

2023 Adopted Operating Budget

City of Olympia

The City Council wishes to acknowledge the many individuals who contributed time and expertise to the preparation and publication of the Operating Budget.

The annual Operating Budget is an important responsibility of a local government and was developed in compliance with Washington State Law as set forth in RCW 35A.33.

City of Olympia's 2023 Adopted Operating Budget

Prepared by the City of Olympia Finance Department

P.O. Box 1967, Olympia, WA 98507-1967

The City is committed to the non-discriminatory treatment of all persons in employment and the delivery of services/resources.

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Information & Resources

City Council

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Additional Information Resources

Capital Facilities Plan and 2023-2027 Financial Plan: olympiawa.gov/budget

LOTT Clean Water Alliance: lottcleanwater.org

Olympia Comprehensive Plan: olympiawa.gov/compplan

Olympia Bicycle Master Plan: olympiawa.gov/transportation

Parks, Arts and Recreation Plan: olympiawa.gov/parksplan

Regional Climate Mitigation Plan: trpc.org

Transportation Master Plan: olympiawa.gov/tmp

Wastewater Management Plan: olympiawa.gov/plans

Water System Plan: olympiawa.gov/plans

Budget Presentation Award

The Government Finance Officers' Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to the City of Olympia, Washington for its annual budget for the fiscal year beginning January 1, 2022.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Olympia
Washington**

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morrill

Executive Director

Introduction



Included in this Section

- [Reader's Guide](#) 8
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Reader's Guide

The City of Olympia's Operating Budget is designed to help readers understand the City's financial plan to provide municipal services and generate a clear picture of City operations to community members and interested parties. This section is designed to help acquaint the reader with the budget document and provide an overview of the budget process, document arrangement, and other helpful resources.

Introduction

The Introduction section contains the City Manager's budget message, which discusses the current state of the City, strategic direction, and major budget issues and recommendations. The budget message highlights major changes from the prior year's budget, discusses assumptions used to prepare the budget, and the City Manager's budget recommendations in further detail. This section also includes an overview of the City, its budget process, use of revenues and expenditures, and a Citywide organizational chart.

Budget Process

The Budget Process section includes an overview of the City's budgeting process and budget cycle. The section also includes a deeper dive into the Priorities, Performance and Investments (PPI) Cycle used for budgeting. Also included is an overview of the City's performance measurement program.

Financial Policies

The Financial Policies section explains the City's fund structure and basis of accounting. Organizational goals as well as budgeting and financial policies and strategies are included also.

City Operating Revenue

The Revenue section contains information regarding the City's primary sources of revenue across all funds and associated revenue statements. This section provides an explanation of Olympia's property tax system and a summary of the City's property tax revenues and assessed valuation. It also provides historical trend information regarding the City's major revenue sources within the General Fund and other funds.

Department Budgets

Department budget sections begin with a narrative including the department's mission statement, a brief description, organizational chart, summary of operating expenditures and revenues, and identification of significant changes to the budget as compared to last year. Department narratives also include the department's line of business structure with descriptions, operational trends, budget summary and highlights, future challenges and opportunities, recent accomplishments, program staffing positions, and performance measures.

Non-Departmental

The Non-Departmental section includes information for the City's General Fund sub-funds and other Special funds that are not included in other department operational sections.

Debt

The Debt section provides detailed information about the City's debt policies, debt capacity, and statements of indebtedness.

Supplementary Information

The Supplementary Information section contains statistical information about the City and Thurston County. Also included is in-depth City staffing information. To close out this section, there is a glossary and list of acronyms used in this document.

[Capital Facilities Plan](#)

The Capital Facilities Plan provides information on the City's six-year capital improvement plan, including major construction and capital acquisition. The CFP includes links to both the Olympia School District's and North Thurston Public Schools' Capital Facilities Plan.

A Message from Jay Burney,

Olympia City Manager

January 1, 2023

Mayor, Mayor Pro-tem, City Councilmembers, and Community Members of Olympia,

It is my pleasure to present to you the City of Olympia's 2023 adopted budget. The budget totals \$189.0 million, an increase of \$11.9 million or from the 2022 adopted budget. Included in that total is a General Fund allocation of \$97.1 million which represents an increase of \$603.1 thousand or 0.6% from 2022. The budget is balanced, is built in accordance with Council priorities, and reflects our shared commitment to providing valuable government services in a cost-effective and efficient manner. Local government services and service delivery systems are in a constant state of change and the adopted budget takes bold steps in addressing the changing needs of residents and community businesses, particularly in our houselessness and climate programs. The budget includes on-going General Fund resources to support two new positions in each of these programs as well as monies to support the Thurston Climate Mitigation Plan.

The City's budget approach is to develop budgets based on a realistic, albeit slightly conservative, approach to revenue forecasting to inform expenditure levels. This approach provides reasonable assurance that revenue generation will meet budget expectations to fund budgeted operational expenses. In cases where fund balance is being utilized to balance budgeted expenses, a thoughtful determination was made by comparing the current level of fund balance to the minimum level necessary based on cash flow needs and any contingency and/or policy requirements for those funds. Furthermore, the use of fund balance and other one-time monies is restricted to pay for one-time expenses such as capital, major maintenance, or stand-alone contract services and is not available to fund on-going operations. In instances where one-time monies are used to fund a pilot program, a funding strategy must be approved and in place to balance any on-going costs of the program.

As in previous years, the budget creation process was very challenging, especially for the General Fund, and required difficult choices on how to best spend our city's valuable resources. As with most government entities, the City is experiencing a budget sustainability challenge. Expenses increase each year at a pace that exceeds growth in resources. As a result, not all requests for additional operating resources could be funded. The adopted budget continues to fund existing City services and programs at their current level with adjustments for necessary increases for inflation, labor cost changes and contractual requirements. New initiatives or expansion of current programs and services are based on need, the value to the Olympia community, and Council priorities.

In addition to the increases in our Houselessness and Climate programs, the adopted budget includes funding increases for Parks and Recreation, Fire, Utility Billing, and Engineering functions in the General Fund. Additionally, the budget includes needed resources for the Stormwater, Wastewater, and the Waste Resources utilities as well as Fleet. The budget includes 15.75 new positions, many of which generate funding to cover their costs fully or at least partially, and which are necessary to meet the City's changing needs.

As part of the 2022 Council budget process, we were very clear with City Council and the Olympia community that our use of Federal American Rescue Plan Act (ARPA) monies on some programs created a bow wave of roughly \$2 million and that we would begin to address the bow wave in the 2023 budget process. We began to act early in 2022 to look at ways to reduce the bow wave and through the incredible teamwork that we see here every day at the City of Olympia, the budget for 2023 reduces the bow wave by roughly \$1 million. More work is needed to reduce the balance of the bow wave created in 2022 but, I am confident that our City Council, City staff, and the Olympia Community will work together to find solutions to close the gap in 2023.

I appreciate the way departments put together their 2023 budget requests. Budgets were submitted in line with my directions and together we were able to create a budget that addresses areas of need as well as taking steps to move our budget closer to long-term sustainability. Budgets are always challenging to put together and this year was no exception but, the First Team mentality exhibited throughout the whole City during this process greatly aided in its creation. Honest and difficult conversations about decisions on which enhancements were being funded were met with support and understanding and a desire to help move the City forward.

The budget is the culmination of nearly a year-long collaborative effort among the City Council, City Manager, City staff and the Olympia community. I would like to extend my thanks to all the city employees for the work they do each day to make a difference for our community. The city serves a diverse population with a workforce that is committed to meeting the needs of the public.

Respectfully submitted,



Jay Burney
City Manager



Watch the City Manager's Budget Introduction video: olympiawa.gov/budget

Executive Summary

This Executive Summary provides highlights of the City's 2022 activity and the adopted 2023 Operating Budget. The City's budget approach is to develop budgets based on a realistic, albeit slightly conservative, approach to revenue forecasting and using those revenues to inform expenditure levels. This approach provides reasonable assurance that revenue generation will meet budget expectations to fund budgeted operational expenses.

2022 Operating Update

Current year estimates forecast revenues to exceed the original budget by roughly \$4.1 million in the General Fund, significantly attributed to American Rescue Plan Act (ARPA) funding, retail sales and use tax collections as well as business and occupation tax collections. Further, General Fund expenses are forecasted to come in roughly \$927 thousand above the 2022 adopted expenditure budget and \$10.6 million below the 2022 budget as amended. The combination of these two positive variances changed the General Fund picture from a budgeted deficit to ending the year in a positive position. Available General Fund 2022 fiscal year resources above our fund balance policy may be used to provide one-time resources for necessary one-time expenditures, to bolster fund balances in other funds, and/or to provide resources for emergent needs in the current fiscal year.

City-wide, forecasted operating revenue is expected to surpass budgeted revenue by roughly \$4.3 million largely due to tax revenue and operating transfers. Budgeted expenses are forecasted to be roughly \$650 thousand below the adopted budget and nearly \$15.6 million below the budget as amended. These variances of forecasted expenses from the budget are due to budgeted contracts carrying over into 2023, vacant positions, budgeted transfers not being necessary, and budget managers spending less than was allocated to them.

The budget creation process for 2022 was very challenging, especially for the General Fund, and required difficult choices on how to best spend our city's valuable resources. The City of Olympia, like most other government entities, is facing a budget sustainability challenge where expenses increase each year at a pace that exceeds growth in resources. This, coupled with the continued impacts of the COVID-19 pandemic resulted in an inability to fund all desired new programs or expansion of current programs. While the General Fund budget included roughly \$1.8 million in new programs or program enhancements, it also included \$1.3 million in expenditure reductions, nearly \$717 thousand coming from the Olympia Police Department.

Further, the 2022 General Fund budget included a roughly \$590 thousand tax revenue increase from an increase in the Municipal Utility Tax (MUT) rate of 1 percent. Certainly, the decision to increase the MUT rate was difficult. However, we valued the voices of our community and heard that increases in resources toward communication and crisis response, which added over \$700 thousand in on-going costs, was a priority of our residents. The 1 percent increase in the MUT rate provides resources needed to help balance out those increased costs.

The 2022 Operating Budget was built in the summer of 2021, soon after the Washington State Governor lifted COVID-19 restrictions. The budget was built using assumptions based on the best information the city had at the time. However, building revenue assumptions and estimating impacts of the lifting of COVID-19 restrictions were especially difficult as available information on changes in spending patterns and the economy overall seemed to change daily. For 2022, with the uncertainty surrounding the effects of lifting COVID restrictions, the city took what we believe to be the appropriate course of action and built a conservative budget. Along with this conservative approach to revenue, the City budgeted nearly \$2.2 million in fund balance reserves to supplement 2022 budgeted revenues for the City to maintain our current level of service for our residents and community.

In 2020, with the economic impacts of the COVID-19 pandemic impacting jobs across Washington, the Governor issued an order that, among other things, prohibited utility providers from shutting off electric and water utilities due to non-payment. The order also required electric and water utility providers to turn-on previously shut off utilities upon request regardless of the reason for shutoff. The Governor's shut-off order was lifted September 30, 2021, however, the City continued to abide by the order until January 2022 to give our customers, especially those most and/or still effected by the pandemic, time to bring their accounts current or set up payment plans which would allow for uninterrupted water service. The City provided roughly \$1.1 million of a total of \$9.2 million American Rescue Plan Act (ARPA) monies to help clear past due amounts from our utility customers accounts and make the utilities whole from delayed service payments. The balance of the ARPA monies was included in the 2022 budget to be used for eligible public health and safety, community livability, economic, and city support projects. Not all ARPA monies were expended in 2022 and have been reallocated for use in 2023.

