

AFSCME LOCAL 2975

The tax was already coming.

What the City's own records show about the payroll and income tax — and what they don't.

It started in December 2024, to pay for buildings.

\$200M

Police station and civic campus

\$15M

Annual debt service — 19% of the General Fund

\$4M

Average annual General Fund revenue growth

"The question now is, how will the City pay for the debt service?"

Finance Director James Inglis, staff report to Council, December 16, 2024

Nothing in that report, or in the minutes of the meeting, mentions labor contracts.

The sequence

WHEN	WHAT THE CITY DID
Dec 2024	Payroll tax put on the table to pay for the buildings. Income tax raised the same night.
Feb 2025	Council adopts six principles for evaluating new revenue.
Sept 2025	Only now does the 2027-29 budget gap enter Council's conversation.
Jan 2026	We sit down for our first bargaining session.
Feb 2026	Ten revenue tools narrowed to three.
June 2026	Council picks two: payroll tax and personal income tax. The bond is dropped.
Aug 2026	Council finds every service-cut scenario unacceptable and asks staff for up to \$2M a year in savings. Mayor asks for a decision by November 16.
Sept 2026	Impasse in our negotiations. The tax work continues unchanged.

Thirteen months separate the first row from the red one.

Where the \$21.1 million a year goes

PURPOSE	PER YEAR
Debt service on the new buildings	\$14.3M
The General Fund operating gap	\$4.05M
Building lease costs	\$2.0M
Administering the new tax	\$0.7M

Debt service on the buildings alone is **roughly two-thirds**. The operating gap — the only piece a labor contract could affect — is **under a fifth**.

DO WE GET TO VOTE ON IT?

"Staff confirmed that payroll or income taxes could be enacted by the Council via ordinance, but it was possible for voters to file a referendum to refer the decision to the voters."

Council work session minutes, May 7, 2026

The bond was the one option that needed voters. Council dropped it in June.

Council studied three tools. Only one needed voters.

Payroll tax

No public vote required

Personal income tax

No public vote required

General obligation bond

Requires voter approval

Dropped in June 2026

Councilor Shaffer "recommended voter approval for whatever funding method selected," and in June voted no, saying he was "troubled by the last 'Therefore' in the resolution" — the clause leaving the voter question open.

Council work session, December 16, 2024; Council meeting, June 15, 2026

WHEN DOES THE MONEY ARRIVE?

"We know that a new revenue source won't be available July 1, 2027."

City Manager Mark Shepard, message to all staff, August 25, 2026

The Finance Director has told Council implementation takes two or more years.

What this shows

The tax has its own calendar

It started in December 2024 to pay for buildings and has moved on schedule ever since. None of the governing resolutions reference labor contracts.

It isn't waiting on us

Council is working toward a decision in November whether or not our negotiations have concluded by then.

The money comes later still

Two or more years to implement, by the City's own estimate, with nothing available by July 2027.

Sequence, not affordability — that is the argument this supports.

What this doesn't show

It isn't decided

Council has not voted on a tax, and has not decided whether to send it to voters. The resolution passed 6-2. The November dates come from a request the Mayor made in August, not a published agenda.

This is about the tax, not the budget

Whether the City can afford our contract is a separate question with its own evidence — the vacancy savings, the underspend record, the reserves. Keep the two arguments apart. Each is stronger alone.

Say these out loud before someone else does.

Why we are writing this down now

If this dispute gets harder before it ends — and if a payroll or income tax follows within a year or two — someone will put those two things together and hand us the bill.

Dec 2024

The tax was on the table thirteen months before we ever sat down.

June 2026

Council picked its two tools in a resolution that never mentions labor contracts.

Nov 2026

The decision is headed for a vote on the City's own schedule, not ours.

The answer already exists, in the City's own minutes. **We are collecting it before the accusation, not after.**

Every fact on this slide is from a public City document.

THE BOTTOM LINE

The City decided to go after new taxes to pay for buildings a year before it ever sat down with us.

That decision is headed for November whether or not we have settled, and the money can't arrive before July 2027 at the earliest.

Where we settle does not change any of it.