

**2026 Budget Discussion
Balancing Scenarios
\$6.5M Gap**

Scenario 1	Scenario 2
Both Revenues	Yes to Public Safety Sales Tax
\$1.5M Gap	No to B&O Tax
	\$3.5M Gap

Scenario 3	Scenario 4
Yes to B&O Tax	No Revenues
No to Public Safety Sales Tax	\$6.5M Gap
\$4.5M Gap	

Potential General Fund Program Reductions – not in priority order

Program	Possible Reduction	Specific Reduction	Service Level Impact
Communications Resources	\$477,000	Eliminate (3) FTE	The loss of three FTEs in Communications would significantly reduce the City's ability to provide timely, accurate, and accessible information to the public, impacting transparency, community engagement, and trust. Work would shift to the Departments. Staff across the City would need to dedicate additional capacity and/or project budget to communications, including outreach and engagement design, content development, graphic design, and production. There will be significantly reduced support for Advisory Bodies, in particular the recruitment, selection and onboarding process, or implementing special projects (e.g. City Wayfinding).
Homeless Response (General Fund Portion)	\$306,000	Eliminate (2) FTE - General Fund Portion of Homeless Response	Impacts to progress made through the <i>One Community Plan</i> approach to get the unhoused population into housing and to help manage the broad impacts of homelessness- from the

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			<p>individual, to businesses, to the physical environment in which people camp.</p> <p>The risk is backtracking on progress made over the last several years and not leveraging the investments the City has already made to eliminate encampments entirely; we could see an increase in encampments, live aboard vehicles, and an inability to manage the tiny home villages.</p>
Climate Program	\$576,000	Eliminate (3) FTE Fully Eliminate Program	<p>Impacts the City's ability to achieve emissions reduction and resilience goals. Specific potential impacts include:</p> <ul style="list-style-type: none"> • Eliminating programs that support energy efficiency, resilience, and decarbonization for residents (e.g., Energize Thurston, SHARE Accelerator). • Withdrawing from the Thurston Climate Mitigation Collaborative, ending participation in regional climate action (i.e., regional policies and programs). • Shifting climate policy development to CPED, significantly slowing implementation and straining staff capacity. • Shifting sea level rise planning and coordination to Public Works, significantly slowing progress and straining staff capacity. • Loss of subject matter knowledge and momentum necessary to develop and implement climate strategies across departments and the region. <p>Work would shift to the Departments and/or long-range planning.</p>
Restructure Equity Programs	\$390,000	Eliminate (2) FTE	<p><u>Equity Impacts:</u></p> <ul style="list-style-type: none"> • Majority of the work will need to shift to the Departments to resource and implement our Equity Strategic Plan.

2026 Budget Discussion
Balancing Scenarios
\$6.5M Gap

			<ul style="list-style-type: none"> Equity work (ESP) will significantly slow down as work transitions to an already under-resourced HR Dept and distributed to staff in other departments who have primary responsibilities that is not this work. Employee resource groups, wellness and other responsibilities will be staff-led and resourced. <p><u>ADA & Accessibility Impacts:</u></p> <ul style="list-style-type: none"> Web Accessibility Project-elimination will mean there is not a subject matter expert assisting with compliance. Title II compliance at risk- potential lawsuits related to failure to comply with public entity disability requirements. Work will shift to staff in Public Works and Parks.
Community Oversight of Law Enforcement/Auditor	\$260,000	Eliminate (1) FTE; General Professional Services (Auditor)	The City would eliminate the Police Auditor – there would be no independent auditing of complaints or uses of force relating to OPD. The review of complaints and uses of force will be solely done by the OPD Office of Professional Standards. The Community Policing Board will serve only as needed on Capital Metro Independent Investigation Team (CMIIT) instances and internal use of force reviews. There would be no added education, outreach, or engagement with community members and no independent Auditor to receive community complaints.
Council Support	\$153,000	Eliminate (1) FTE	This would result in the City Council not receiving the level of support they have requested for managing calendars, responding to constituent communications, and handling other administrative functions.
Youth Council	\$10,000		This would result in a loss of civic engagement opportunities for youth in our community and risk eroding the trust we've