The 2022 budget included using some of these one-time ARPA monies for expansion or creation of on-going operational programs. On-going expenses ARPA monies were used to fund include the Police camera program, housing and homelessness response, and increases to non-police public safety support activities. During the 2022 budget process, we were very clear with City Council and the Olympia community that our use of Federal American Rescue Plan Act monies on these programs created a bow wave of roughly \$2 million and that we would begin to address the bow wave in 2022 to inform the 2023 budget process. We began to act early in 2022 to address two high priority budget needs, reducing the bow wave in future years and, at the same time, looking at process toward sustainable budgeting.

As part of the process to address budget sustainability, in 2022 the city began a more robust effort in financial forecasting and long-term financial planning. The city created 10-year financial forecasts for five of the six major funds (we will be completing a 10-year forecast for the sixth major fund in 2023). Those forecasts use a consistent methodology in how assumptions for changes in expenses and resources are generated over the 10-year period. Importantly, the forecasts provide a vision of future expenses and revenues in a status quo environment. All the forecasts assume no new positions, no new programs, and no new resources outside of any known changes. These forecasts have been discussed multiple times at City Council and the Council Finance Committee as well as at community and advisory board meetings. Further, the city has embarked on a significant effort to update, modify, and/or create financial policies and procedures that more closely align with best practices. While this work began in 2022, the significant work on completing these updates will be done in 2023. Find our 10-year forecast on our website here: https://www.olympiawa.gov/government/budget_financial_reports.php

A significant amount of time and effort spent in 2022 was toward the implementation of a new financial and Human Resource Management system. The project kicked off in 2021 with a budget of \$4.5 million which included nearly \$1.4 million for a project planning and vendor selection consultant as well as backfill positions in the Finance, Human Resources, and Information Technology departments. Another roughly \$2.6 million of the project budget funded an implementation consultant as well as SaaS (software as a service) fees, training, and the first year of subscription fees. The budget also included roughly \$400,000 or 10% as a contingency. The entire project was prefunded in the General Fund and is expected to be completed on budget in 2023.

The past few years have been especially challenging for City staff. The pandemic created the need for a whole new service delivery process. Local government services and service delivery systems are in a constant state of change and require the City and its services to be nimble and able to pivot easily based on the circumstances of those we serve. Even so, City staff have served the Olympia community with resiliency and dedication. As the definition of the workplace has shifted since the beginning of COVID-19 in 2020, staff have been able to adapt and continue their work in an efficient and effective manner. There were a lot of highlights in 2022 which are worthy of celebration. All of the department sections of the budget include not only accomplishments from the past year but also trends, opportunities, and challenges for the coming year and/or future years. We invite the reader to review the department sections of our 2023 Budget Document.

Budget Planning

Fifty years ago, the City adopted its first Comprehensive Plan. The policies and goals of this document guide how we will grow and develop over 20 years. In 2014, the City asked community members to “Imagine Olympia,” and the result was an updated Comprehensive Plan with a new vision that is bold, broad and ambitious.

Since then, the City has put in place a framework to intentionally take steps to achieve that vision through strategic planning, performance management, and continuous learning. This framework is what we refer to as the annual Priorities, Performance, and Investment (PPI) cycle. It includes three main phases:

Learning. The City uses community indicators and performance measures to take an honest and fact-based look at how we are doing in achieving our community vision.

Engaging. The City hosts conversations and provides engagement opportunities to listen to community members to affirm priorities based on that data.

Investing. The priorities and performance inform the City on how we invest resources to achieve our community vision, including funding and City staff time.

At City Council’s annual January retreat, priorities are confirmed for the year. Throughout the year, the Finance Committee schedules monthly meetings to review financial policies, financial reports, and discuss programs and services that directly impact the annual budget. The Finance Committee’s recommendations are forwarded to the full City Council for their review and discussion, prior to adoption of the budget in December.

As noted above, the City typically engages the public in the late spring to hear community members' experiences and perspectives that help inform the City's budget investments. This work guides the development of both the Operating and Capital budgets. In 2021, the City had planned to host these annual community conversations, however, after the COVID-19 outbreak, directives to reduce social gatherings and budget shortfalls required these activities be deferred. The 2023 Budget was prepared using prior year Community Conversations and Priorities to guide the budget development.

2023 Budget Development

The annual budget development process begins in March with planning for the budget process and establishing early estimates. Departments prepare their budget submittals in June and July for presentation to the Budget Review Team. Budget reviews took place in August. Department budget requests and reduction proposals were then analyzed, reviewed and prioritized by the Budget Review Team. The City Manager makes final budget balancing decisions in early September which allows time for the final production of the 2023 preliminary budget document. The preliminary budget is presented to the City Council and Olympia community in early October. The Council budget process continues to December when the Council formally adopts their annual budget for the coming fiscal year. The 2023 Operating Budget was formally adopted by the City Council with only slight modifications to the preliminary budget. Those modifications included \$129,000 for Thurston Conservation, \$100,000 additional funding for the Police Auditor, \$100,000 for Diversity, Equity, and Inclusion (DEI) training, \$25,000 for a Youth Council, and other corrections to personnel costs and revenues estimates.

Late in the budget process, the Olympia City Council approved the effort to implement the Basic Life Support and Community Assistance Referrals and Education Services (BLS/CARES) program to begin as soon as reasonably possible. The Council recognized that necessary expenditure authority for new Full-time Equivalent positions (FTE's) and operating and other capital needs as demonstrated by the Fire Department were not included in the 2023 Operating Budget as approved by Council. The Council resolved that the City Manager, Fire Chief, City Attorney, and City Finance Director were to take the appropriate steps to move forward with implementation of the BLS/CARES program in advance of formal funding for the program by the City Council. City staff are to bring an updated budget request with the most recent available information, including funding mechanism, expenses, and new positions hired for BLS/CARES program implementation incurred to date, as part of the first quarter budget adjustment Ordinance for Council approval of necessary 2023 program expenses. The estimate for the program is roughly \$4 million.

The 2023 Adopted Budget includes on-going General Fund resources for additional staff supporting our Climate and Homelessness programs. In addition to the increases in our Homelessness and Climate programs, the adopted budget includes funding increases for Economic Development, Parks and Recreation, Fire, Utility Billing, and Engineering functions in the General Fund. Additionally, the budget includes needed resources for the Stormwater, Wastewater, and the Waste Resources utilities as well as Fleet. The budget includes 15.75 new positions, many of which generate funding to cover their costs fully or at least partially, and which are necessary to meet the City's changing needs. The budget also begins to address the General Fund bow wave of roughly \$2 million created in 2022 by using one-time ARPA monies for on-going program expenditures. The 2023 adopted budget reduces the bow wave by nearly \$1 million and work continues to fully resolve the bow wave as part of the 2024 budget process.

2023 Operating Budget

The 2023 Operating Budget includes appropriations for the City's ten departments and the 663.53 full-time equivalent (FTE) employees of: City Manager's Office (Executive, Legislative, Office of Community Vitality, and Office of Strategic Initiatives), Community Planning & Development, Finance, Fire, Legal, Municipal Court, Parks, Police, and Public Works (General Facilities, Engineering, Fleet, Transportation, Drinking Water, Wastewater, Storm and Surface Water, and Waste ReSources). The budget includes operating revenues and expenses for all city fund types, the General Fund, Special Revenue Funds, Debt Service, Enterprise (Utility Funds) and Internal Services Funds. The Adopted 2023 Operating Expenditure Budget is \$189.0 million, which is a 6.7 percent increase from the 2022 Adopted Operating Budget.

Operating expenditures exceed revenue by approximately \$4.1 million. This is primarily the result of several funds utilizing existing fund balance resources or reserves to support 2023 operating activities in the General Fund, General Fund sub-funds, and transfers to capital funds for planned construction or other capital activities in the Utility funds. The use of fund balances may only be used for one-time expenses.

2023 General Fund Budget

The General Fund is the principal operating fund of the City and covers the basic core municipal services. The General Fund accounts for the financial resources of the City which are not accounted in any other fund. Principal sources of revenue are taxes, licenses and permits, state shared revenues, charges for service, and other miscellaneous revenue. The 2023 General Fund Expenditure budget is \$97.1 million or an increase of 0.6% over the 2022 Adopted budget. The slight increase is related to personnel costs and contractual obligations. Those increases are offset by a change in our accounting structure for our Community Planning and Development (CP&D) functions. CP&D expenses had previously been split between the General Fund and Development Fee Fund. For transparency, all expenses for CP&D activities are now accounted for in the Development Fee Fund. The General Fund continues to support the activities that aren't eligible to be paid for by development revenue through an operating transfer of \$2.5 million to the Development Fee Fund. Other significant changes are highlighted below.

Highlights of 2023 General Fund Budget Changes:

- A five percent wage adjustment for all employees
- Addition of Building and Energy Program Manager in Climate
- Addition of Program Specialist in Climate
- Addition of Housing and Homelessness Program Director
- Addition of Program Specialist in Housing and Homeless Response (moved from Home Fund)
- Addition of Firefighter Paramedic
- Addition of Accounting Technician
- Addition of two Engineering Technician II positions
- Addition of Contract Specialist position
- Addition of Community Planning and Development Office Specialist II (0.5 FTE)
- Addition of Program Manager for the Armory
- Addition of Parks Maintenance Worker (0.5 FTE)
- Addition of Parks Public Service Representative (0.5 FTE)

2023 Revenue Assumptions

The City makes revenue assumptions for the next fiscal year based on the best information we have on current year actual collections, our year-end forecasts, and any known changes in rates or legislative actions for the coming year. As a result of this practice, changes between budget years can appear larger, or smaller, than the changes between the next year budget and current year forecasted revenue. Budgeting our revenues in this manner helps to ensure that increases on budgeted revenue don't create a funding issue in future years due to actual collections failing to meet budget.

Property Taxes: The 2023 General property tax levy includes a 2.7 percent increase over the 2022 levy. State law allows for a 1% increase or the IPD (Implicit Price Deflator), whichever is lower, plus collections resulting from new construction, changes in state assessed property values, and refund levies.

Sales Tax: The budget includes a 1.1 percent increase in sales tax from our 2022 estimate.

Business & Occupation (B&O) Tax: For 2023, B&O tax is being projected at a 13.6 percent increase from 2022 year-end estimates.

Utility Tax: The budget includes a X.X percent increase in Utility taxes. The growth in utility tax revenue is due to customer and usage growth and increases in utility rates.

Utility Rates: City utilities are expected to provide uninterrupted public health services for our community. The City's responsibilities include ensuring drinking water is clean and healthy, sewer infrastructure safely conveys waste to the LOTT treatment facility, solid waste is managed for reuse or disposal, flooding is minimized, and our urban natural resources are protected.

Given these core public health mandates, utilities are structured as municipal enterprise funds. They are financially self-supporting and are not dependent on general tax dollars. The utilities pay their fair share of various City overhead costs (building usage, insurance, finance, human resources, and legal services).

