



AITKIN - LOCAL SALES TAX DISCUSSION

- **DISCUSSION OF AITKIN FINANCIAL REALITIES:**
 - **AITKIN COUNTY'S TAX CAPACITY IS \$33,825,000**
 - **CITY OF AITKIN - CURRENT TAX CAPACITY IS \$1,602,955 – TAXING @104%**
 - **\$150 MILLION NON-REVENUE PROPERTIES IN CITY AITKIN (2022 est)**

- **LEVY INCREASES: 21% IN 2022, 14% IN 2021, 10% IN 2020, 9% IN 2019, 3% IN 2018, 8.5% IN 2017**
 - **WE ARE CURRENTLY TAXING AT 104% OF OUR TAXING CAPACITY**
 - **THE CITY SPENT OVER \$1.2 MILLION IN RESERVES IN THE PAST 2 YEARS**

FINANCIAL IMPLICATIONS:

- **1% TAX = POTENTIAL REVENUES OF \$500,000 DOLLARS ANNUALLY**
- **OF THE 6100 PROPERTIES IN AITKIN & 12 SERVED TOWNSHIPS – 43% ARE SEASONAL**
- **TAX WOULD BE PAID BY REGIONAL COMMERCE, TOURISTS, AND SEASONAL VISITORS**

COMMUNITY RESPONSE

- **PROVIDING REGIONAL SERVICES CONTINUES TO STRAIN THE CITY BUDGET**
- **MAYOR WORKMAN AND I ARE NEW AND WE TOOK THIS OVER - WE SHOULD HAVE 2-3 YEARS OF OPERATING RESERVES - MORE LIKE 5-6 MONTHS**
- **CITIZENS HAVE COME TO COUNCIL MEETINGS SUGGESTING A LOCAL SALES TAX**
- **THERE HAS NOT BEEN ANY NEGATIVE DISCUSSION RELATING TO A TAX**

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OUR AREAS OF GREATEST NEEDS FOLLOW IN OUR RESOLUTION:

- **PARK UPGRADES FOR ALL REGIONAL STAKEHOLDERS - \$1 MILLION**
- **CONSOLIDATION PUBLIC SERVICES, INCLUDING CITY HALL - \$8.3 MILLION**
- **1% = POTENTIAL REVENUES OF \$500,000 DOLLARS ANNUALLY**