2026 Budget Discussion
Balancing Scenarios
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			worked hard to build with an underrepresented segment of Olympia's population.
Support Positions – City Manager's Office	\$268,000	Eliminate (2) FTE	Would impact the timely administration of contracts, support to advisory bodies (including recruitment and stipends) and eliminate the City's point of contact and coordination with WCIA for risk management. It would also reduce administrative support to committees such as CLPS, Youth Council, SJEC, and COLE.
Legal Services	\$210,000	Eliminate (1) FTE	Would impact timely legal review, advice, and legal research requested by Council, CMO, and staff.
Housing	\$230,000	Eliminate (1) FTE	This would impact our ability to facilitate affordable housing projects, regional partnerships (ex Black Home Initiative), to field tenant complaints, and to meet Council priorities relative to affordable housing/tenant protection policies. Work would shift to long-range planning instead of a dedicated work group.
Economic Development	\$554,000	Eliminate (2.25) FTE – Eliminate Program	<p>Would impact the City's ability to find new revenue sources, to stimulate economic growth through grant awards (ex. brownfield grant), to foster development partnerships and to attract new business. Would also limit our ability to move Olympia Strong initiatives forward.</p> <p>Whilst investing in new developments can be perceived as a risk to some during budget constraints; a lack of investment limits our ability to stimulate the local economy.</p>
Crisis Response Unit Expansion	\$1,200,000	Eliminate (7) FTE – Retain day shift, eliminate swing/night shift, downtown walking CRU.	Reduced Service Coverage: CRU availability would drop from 19 hours/day to 10 hours/day, leaving a 9-hour service gap, primarily during late evenings and nights when crisis calls often occur. No dedicated CRU walking downtown reduces support to businesses, patrons, and community members.

2026 Budget Discussion
Balancing Scenarios
\$6.5M Gap

			<p>Increased Police Workload: Calls that CRU usually addresses will fall back on patrol officers, which does not align with our reimagining public safety goals. This diverts police from proactive work and increases response times to other priority calls.</p> <p>Diminished Community Trust & Outcomes: Reduced availability may lead to more individuals in crisis going without specialized response. Potential for increased jail or emergency room resource use, raising costs and community frustration.</p> <p>Impact on Citywide Priorities: Cuts run counter to community expectations around behavioral health response and non-traditional policing models.</p>
Familiar Faces Program	\$127,000	Eliminate (1) FTE	<p>Reduction in Support for High-Utilizers: Peer Specialists provide personalized support to community members who frequently use police and fire services. Without this FTE, more individuals will likely cycle repeatedly through crisis calls, ER visits, and jail.</p> <p>Increased Strain on Emergency Services: High utilizers will continue to drive repeat calls for police and fire, pulling resources from other urgent needs, increasing response times for core emergency services.</p> <p>Unmet Community Needs: Demand for peer support has been rising; more residents than ever could benefit from the program. Eliminating one FTE moves us further from addressing this growing gap and is not aligned with our reimagining public safety goals.</p> <p>Negative Long-Term Outcomes: Reduced opportunities for stabilization and trust-building increase the likelihood of</p>

2026 Budget Discussion
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			repeated crises. Over time, this raises costs for the City through continued heavy use of emergency and criminal justice systems.
Designated Crisis Responder (OFD)	\$80,000	Cancel Contract	<p>Increased Wait Times: Without a DCR embedded at our agency, we would have to rely on the regional pool of DCR. This would delay evaluations and crisis interventions, leaving individuals in unstable situations longer and increasing demand on patrol officers.</p> <p>Reduced Effectiveness, Follow-Through and Tracking: Currently, the dedicated DCR helps monitor short- and mid-term care for detained individuals, supporting stability after the crisis. Relying on the larger system reduces the ability to track individuals effectively, making it more likely they return to crisis.</p> <p>System-Wide Impact: More crisis calls will be addressed by police and emergency medical systems, rather than crisis responders.</p>
Basic Life Support Program (OFD) – Minus Revenues	\$1,000,000	Eliminate (16) FTE – Eliminate Program	Closing this program would result in a decrease in response unit level of service, specifically in availability and reliability. Unit response RELIABILITY (Response times) throughout the city would increase past the current 10 min 23 seconds. Unit availability will decrease specifically at Sta 02 (westside) and Sta 04 (East) by greater than 10%. This results in slower effective response force performance and degrading outcomes (survivability, property loss). Would result in the loss of nearly 2.5M in revenue. Work would likely shift to private providers at a reduced level of service.
Community Assistance Referral and Education Services (CARES) Program	\$126,000	Eliminate (1) FTE	Result in decreased case management load affecting the ability to provide alternative care solutions to over 200 citizens annually. This will have a direct impact on frequency of 911 call use. Loss of public education to hospital discharges and

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			care facilities to ensure compliance with WA state health regulations.
Federal Lobbyist	\$75,000	Cancel Contract	Without a federal lobbyist, the city is at a disadvantage in securing federal funding, awareness of national policy decisions, and staying informed about legislation that could have far-reaching negative impacts on local priorities.
State Lobbyist	\$71,000	Cancel Contract	Without a state lobbyist, the city faces a significantly higher risk of missing out on critical funding opportunities, influencing policy decisions, and staying ahead of legislative proposals that could adversely affect its interests.
Move Urban Forestry to Parks (GF Savings)	\$170,000	Would require Parks to absorb additional costs within current resources	Budget reductions would be in Parks Maintenance to offset costs of Urban Forester. Level of service in maintenance would be impacted.

Total - \$6,300,000