The utility rate increases for 2023 are noted below:

2023 Utility Rate Adjustments:

Utility	Rate Adjustments
Drinking Water	6.60%
Wastewater	
• Collections	9.82%
• LOTT	3.00%
Storm & Surface Water	9.88%
Waste Resources	
• Drop Box	4.00%
• Residential	4.00%
• Commercial	4.00%
• Organics	0.00%

Lodging Tax: With the lifting of the Governor’s COVID-19 stay home stay safe order hotel stays have been on the increase. In 2023, the budgeted revenue from Lodging Tax is \$992,000 which is 44.7 percent above 2022 collections.

2023 Expenditure Highlights

Personnel Costs: The 2023 Adopted Operating Budget includes a 5% wage adjustment for all city employees, not including any market rate adjustments. Medical benefits, depending on the plan, increase in a range from 5.8 percent - 7.3 percent.

Supplies and Services: Departments were instructed to hold all budgets in this category to 2022 budgeted levels with the exception of uncontrollable costs primarily related to software subscriptions fees, utility rates, outside agency fees, and other contractual obligations.

Debt Service: No new debt issuance or refunding is anticipated for 2023 and the budget reflects costs for principal and interest payments based on debt amortization schedules.

General Fund Budget Balancing

The City's budget approach is to develop budgets based on a realistic, albeit slightly conservative, approach to revenue forecasting to inform expenditure levels. This approach provides reasonable assurance that revenue generation will meet budget expectations to fund budgeted operational expenses. In cases where fund balance is being utilized to balance budgeted expenses, a thoughtful determination was made by comparing the current level of fund balance to the minimum level necessary based on cash flow needs and any contingency and/or policy requirements for those funds. Furthermore, the use of fund balance and other one-time monies is restricted to pay for one-time expenses such as capital, major maintenance, or stand-alone contract services and is not available to fund on-going operations. In instances where one-time monies are used to fund a pilot program, a funding strategy must be approved and in place to balance any on-going costs of the program.

As in previous years, the budget creation process was very challenging, especially for the General Fund, and required difficult choices on how to best spend our city's valuable resources. As with most government entities, the City is experiencing a budget sustainability challenge. Expenses increase each year at a pace that exceeds growth in resources. As a result, not all requests for additional operating resources could be funded. The adopted budget continues to fund existing City services and programs at their current level with adjustments for necessary increases for inflation, labor cost changes and contractual requirements. New initiatives or expansion of current programs and services are based on need, the value to the Olympia community, and Council priorities.

The adopted budget includes funding increases for Climate, Homelessness, Parks and Recreation, Fire, Utility Billing, and Engineering functions in the General Fund. It includes 11.50 new positions, many of which generate funding to cover their costs fully or at least partially, and which are necessary to meet the City's changing needs.

Olympia Metropolitan Park District

The Olympia Metropolitan Parks District (OMPD) is reported as a component unit of the City in the Annual Comprehensive Financial Report. This taxing authority goes through an independent budget process concurrent with the City process. Since the OMPD is a separate legal entity, their budget appropriations are not included in the aggregated revenues and expenditures presented in this document.

Olympia Metropolitan Park District transfers property tax funding to the City to support capital and operational costs for the City's Parks' programs. The OMPD property tax levy was approved by voters in 2015. The 2023 levy rate for OMPD property tax collections is \$0.45 per \$1,000 of assessed valuation. The OMPD budget for 2023 is \$5,321,573

Olympia City Council



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Lisa Parshley



Dontae Payne

Olympia City Councilmembers are part-time City employees. They devote, on average, 15-25 hours per week to Council business. Most have full time careers in addition to their City Council duties.

The seven members on Olympia’s City Council are elected to four-year terms from the community as a whole (commonly called at-large elections), not from districts or wards. The positions are non-partisan. The terms are staggered, with positions ending for three members at one time and four members the next. Olympia City Council elections are part of the Thurston County general election held in odd-numbered years.

For more information on the City Council and Olympia’s form of government, visit the City's website at <https://olympiawa.gov>.

Community Advisory Boards and Commissions

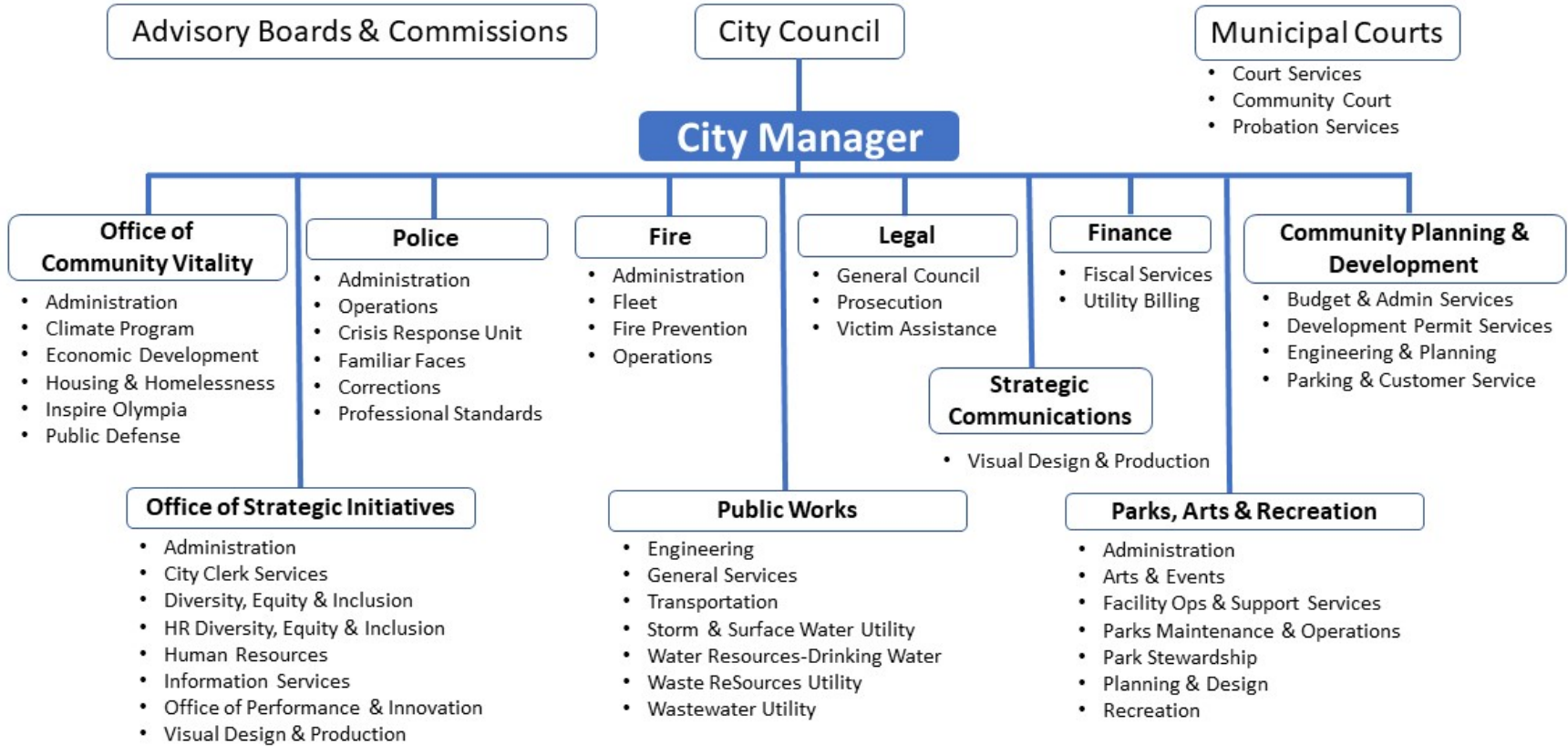
The City recognizes the hard work and dedication of a number of Advisory Boards and Commissions.

- [Arts Commission](#)
- [Bicycle/Pedestrian Advisory Committee](#)
- [Civil Service Commission](#)
- [Design Review Board](#)
- [Heritage Commission](#)
- [LEOFF Disability Board](#)
- [Lodging Tax Advisory Committee](#)
- [Parking and Business Improvement Area \(PBIA\) Board](#)
- [Metropolitan Park District \(MPD\) Advisory Committee](#)
- [Parks and Recreation Advisory Committee](#)
- [Planning Commission](#)
- [Community Representatives for Police Use of Force Events Board](#)
- [Salary Commission](#)
- [Social Justice & Equity Commission](#)
- [Utility Advisory Committee \(UAC\)](#)



City Organizational Chart

Community Members/Customers of Olympia



About the City of Olympia

Olympia is Washington’s capital city and the county seat of Thurston County. It was incorporated in 1859, and serves as a cultural hub for the region.

Located at the southern tip of Puget Sound, at the fork of Budd Inlet’s two bays, the City of Olympia sits in easy reach of Seattle and the Olympic Mountains to the north, Mt. Rainier to the northeast, and Mt. Saint Helens to the south. The City experiences fair-weather summers and wet overcast winters. Rainfall is spread out over a large number of days. With about 52 clear days out of the year, Thurston County residents live under some form of cloud cover 86 percent of the year, with more than a trace of rain falling on almost half of the days of the year.

Two cities adjacent to Olympia share the cultural hub of the area; Lacey to the north and Tumwater to the southeast. Lacey, Olympia, Tumwater and Thurston County jointly form a metropolitan area around the capital and cooperate on various regional initiatives such as the regional waste water treatment plant and animal control.

History

The peninsula, which is home to Olympia, was known as “Cheetwoot” (the black bear place) to the Coastal Salish tribe who occupied the site for many generations before the American settlement was established. Budd Inlet was a favorite shellfish gathering site for many Coastal Salish tribes, including the Nisqually, Duwamish, and Squaxin.

Olympia was named the capital city of Washington Territory on November 28, 1853, and was incorporated as a town on January 28, 1859.

Peter Puget and a crew from the British Vancouver Expedition visited the site in 1792. The U.S. Exploring Expedition under Lt. Charles Wilkes came to the site in 1841 and named the waterfront bay Budd Inlet, after Midshipman Thomas A. Budd, a member of that expedition.

The first American settlers, Levi Lathrop Smith and Edmund Sylvester, claimed the town site in 1846. The town was officially platted in 1850 by Sylvester. The Maine native laid out a town in a New England style with a town square, tree lined streets, land for schools, a Masonic Hall, and Capital grounds. The name of Olympia was selected by Isaac N. Ebey, a local resident, and reflected the view of the majestic Olympic Mountains.

Soon after the first Americans settled in Olympia in the mid-1840s, Chinese immigrants arrived in the City. Olympia’s first Chinatown was on 4th Avenue between Columbia and Main (Capitol Way) where several buildings housed a hand laundry, stores and lodging for residents.

In 1854, Daniel Bigelow, an attorney, and his wife, Ann Elizabeth White Bigelow built their home in Olympia overlooking Budd Inlet (900 Glass Street). Today it is a museum and remains one of the oldest frame buildings in the State of Washington.

Olympia’s first firefighting unit, Barnes’ Hook and Ladder Brigade, was organized in the early 1850s. Columbia Number 1, the first fire engine company to be established in Washington Territory, was formed in Olympia in 1865.

Olympia residents elected William Winlock Miller as the town's first Mayor in 1873.

