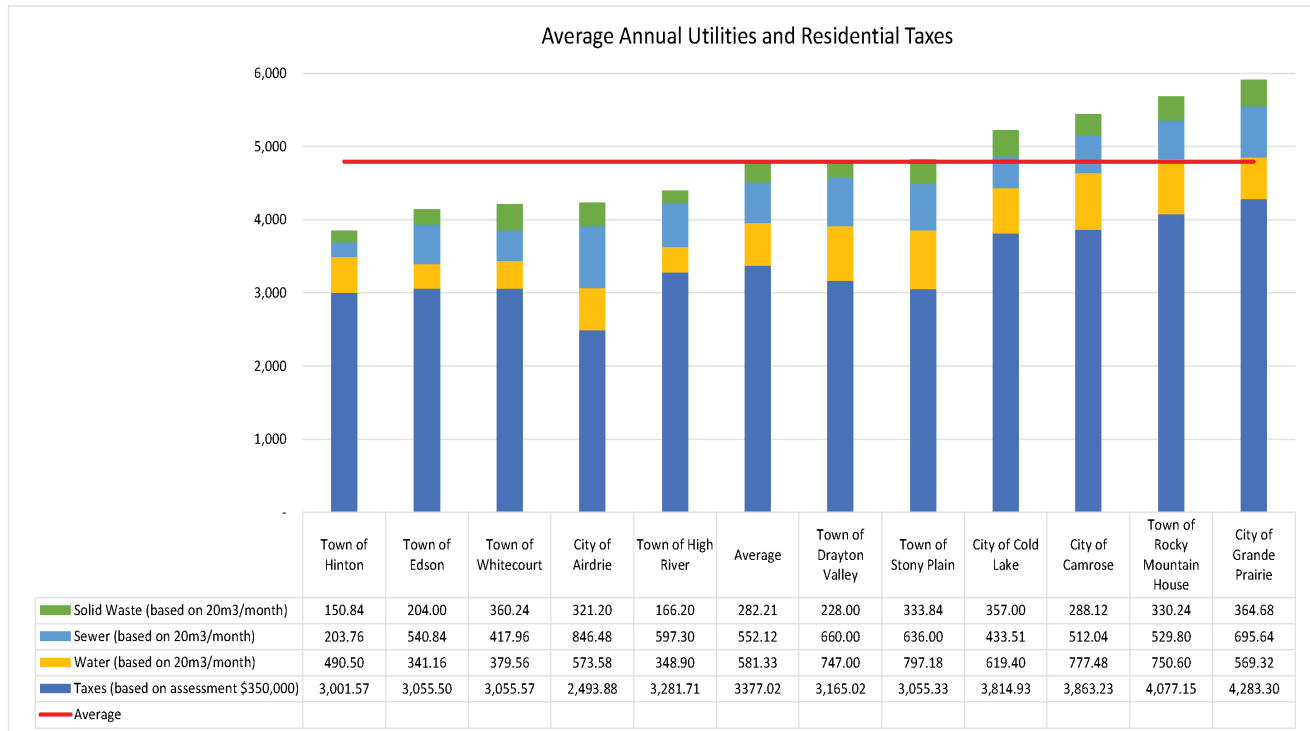
Overall, this means the potential tax impact for Town of Edson residents is estimated at about **\$150 per year** for an average residential or business property with an assessment of \$350,000. More information, a breakdown of the adjustments, and a tax impact calculator can be found at www.edson.ca/facility.

This does not mean the work is over. Both partners will continue efforts to seek out grant and sponsorship opportunities, which could bring that impact down even further.

<continued>

Tax Comparisons

Results of the Regional Multi-Use Recreation Facility Survey were released in August. Along with the support breakdown for the project, the survey revealed a perception that taxes in Edson are high compared to other municipalities. Research has shown this is not the case. In fact, when taking taxes and municipal utilities into account, Edson is well below average for similar communities. See the comparison chart below.



Tax and utility rate comparisons are done annually to ensure the Town of Edson is competitive with our area municipalities.

2020 budget planning is already underway. A Council budget workshop will be held on October 19th at 9am in Council Chambers. This is open to the public for viewing and available via live stream on our website, YouTube, and Facebook Live.

Media Contact:

Steve Bethge
Communications Coordinator
Town of Edson
780-723-4401
steveb@edson.ca
www.edson.ca