Form of Government

Olympia is a Council-Manager City as authorized by Washington State law, [RCW 35A.13](#). Council-Manager is one of the two principle forms of government under which Washington cities and towns are formed. The other is the Mayor-Council form. According to the International City-County Management Association (ICMA), under the Council-Manager form, power is concentrated in the elected council, which hires a professional manager to implement its policies. The Mayor and Council, as a collegial body, are responsible for setting policy, approving the budget, and determining the tax rate. The manager serves as the Council's chief advisor. The Council provides legislative direction, while the manager, based on the Council's decisions, is responsible for day-to-day administrative operations of the City.

In Olympia, the City Council makes policy and serves as the legislative group responsible for approving City ordinances and establishing City policy. Councilmembers are part-time employees, although Olympia's Councilmembers estimate that, on average, they devote from 15-25 hours per week to Council business. Councilmembers often hold full-time jobs in addition to their duties on the City Council.

Olympia's City Council positions are nonpartisan, are elected for four-year terms, and represent the community at-large rather than designated districts. The seven positions are staggered, with positions ending for three members at one time and four members the next.

The Mayor presides at all meetings of the Council and is recognized as the head of the City for ceremonial purposes and by the Governor for purposes of military law. The Council selects another member to serve a two-year term as Mayor Pro Tem. State law requires that Councilmembers reside within the City limits, be registered voters, and be 18 years of age or over.

Urban Cost of Living Index

According to the [Thurston Regional Planning Council's \(TRPC\) cost-of-living data](#), the cost of living in the Olympia-Lacey-Tumwater area is 13.5 percent higher than the average of 265 other urban areas that participate in a Community and Economic Research Survey conducted by the Council for Community and Economic Research. The survey includes products and services in the categories of groceries, health care, housing, transportation, utilities and more.

Education

The Olympia-Lacey-Tumwater area has a variety of educational opportunities available to the students and adults of the community. These include both private and public primary, secondary, and higher education institutions.

Three school districts provide primary and secondary education to the community's students. These school districts offer a wide variety of services and opportunities for students, including the Head Start Program for preschoolers, advanced placement services for high school students, and numerous community-based learning experiences for all grade levels.

South Puget Sound Community College (SPSCC) is the largest institution of higher education in Thurston County. SPSCC currently serves more than 2,000 students, including degree-seeking students, high school students, veterans, international students, and underemployed workers. The college offers day and evening classes, basic education, job skills training, and continuing education and personal enrichment courses. SPSCC has been named a top 50 community college by College Choice and has been listed several times as one of the nation's 150 best community colleges by the Aspen Institute's College Excellence Program.

The Evergreen State College is a public liberal arts college with a national reputation for innovation in teaching and learning. Founded in 1967, Evergreen opened its doors in 1971 and now enrolls around 3,300 students. While most of Evergreen's students are enrolled in undergraduate programs at the Olympia campus, the College also provides an evening and weekend studies program and three graduate programs (Environmental Studies, Public Administration, and Teaching). Evergreen has more than 45 fields of study to explore and 90 percent of graduates are employed or pursuing graduate/professional studies within one year of graduation.

Saint Martin's University is a private, Catholic Benedictine university and is the oldest institution of higher learning in Thurston County. It is one of 14 Benedictine colleges and universities in the U.S. and Canada and the only one west of the Rockies.

Established in 1895 by the Roman Catholic Benedictine Order, Saint Martin's is located on a 300-acre campus just north of Olympia in the City of Lacey. The school offers 27 undergraduate programs in the liberal arts and professions, seven graduate programs, and numerous pre-professional and certification programs. More than 1,600 students attend the University's main campus, about 370 students are enrolled in courses at extension campuses at the military's Joint Base Lewis-McChord, Centralia Community College, and Tacoma Community College.

Business and Industry

Olympia's early development focused primarily on its port and lumber-based industries, and later on oyster and dairy farming. During the mid-twentieth century, the decline of the timber industry resulted in the loss of many of the local mills and associated operations. During the 1970s, Olympia expanded as a center of state government offices and employees, military personnel, and their respective families.

In the late 1960s and early 1970s, the State Legislature approved and financed construction of the Evergreen State College. The four-year public institution became an economic and cultural fixture in Thurston County with faculty, staff and students contributing to the local housing and retail sectors. On a smaller scale, South Puget Sound Community College and Saint Martin's University in nearby Lacey also drove the housing demand. In the late 1980s, Olympia's waterfront and downtown were revitalized, and an effort began to draw new businesses to the area.

Today Olympia is the employment epicenter for Thurston County. Most current census data indicates that there are approximately 146,000 jobs in Thurston County. The economy in Olympia today is predominately driven by three industries: public administration, healthcare, and retail trade. Public administration accounts for 26 percent of all jobs in Olympia, with Healthcare at 12 percent and retail trade at 11 percent. Over 84 percent of the primary jobs in Olympia are held by people that do not live in the city but rather commute in for employment. The median household income in Thurston County for the 2021 estimate is \$81,693.

Public Transportation

Communities throughout the Thurston County region have adopted comprehensive strategies to meet the mobility needs of people, goods and services well into the future. These strategies address all aspects of the region's transportation system, including streets and roads, public transportation, rail, bicycle and pedestrian facilities, and marine and aviation facilities.

Transportation alternatives—like public transportation, bike lanes, sidewalks, and rail—provide more people with feasible options for getting from Point A to Point B. These alternatives also improve the quality of life for neighborhoods, downtown core areas, and busy corridors linking important activity centers.

Utilities

Through a combination of public and private enterprises, Olympia offers first-rate utility services. The City of Olympia maintains an aggressive capital program to improve and maintain facilities for drinking water, stormwater, and wastewater utilities. Agencies and businesses can use reclaimed water for irrigation, commercial processes, decorative fountains and ponds, pressure washing, dust control, toilet flushing, groundwater recharge and streamflow, and wetland enhancement. The City also provides a Waste ReSources utility which offers a wide range of solid waste, recycling, and organic services. Natural gas and electricity is provided for most residents by Puget Sound Energy, and local telephone service is provided by several different providers with Century Link being the major provider.

Public Safety

The essential duty of any city government is the welfare and protection of the public. That bond of service is foundational to what the City of Olympia does across multiple departments in an increasingly complex and challenging environment. Public safety is core to the Fire Department's charge to maintain its readiness to respond to individual emergencies at a moment's notices and its responsibility to plan and prepare for potential community-wide natural disasters. Public safety drives the Police Department's commitment to training staff in crisis intervention, procedural justice, de-escalation and fair and impartial policing, and to ensuring those capabilities play out on the street as officers interact with the public.

Parks

The City of Olympia cultivates a sense of belonging and cohesiveness in the community by creating opportunities for community members to share experiences. Community members look forward to annual events such as the City-sponsored Arts Walk and Procession of the Species Parade. The City devotes resources and partners with private organizations for events such as the Capital Lakefair Festival and Parade, Dragon Boat Festival, Capital City Marathon, Pet Parade, Olympia Harbor Days, Toy Run Motorcycle Rally and more! For these particular events, the City provides event space and in-kind services.

The City also provides space for some our City's best-loved places. The City owns the buildings at the Farmers Market, Hands on Children's Museum, Olympia Timberland Regional Library, and the Washington Center for the Performing Arts – all places our community members can go to learn new things, appreciate the arts, and gather with friends old and new.

Public Art

In 1990, the City of Olympia passed an ordinance setting aside one dollar per person and one percent of major City construction projects for public art. Projects range from small local artist projects in neighborhood parks to major installations and design teams. In 1998, the Olympia Arts Commission created a long-range plan for public art in Olympia. The vision for the future states:

We envision a public art program that is inspiring- thought provoking and functional, inclusive and diverse. We envision a public art program that is woven into the community and our daily lives-our neighborhoods, parks, buildings, infrastructure and public spaces. We invite all segments of our community to work with the City to sustain the current vitality of the arts and embrace new challenges.

Guided walking tours are available in the summer and the City's entire collection can be viewed online. For community members and visitors who prefer a self-guided approach to art appreciation, the City offers walking maps marked with public art locations. Not all pieces are on display year-round.

Do We Make a Difference?

We believe so. Olympia residents know there is a feeling associated with living here – a palpable sense of belonging to something bigger, something important, something that is growing and changing to help direct our future in positive ways. The things we do to support our mission – *Working Together to Make a Difference* – make Olympia a great place to live, work, and play.

Olympia at a Glance

Population Projection (2022):
56,370

Average Price of a Home (2021):
\$470,000

Median Household Income (2021):
\$81,693

Percent of Renters (2017 - 2021 Average):
52%

Public Works	As of 12/31/2022
Miles of Drinking Water Pipe	430
Miles of Sewer Pipe	227
Miles of Streets	218
Miles of Bike Lanes	41
Solid Waste Going to Landfill	3.14 lbs/capita/day
Tons of Yard & Food Waste Composted	6332
Tons Collected for Recycle	4438

Community Planning & Development	As of 12/31/2022
Number of Neighborhood Associations	36
Average Number of New Housing Units Constructed Annually	307

Fire	As of 12/31/2022
Number of Firefighters	90
Calls for Service	15,553.00
Number of Responding Units	8
Number of Fire Stations	4
Utstein CPR Survival Rate	50 %

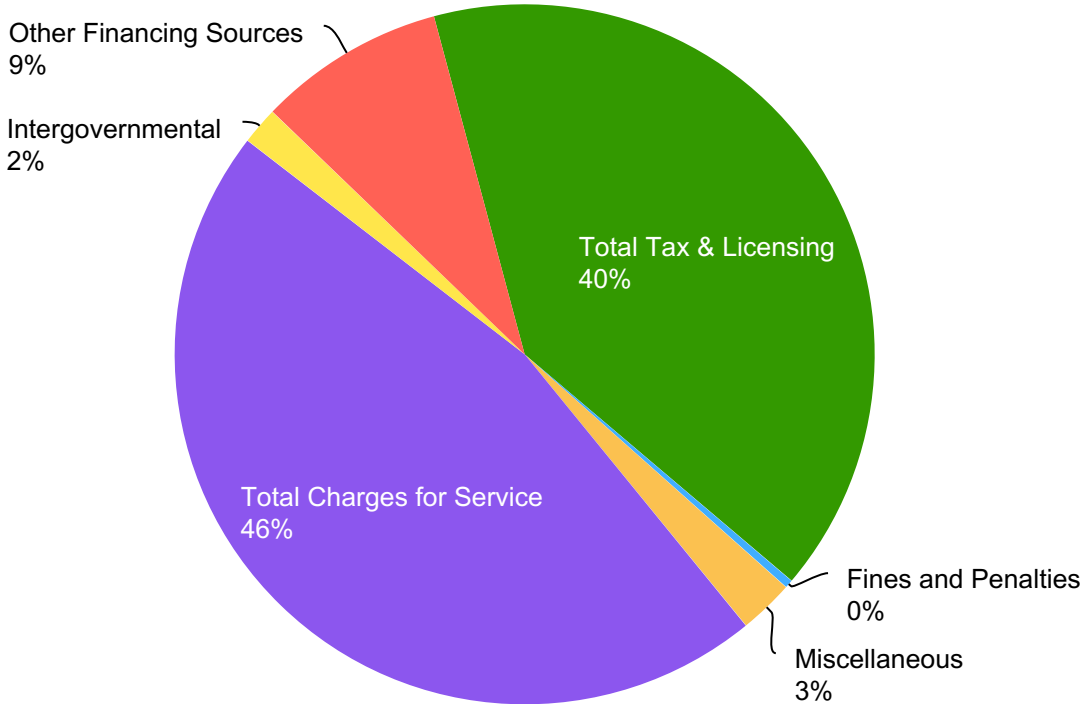
Parks	As of 12/31/2022
Acres of Parks	1466.16
Parks	55
Miles of Trails	23.5
Shoreline Miles	4.49
City-Owned Athletic Fields	12
Playgrounds	12

Police	As of 12/31/2022
Calls for Service	52,127
Arrests made	3,349
Commissioned Officers	74
Community Engagement Hours	807.35
Bookings in Olympia's Municipal Jail	848

Overview of Revenues and Expenditures

Where Money Comes From

Total Operating Revenue - \$184,918,040



Tax, Licensing and Permit Revenue	
Property	\$21,135,984
Sales	28,770,000
Business & Occupation	20,175,033
Licenses and Permits	4,166,134
Other Taxes	415,000
TOTAL	\$74,662,151

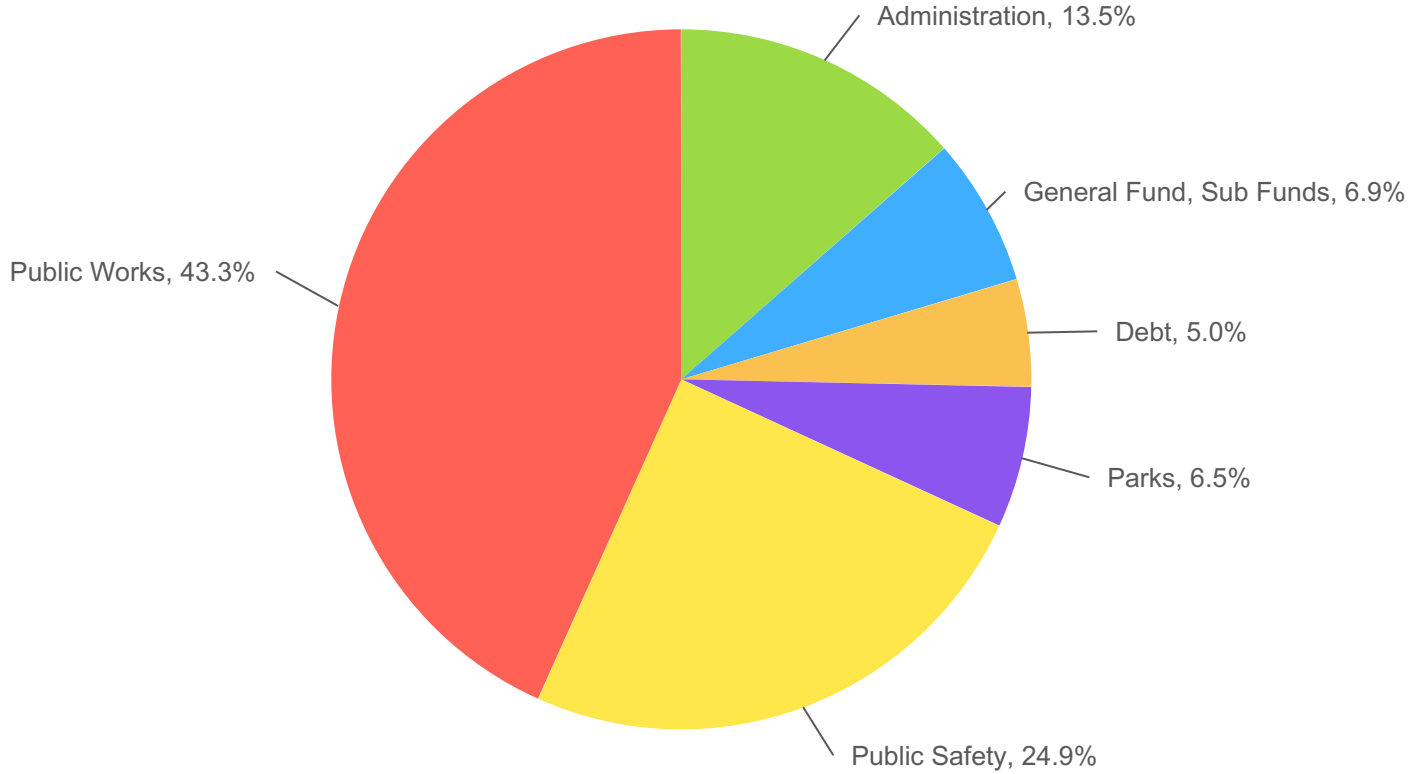
Charges for Service Revenue	
Security (Persons & Property)	\$6,285,856
Wastewater	24,550,850
Drinking Water	14,921,207
Waste ReSources	14,194,566
General Government	12,154,106
Storm and Surface Water	7,022,000
Other	3,248,095
Equipment Rental	3,320,017
TOTAL	\$85,696,697

Other Revenue Sources	
Intergovernmental	\$3,215,635
Fines & Penalties	689,300
Miscellaneous	4,685,815
Other Financing Sources	15,968,442
TOTAL	\$24,559,192

TOTAL OPERATING REVENUES	\$184,918,040
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Where Money Goes

Total Operating Expenditures - \$188,995,811



Where the Money Goes

	2023	% of Total
Administration *	\$25,563,762	13.53 %
General Fund, Sub Funds	12,973,840	6.86 %
Debt	9,385,208	4.97 %
Parks	12,305,725	6.51 %
Public Safety	46,974,244	24.85 %
Public Works	81,793,032	43.28 %
Total	\$188,995,811	100.00 %

Administration * includes the remaining General Fund departments: City Manager's Office, Finance Department, Legal Department and Municipal Court.

Comparative Summary of Operating Budget Revenue and Expenditures - All Operating Fund

	ACTUAL 2020	ACTUAL 2021	ORIGINAL BUDGET 2022	ACTUAL 2022	BUDGET 2023	% CHANGE 2022 ORIGINAL TO 2023 BUDGET
REVENUES (BY TYPE)						
Taxes	\$59,782,712	\$66,428,238	\$68,072,351	\$69,213,082	\$70,496,017	3.6 %
Licenses & Permits	3,489,479	3,473,206	3,839,854	3,638,356	4,166,134	8.5 %
Intergovernmental	5,890,662	5,315,259	2,862,423	6,095,308	3,215,635	12.3 %
Charges for Services	72,382,130	75,754,464	81,172,976	80,278,344	85,696,697	5.6 %
Fines & Penalties	413,513	588,551	664,075	760,976	689,300	3.8 %
Operating Transfers In	17,876,898	18,825,570	13,933,689	14,364,775	15,968,442	14.6 %
Other Revenue	11,024,568	5,190,186	3,992,374	4,465,629	4,685,815	17.4 %
Total Revenues	\$170,859,962	\$175,575,474	\$174,537,742	\$178,816,470	\$184,918,040	5.9 %

EXPENDITURES (BY FUNCTION)						
General Government (2)	5,747,435	0	0	0	0	0.0 %
Legislative Office	0	270,872	284,589	349,993	298,611	4.9 %
City Manager's Office	0	570,734	696,339	965,509	719,886	3.4 %
Strategic Communication	0	519,889	954,789	1,074,251	1,191,008	24.7 %
Special Accounts	0	2,268,844	3,305,279	5,690,767	5,816,233	76.0 %
Office of Community Vitality	0	2,489,626	1,922,435	2,357,334	3,010,209	56.6 %
Office of Strategic Initiatives	0	6,008,754	7,207,926	6,752,760	7,587,299	5.3 %
Municipal Court	1,886,725	2,024,229	2,125,292	2,095,563	2,276,279	7.1 %
Administrative Services (2)	8,562,183	0	0	0	0	0.0 %
Comm Planning & Dev (3)	8,086,906	5,018,898	6,917,089	6,497,495	0	(100.0)%
Finance	0	2,862,024	3,161,992	3,047,012	3,561,112	12.6 %
Fire	18,619,115	17,606,587	18,812,866	20,615,494	20,110,834	6.9 %
Legal	0	1,531,604	1,682,740	1,632,153	1,776,841	5.6 %
Police	19,455,308	20,744,577	24,514,031	21,106,538	26,189,694	6.8 %
Parks	8,275,407	9,763,803	11,633,737	10,915,856	12,305,725	5.8 %
<i>Public Works</i>						
<i>General Fund</i>	11,889,186	8,334,508	11,660,708	9,994,428	12,088,013	3.7 %
<i>Utilities</i>	52,661,467	55,717,640	58,512,725	56,654,012	63,719,703	8.9 %
<i>Equipment Rental</i>	2,229,248	2,522,965	2,672,022	2,813,679	3,024,982	13.2 %
<i>Facilities</i>	0	500,000	2,390,498	2,252,652	2,810,334	17.6 %
Debt						
General Obligation	7,244,649	3,971,914	5,693,661	5,692,459	5,513,283	(3.2)%
Revenue	7,729,265	4,138,937	3,824,169	3,951,742	3,871,924	1.2 %
General Fund Contribution to CFP	425,000	989,849	475,000	3,325,000	150,000	(68.4)%
General Fund - Sub Funds (1)	11,296,470	12,390,592	9,073,257	9,083,893	12,973,840	43.0 %
Total Expenditures	\$164,108,364	\$160,246,846	\$177,521,144	\$176,868,590	\$188,995,810	
Net Revenue over / (under) Expenditures	\$6,751,598	\$15,328,628	\$(2,983,402)	\$1,947,880	\$(4,077,770)	

(1) Sub-Funds appropriations are for special purposes and in general do not lapse at year end.

(2) Elimination of General Government and Administrative Services with reorganization.

(3) Community Planning & Development was moved from the General Fund to the General Fund - Sub Funds.

Combining Summary of Operating Budget by Revenue Source & Budget Classification - All Operating Funds

2023 GENERAL FUND			2023 DEBT SERVICE		2023 PROPRIETARY FUNDS						TOTAL OPERATING FUNDS	
REVENUES	REGULAR	SUB-FUNDS	G.O.	REVENUE	DRINKING WATER	WASTEWATER	STORMWATER	WASTE RESOURCES	EQUIPMENT	FACILITIES	2023	2022
	OPERATIONS		BOND	BOND	UTILITY	UTILITY	UTILITY	UTILITY	RENTAL		BUDGET	BUDGET
Taxes	\$66,228,399	\$1,000,000	\$3,267,618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,496,017	\$68,072,351
Licenses and Permits	854,100	3,312,034	0	0	0	0	0	0	0	0	4,166,134	3,839,854
Intergovernmental	3,215,635	0	0	0	0	0	0	0	0	0	3,215,635	4,215,923
Charges for Services	18,861,155	2,826,902	0	0	14,921,207	24,550,850	7,022,000	14,194,566	3,320,017	0	85,696,697	81,172,976
Fines and Penalties	329,300	360,000	0	0	0	0	0	0	0	0	689,300	664,075
Operating Transfers In	4,117,579	3,989,082	2,251,917	3,871,925	0	0	49,595	0	0	1,688,344	15,968,442	14,203,689
Other Revenue	1,279,687	1,405,510	0	0	346,000	28,500	12,500	491,628	0	1,121,990	4,685,815	3,992,374
Total Revenues	\$94,885,855	\$12,893,528	\$5,519,535	\$3,871,925	\$15,267,207	\$24,579,350	\$7,084,095	\$14,686,194	\$3,320,017	\$2,810,334	\$184,918,040	\$176,161,242
EXPENDITURES												
Salaries and Wages	\$55,216,176	\$4,752,672	\$0	\$0	\$3,002,222	\$1,564,384	\$2,271,305	\$2,475,041	\$635,822	\$775,268	\$70,692,890	\$65,778,499
Personnel Benefits	18,076,341	1,652,728	0	0	1,257,269	545,676	793,176	1,072,309	290,132	287,228	23,974,859	22,224,026
Supplies	2,467,235	478,420	0	0	1,121,954	370,580	270,909	474,321	1,202,000	91,559	6,476,978	6,309,870
Other Services and Charges	9,528,356	3,487,099	0	0	1,248,368	534,829	475,718	5,031,177	110,400	880,905	21,296,853	20,609,266
Intergovernmental Services	5,226,661	395,635	0	0	6,495,207	19,951,140	1,589,547	2,718,535	50	0	36,376,775	36,353,274
Interfund Payments	6,448,879	2,207,286	0	0	3,214,237	1,700,393	1,938,250	3,523,155	786,578	775,374	20,594,152	16,153,219
Capital Outlay	118,095	0	0	0	0	0	0	80,000	0	0	198,095	104,500
Debt Service-Principal	0	0	3,341,900	3,439,265	0	0	0	0	0	0	6,781,165	6,663,716
Debt Service-Interest	0	0	2,171,383	432,659	0	0	0	0	0	0	2,604,043	2,854,114
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenditures	\$97,081,743	\$12,973,840	\$5,513,283	\$3,871,924	\$16,339,257	\$24,667,002	\$7,338,905	\$15,374,538	\$3,024,982	\$2,810,334	\$188,995,810	\$177,050,484
Net Gain or (Use) of Fund Equity from Operation	\$(2,195,888)	\$(80,312)	\$6,252	\$1	\$(1,072,050)	\$(87,652)	\$(254,810)	\$(688,344)	\$295,035	\$0	\$(4,077,770)	\$(889,242)
Estimated Fund Balance Available January 1, 2023	\$31,806,391	\$9,591,889	\$568,006	\$(12,887,890)	\$37,912,337	\$38,213,622	\$22,828,840	\$4,955,702	\$656,346	\$0	\$133,645,243	
Budgeted Ending Fund Balance	\$29,610,503	\$9,511,577	\$574,258	\$(12,887,889)	\$36,840,287	\$38,125,970	\$22,574,030	\$4,267,358	\$951,381	\$0	\$129,567,473	
Percent of Change	(7)%	(1)%	1%	—%	(3)%	—%	(1)%	(14)%	45%	—%	(3)%	

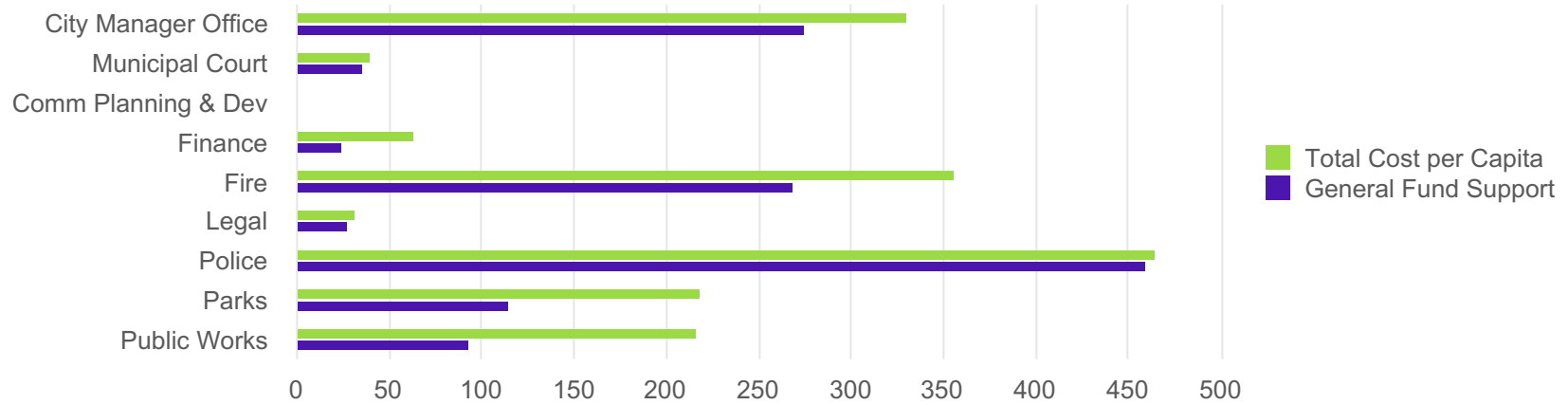
Note #1 Note #2

Combining Summary of Expenditures by Budget Classification - General Fund by Department

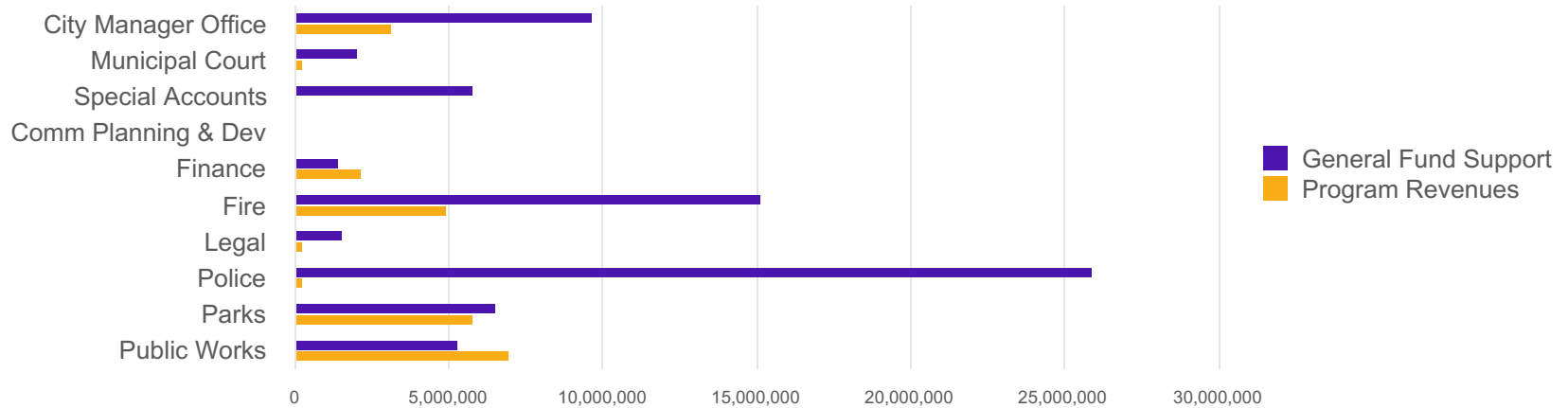
EXPENDITURES	City Manager Office	Municipal Court	Special Accounts	Finance	Fire	Legal	Police	Parks	Public Works	Total Operating Funds	
										2023	2022
Salaries	\$7,040,347	\$1,382,402	\$954,933	\$2,068,450	\$13,555,325	\$1,225,400	\$16,368,996	\$6,338,193	\$6,282,130	\$55,216,176	\$56,133,381
Personnel Benefits	2,493,812	545,489	39,000	734,843	3,986,225	418,751	5,112,284	2,282,674	2,463,263	18,076,341	18,448,642
Supplies	65,960	21,095	0	48,430	804,075	8,100	503,129	441,284	575,162	2,467,235	2,455,617
Other Services & Charges	2,827,327	230,779	548,461	592,040	743,875	56,356	1,681,251	1,926,838	921,429	9,528,356	10,671,306
Intergovernmental Services	0	0	4,196,493	0	9,400	0	483,562	116,810	420,396	5,226,661	2,603,290
Interfund Payments	379,567	96,514	77,346	117,349	932,623	68,234	2,040,471	1,161,142	1,575,633	6,448,879	6,141,891
Capital Outlays	0	0	0	0	79,311	0	0	38,784	0	118,095	2,400
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0	0
Total Expenditures	\$12,807,013	\$2,276,279	\$5,816,233	\$3,561,112	\$20,110,834	\$1,776,841	\$26,189,693	\$12,305,725	\$12,238,013	\$97,081,743	\$96,456,527
Program Revenues	3,132,325	222,020	0	2,166,073	4,955,685	230,145	260,402	5,800,477	6,959,546	23,726,673	25,232,319
Support from General Revenues	9,674,688	2,054,259	5,816,233	1,395,039	15,155,149	1,546,696	25,929,291	6,505,248	5,278,467	73,355,070	71,224,208

Cost per Capita:																					
Total	\$	330	\$	40	w/Gen Gov	\$	63	\$	357	\$	32	\$	465	\$	218	\$	217	\$	1,722	\$	1,672
Support from General Fund Revenues	\$	275	\$	36	w/Gen Gov	\$	25	\$	269	\$	27	\$	460	\$	115	\$	94	\$	1,301	\$	1,193

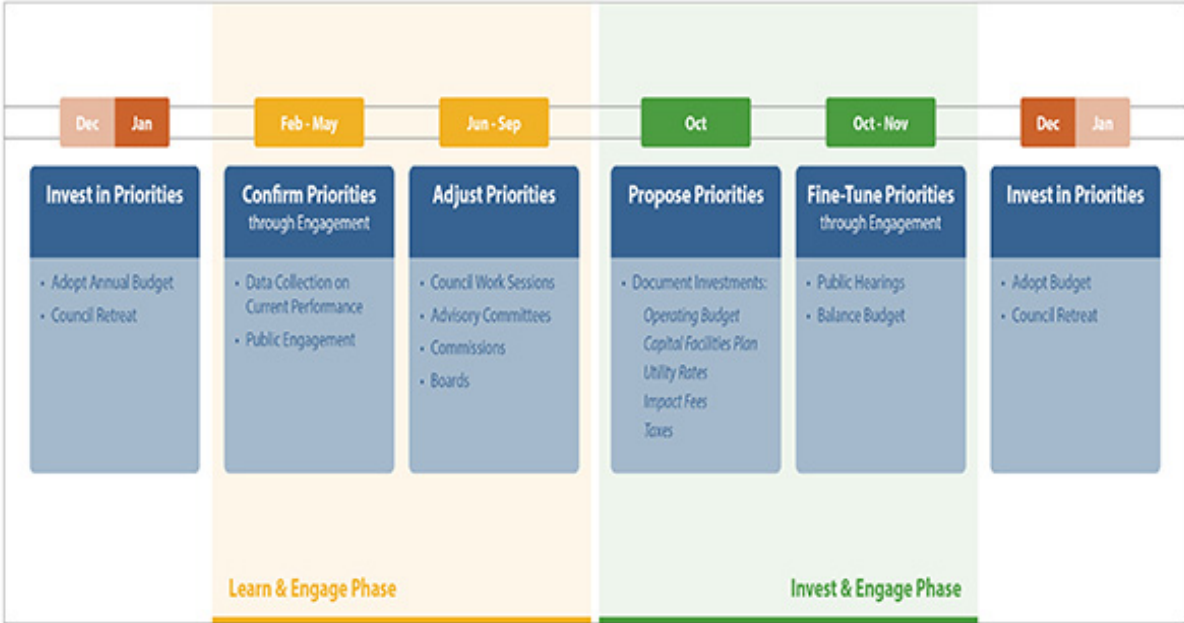
2023 Cost per Capita by Department



2023 Program Revenue vs General Fund Support



Budget Process



Included in this Section

- [Overview](#) 36
- [Budget Cycle](#) 37
- [PPI Cycle](#) 40
- [Priorities & Community Investments](#) 41
- [Performance](#) 43

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Budget Process - Overview

Preparing the City's budget is more than projecting revenues and expenditures for a given year. The budget provides a financial plan that reflects the City Council and Community's priorities.

Fifty years ago, the City of Olympia adopted its first Comprehensive Plan. The policies and goals of this document guide how we will grow and develop over 20 years. In 2014, the City asked community members to "Imagine Olympia," and the result was an updated Comprehensive Plan with a new vision that is bold, broad and ambitious.

The [2014 Comprehensive Plan](#) called for the City to develop a strategy to implement the Comprehensive Plan Goals. We created an Action Plan, which Council accepted in 2016.

The Action Plan is organized into six focus areas:

1. Public Health & Safety
2. Community Livability
3. Downtown
4. Economy
5. Environment
6. Neighborhoods

Each focus area identifies desired outcomes, strategies and community indicators to help us track how we are doing.

Since then, the City has put in place a framework to intentionally take steps to achieve that vision through strategic planning, performance management and continuous learning. This framework is what we refer to as the annual Priorities, Performance and Investment (PPI) cycle. It includes three main phases:

- **Learning.** The City uses community indicators and performance measures to take an honest and fact-based look at how we are doing in achieving our community vision.
- **Engaging.** The City hosts conversations and provides engagement opportunities to listen to community members to affirm priorities based on that data.
- **Investing.** The priorities and performance inform the City on how we invest resources to achieve our community vision, including funding and City staff time.

The City's annual budgeting process is one of the most visible and significant ways we achieve and articulate the community vision. Being good stewards of taxpayer dollars means ensuring that funding is committed to projects and programs that are financially sustainable and clearly align with, and carry out, the community vision.

Budget Cycle

Each year, the City's Operating Budget is developed over several months with input from City departments, City Council and the community. The calendar for both the Operating and Capital budgets is presented below:

2023 Budget Calendar	
Jan - Mar	<ul style="list-style-type: none"> • Council sets priorities and goals • Community Indicators and Performance Measurements reviewed
Apr - May	<ul style="list-style-type: none"> • Launch Public Engagement Process
Jun	<ul style="list-style-type: none"> • Revenue forecasts updated • Expenditure assumptions established • City Manager provides budget direction to Executive Team • Departments prepare and submit budget, performance measurements, achievements, and future objectives
Aug	<ul style="list-style-type: none"> • Budget Review Team meets with Departments
Sept	<ul style="list-style-type: none"> • City Manager presents balanced budget to City Council • Public Hearing: CFP and Financial Plan
Oct	<ul style="list-style-type: none"> • Preliminary Budget Document available online
Oct	<ul style="list-style-type: none"> • Public Hearing: Ad Valorem Property Tax • Council Budget Discussion: Impact Fees, Utility Rates, and general discussion
Nov	<ul style="list-style-type: none"> • Public Hearing: Operating and Capital Budget
Nov	<ul style="list-style-type: none"> • Council Discussion: Operating and Capital Budget Balancing
Dec	<ul style="list-style-type: none"> • Approval of Budget Ordinance adopting Operating Budget, Capital Budget, Capital Facility Plan, Impact and Utility Fees and General Facilities Charges
Dec	<ul style="list-style-type: none"> • Second reading of Budget Ordinance

This cycle doesn't end with the adoption of the budget. The budget cycle for the City Manager, Budget Review Team, Finance Committee, City Council, and our community members is year-round in nature since we are continually affirming our priorities, tracking our performance and adjusting our investments to achieve the community's vision.

The City Council Finance Committee

The Finance Committee is comprised of three City Councilmembers. They are scheduled to meet monthly throughout the year to review financial policies, financial reports, and discuss programs and services that directly impact the annual budget. Finance Committee also engages the public in the late spring to hear community members' experiences and perspectives to help inform the City's budget investments. This work guides the development of both our 2023 Operating and Capital budgets.

The Finance Committee's recommendations are forwarded to the full City Council for their review and discussion, prior to adoption of the budget in December.

In 2022, the Finance Committee was comprised of City Councilmembers:

- Lisa Parshley, Committee Chair
- Jim Cooper
- Yến Huỳnh

Budget Adoption

The City of Olympia adopts a legally binding annual budget in accordance with Washington State Law as set forth in [RCW 35A.33](#), which provides legal standards for preparing, presenting, adopting, implementing, and monitoring the budget. The City's Fiscal Year runs from January 1 through December 31.

The City's budget is adopted at the fund level; therefore, expenditures may not legally exceed appropriations at that level of detail. Appropriated budgets are adopted for Operating Fund and lapse at year-end.

The City's budget is balanced. In the case of the Operating budget, this means that expenditures are generally funded from current revenues. In instances where expenditures may be funded from fund balance (reserves), such funding is from fund balance amounts which exceed any operating reserve requirement. It is the City's practice to generally use fund balance only to fund one-time items in governmental funds.

Reserve amounts above policy reserve guidelines may be used on occasion to fund utility budgets. Generally, this is to level rates and avoid rate spikes.

The Capital Budget (Capital Facilities Plan, or CFP) is the estimated amount planned to be expended for capital items in the next six years. Projects in the CFP include land acquisition and other capital assets such as facilities and equipment that generally exceed \$50,000, with a life expectancy greater than five years. The CFP folds into the Operating Budget process and is balanced with anticipated new revenue or reserves. The Capital Budget funds one-time items and not on-going capital expenditures.

Budgets for some special funds and capital project funds are carried forward into the next fiscal year until the completion of the project. These budgets are included in this document as referenced in the Introduction and Capital Facilities Projects sections.

Budgets for Proprietary Fund types (both enterprise and internal service funds) are budgeted on an accrual basis.

Budget Amendments

The City Manager is authorized to transfer appropriations within a fund without Council approval. However, increases or decreases to budget appropriations, or transfers between funds, require Council action. The budget is amended through ordinance which requires two readings prior to adoption. The Operating and Capital budgets are typically amended quarterly, however it may be amended at any Council business meeting.

Priorities, Performance and Investment (PPI) Cycle



The City created several budget videos to help the community understand the budget process. They are available on the [City public website](#).

Priorities & Community Investments

Public Engagement

Our budget document is one of the most important ways we demonstrate our community's values and priorities, so we continue to develop effective and innovative approaches to engage with our community members.

To inform the 2023 budget, the City conducted a statistically-valid community survey. The purpose of the survey was to gauge our progress and assess our performance on the [Comprehensive Plan](#) focus areas. The City also asked questions on the importance of key city services such as drinking water, parks and housing/homeless services.

The full City Council held two meetings to inform the budget process. One was to receive a briefing and discuss the community survey results; and the second meeting was a special work session to share with staff their 2023 budget priorities.

Priorities

The most urgent priorities heard from the community and Council that impact the 2023 budget include investments in: communication and engagement; diversity, equity, and inclusion; public safety; and affordable housing/homelessness. Below is a summary of the priorities by Focus Area.

- Public Health & Safety
 - Homelessness
 - Police Services
 - Public Safety

- Community Livability
 - Diversity, Equity & Inclusion
 - Access to affordable housing

- Downtown
 - Address the impacts of homelessness
 - Improve public safety
 - Economic development

2023 Adopted Operating Budget

- Environment
 - Climate change
 - Urban agriculture
- Economy
 - Economic Development
 - Living wage jobs with diverse employment opportunities
- Neighborhoods
 - Urban agriculture
 - Walkability
 - Density



For more information on these priorities, see the [City Work Plan webpage](#).

Performance

The City of Olympia is committed to establishing a culture of Performance Management at all levels of the organization. We recognize the value of leveraging data to learn and improve, make decisions on policies and programs, and communicating how we're making progress to achieve the community's vision.

The City Council adopted a 20-year Comprehensive Plan that outlines a broad and ambitious vision for our community. To help us track, share, and evaluate our progress, the City organized the plan into six focus areas:

1. Public Health & Safety
2. Community Livability
3. Economy
4. Downtown
5. Environment
6. Neighborhoods

In 2019, the City Manager called for Departments to establish performance metrics that aligned with specific outcomes within these focus areas. Although several Departments started this work, the City-wide effort was delayed due to the COVID-19 pandemic. This effort has been re-invigorated, and the City is on-track to establish key metrics in 2023.

Financial Policies



Included in this Section

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Financial Management Policies	50
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Financial Policies

Budgeting by Fund

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Consistent with generally accepted accounting principles, the City uses governmental, proprietary and fiduciary funds. Each governmental fund, expendable trust, or agency fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Proprietary and similar trust funds use the revenue, expenses and equity accounts similar to businesses in the private sector. Fiduciary funds are not included in the City Operating Budget as the funds recorded in these funds belong to other parties and therefore are not appropriated by City Council.

Governmental Funds	Proprietary Funds	Fiduciary Funds
<p>General Special Revenue Debt Service Capital Project</p>	<p>Enterprise Internal Service</p>	<p>Trust Agency</p>
<p>City Funds</p> <ul style="list-style-type: none"> • General Fund • Special Acct Control Funds • Dev Fee Revenue Fund • Parking Fund • OPEB Trust Fund • Wash Center Endow Fund • Wash Center Ops Fund • Equip & Facility Rep Fund • HUD Fund • Impact Fee Fund • Inspire Olympia • SEPA Mitigation Fund • Lodging Tax Fund • Park&Rec Sidewalk UT Tax Fund • Parking Business Imp Area Fund • Farmers Market Rep Fund • Hands on Childrens Museum Fund • Trans Benefit District Fund • Real Estate Excise Tax Fund • Olympia Metro Park District Fund • Home Fund Operating • All Debt Service Funds • Capital Improvement Fund • Home Fund Capital • Fire Equipment Reserve Fund 	<p>City Funds</p> <ul style="list-style-type: none"> • Water Utility O&M Fund • Sewer Utility O&M Fund • Solid Waste O&M Fund • Storm Water O&M Fund • Stormwater Mitigation Fund • Water Debt Service Funds • Sewer Debt Service Funds • Stormwater Debt Service Fund • Water Cap Imp Fund • Sewer Cap Imp Fund • Stormwater Cap Imp Fund • Waste ReSources Cap Imp Fund • Equip Rental Fund • Facilities Internal Service Fund • Cap Rep Equip Rental Fund • Unemployment Comp Fund • Insurance Trust Fund • Workers Comp Fund 	<p>City Funds</p> <ul style="list-style-type: none"> • Firemens' Pension • Municipal Courts Trust Fund

Governmental Funds

Governmental Funds are generally used to account for tax-supported activities. There are four different types of governmental funds: the general fund, special revenue funds, debt service funds, and capital project funds.

General

The General Fund is the City's primary operating fund. It accounts for all financial resources except those required to be accounted for in other funds and is generally considered to represent the ordinary operations of the City. It derives the majority of its revenues from property, sales, utility, business and occupation taxes, and state shared revenues.

In addition to the regular General Fund, the City has established sub-funds to account for: The Washington Center for the Performing Arts, Development Fee revenue, Parking operations, Equipment Replacement Reserve for repairs and major maintenance, Municipal Arts, Other Post-Employment Benefits (OPEB), and the Special Accounts Control fund.

Special Revenue

Special Revenue funds account for proceeds of specific revenue sources that are restricted or committed for purposes other than debt service or capital projects. The use and limitations of each Special Revenue Fund are specified by City ordinance or federal and state statutes. Other restricted resources are accounted for in debt service and capital project funds.

Debt Service

Debt Services funds are used to account for the accumulation of resources for, and payment of, annual debt service (principle and interest) for general obligation bonds and other governmental debt. These funds are also used to account for the accumulation of resources for, and payments of, special assessment debt service for special assessment levies when the City is obligated in some manner for the payment.

Payments for general obligation bonds are backed by the full faith and credit of the City. The primary source of revenue to support debt service funds is property tax. Enterprise debt service payments are not included in this fund group but are included within the enterprise funds.

Capital Project

Capital Project funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds. Capital project funds are not included in the City's operating budget but are budgeted as part of the [Capital Facilities Plan \(CFP\)](#).

Proprietary Funds

Proprietary funds are used to account for the City's ongoing activities that are similar to those often found in the private sector. These funds are considered self-supporting in that the services rendered by them are generally financed through user charges or on a cost reimbursement basis. There are two types of proprietary funds: Enterprise funds and Internal services funds.

Enterprise Funds

Enterprise funds are funds in which the services provided to the public are financed and operated similar to those of a private business. The funds are self-supporting through user fees which are established, and periodically revised, to ensure revenues are adequate to meet all necessary expenses; capital projects, debt service and ongoing operations. Revenues in Enterprise Funds are restricted to support activities in the fund within which they were earned.

Internal Service Funds

Internal Service funds are used to account for activities that provide goods or services to other funds or departments on a cost reimbursement basis. Similar to Enterprise Funds, Internal Service Funds are intended to be run like a business with user fees supporting the business activities. The customer for the internal service funds are other city departments.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee or agency capacity for others and cannot be used to support the City's own programs. There are four types of fiduciary funds: agency, pension, private-purpose, and investment trust funds. Fiduciary funds are not budgeted or presented in the operating budget. The City has two Fiduciary Funds:

1. Firemen's Pension
2. Municipal Courts Trust

Basis of Accounting and Budgeting

Basis of Accounting

The City's [Annual Comprehensive Financial Report \(ACFR\)](#) presents the financial position and results of operations for the City's various funds and component units. It is prepared using generally accepted accounting principles (GAAP).

- Under GAAP, the modified accrual basis of accounting is used for the governmental funds (General Fund, General Fund sub-funds, debt service funds, special revenue funds, and capital project funds). Under the modified accrual basis of accounting, revenues are recognized and recorded when they are measured and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City of Olympia considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. The modified accrual basis differs from the accrual basis in the following ways:
 - Purchases of capital assets are considered expenditures.
 - Redemptions of long-term debt are considered expenditures when due.
 - Revenues are recorded only when they become both measurable and available to finance expenditures of the current period.
 - Inventories and prepaid items are reported as expenditures when purchased.
 - Interest on long-term debt is recorded as an expenditure when due.
 - Accumulated unpaid vacation, sick pay, and other employee benefits are considered expenditures when paid.
- Under GAAP, the accrual basis of accounting is used for proprietary fund types (enterprise and internal service funds) and fiduciary funds. Under the accrual basis of accounting, revenues are recognized when earned, and their expenses are recognized when they are incurred.

Basis of Budgeting

Similar to the Accounting Basis, the City of Olympia budgets using the modified accrual basis for the Governmental Fund types. Budgets for the Internal Service and Enterprise funds are prepared using a full accrual basis.

The City's budget preparation conforms to GAAP by using a modified accrual basis for preparing the operating budgets for the Governmental Funds and using a full accrual basis for Proprietary Funds. Fiduciary funds are not budgeted. The basis of budget, however, differs from the basis of accounting as follows:

- The City's ACFR includes the Olympia Transportation Improvement District and the Olympia Metropolitan Park District as blended component entities. The Operating and Capital Improvement Project ordinance does not include estimated revenues and appropriations for the operation of these two authorities.

Financial Management Policies

The importance of sound financial management makes it desirable for a city to establish goals and targets for its financial operations so that policies will be consistent and complete and performance can be monitored on an ongoing basis. Because a fiscally sound city government is in the best interest of the community members of the City of Olympia, this Financial Management Policy Statement has been adopted as the guiding management principles which are to be applied in the management of the City's finances.

Budgeting Policy

Budget practice for the City will conform to the following policies:

- Budgets will be formulated and approved according to the following procedural guidelines:
 - The administration decides on programmatic need and recommends funding levels.
 - The Capital Facilities Plan (CFP) is submitted 90 days, and the operating budget presented 60 days, prior to the end of the fiscal year.
 - By State law, the Council must approve the operating budget with a capital budget element prior to the end of the fiscal year.
- The capital budget is submitted on a functional six-year basis, to be updated annually.
- The operating budget is presented at a fund level and shall be adopted annually.
- Performance monitoring of the operating budget will include:
 - Forecast statements for each budget program.
 - A “work measurement system” which compares the costs and benefits for each funded activity.
 - An accounting system which ensures that actual operating expenditures conform to the budget.
- Capital Budgeting Policies and Procedures:
 - Projects will be funded by a combination of bond proceeds, grants, leases, and operating funds, with a maximum of 80 percent funded by long-term debt.
 - Planning for capital projects will include a six-year plan titled Capital Facilities Plan, which must be updated annually and include a statement of projected costs and sources of funds.
 - Capital projects must meet the following criteria:
 - If debt-funded, the term of debt should not exceed the useful life of the project.
 - Capital projects should be built according to specifications which enable them to be self-sustaining whenever possible.
 - Long-term debt should be funded through revenue bond issue whenever feasible to maximize the general obligation debt limitation.

- Six-year budget projections will be prepared and updated annually and will include any expected changes in revenues or expenditures.

Revenue Structure

The City currently receives revenues through Federal and State grants, local taxes, and fees. To achieve the most desirable flow of revenues, planning must be undertaken as follows:

Tax policy must try to avoid:

- Over-reliance on property taxes.
- Adverse effects of excessively heavy taxes.
- Disproportionate burdens levied on any particular taxpayer group.

Structuring of taxes should attempt to:

- Provide a stable and predictable stream of revenue to fund City programs.
- Make collection of revenues simple and reliable.
- Retain/promote business (industry).

When revenues are increased, the following administrative practices will be pursued:

- User fees on certain activities chosen so that low-income families do not bear heavy costs.
- Service fees on activities where either raising revenues or limiting demand would prove beneficial.
- A cash-management system which obtains maximum interest income within State guidelines.

Debt Management

The Objectives of the City's Debt Management Policy will be:

- To smooth the use of debt so that debt service payments will be a predictable and manageable part of the operating budget.
- To raise capital at the lowest cost, consistent with the need to borrow. This will be accomplished by:
 - Keeping a high credit rating (while making attempts to strengthen credit rating).
 - Maintaining a good reputation in the credit markets by adjusting the capital program for regular entry to the bond market and by managing the annual budget responsibly.

Debt instruments the City can use are:

- Short-Term Debt:
 - Short-term debt will not be issued for operating purposes nor will it be rolled over (except for Bond Anticipation Notes [BANs]) from one period to another.

2023 Adopted Operating Budget

- Tax Anticipation Notes (TANs) and Revenue Anticipation Notes (RANs) can be issued in amounts up to 60 percent of expected appropriations and must mature within the fiscal year.
- BANs can be issued with a maximum three-year maturity and can be rolled over when interest rates make short-term debt preferable. BANs cannot be used to extend the life of a bond.
- GANs (Grant Anticipation Notes) can be used when grant reimbursement for a project lags behind the payment schedule for large construction costs.
- Long-Term Debt:
 - Long-term debt will be used to maintain and develop municipal infrastructure when the economic life of a fixed asset exceeds five years.
- Revenue bonds will generally be used for projects which are financially self-sustaining.
- General Obligation bonds can be used to finance public works, which benefit the community and have revenues insufficient to amortize the debt.
- General Obligation pledges can be used to back self-sustaining projects financed through revenue bonds when costs can be reduced and the municipal credit rating is not put in jeopardy by this action.

Debt Issuance Policy will ensure that:

- An attempt to enter the market will be smooth or with regular volume and frequency, as much as possible.
- Advantage be taken of favorable market conditions.
- The timing of revenue bonds considers project, market, and General Obligation factors.
- The municipal credit rating is kept high.

The credit rating component of debt issuance will be strengthened by keeping assessments current.

Disclosure statements will be used to keep taxpayers and investors informed of the City's financial position. These include printed copies of:

- Annual Reports
- Operating Budget and Capital Facilities Plan
- Official Statements

Debt issues will be sold on a competitive basis (except when conditions make a negotiated sale preferable) and awarded to the bidder who produces the lowest interest cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is refunding, or the market is unstable.

Accounting and Financial Reporting

The objectives of a System for Accounting and Financial Reporting are:

- To maintain the confidence of the Council, taxpayers, and investors by providing information which demonstrates that:
 - Money and property are handled responsibly, the current financial position is fully disclosed, and activities are operating at a maximum level of efficiency.
 - Financial performance conforms to all laws, ordinances, and procedures.

To maintain financial control in order that:

- Managers have an information system to use for policy setting, decision-making, and program supervision.
- Municipal activities can monitor their revenues, expenditures, and performance levels.
- Forecasts can be made of future operating and capital budgets, and of future initiatives in taxing policy.

The standards to be followed by the System of Accounting and Financial Reporting fall into the following areas:

- Accounting and Auditing:
 - Procedures will allow reporting per Washington State’s Budget and Accounting Reporting System (BARS) and follow Generally Accepted Accounting Principles (GAAP).
 - Recording will be on a modified accrual basis for revenues and expenditures for governmental funds and on an accrual basis for proprietary and fiduciary funds.
 - New procedures will be developed whenever they can contribute to the quality of timely information flows.
- Financial Reporting:
 - BARS, Governmental Accounting Standards Board (GASB), and Government Finance Officers Association reporting principles will be followed.
 - Reports will be organized in pyramidal form: at the top, a streamlined Annual Report; then an overview of financial position; and results of operations categorized by fund accounts.
 - These reports will be used to promote the City’s good financial profile.
- Manuals:
 - BARS manuals will codify procedures, be used by accounting personnel and City officials, and specify the source of data for each account. They will be maintained by the Finance Department.
 - Policy and procedure manuals will be maintained with current information.

Investments

The policy on investments applies to the investment of all City funds, excluding pension funds. The investment program is intended to provide safety, maximum returns and adequate liquidity to meet cash flow requirements. The minimum requirement for liquidity for operating funds is 10 percent of the annual operating budget.

The City may invest in any of the securities identified as eligible investments as defined by RCW 35A.40.050. In general, these include: Certificates of Deposit, United States Securities, Banker's Acceptances, Repurchase Agreements and Certificates, and Notes and Bonds of the State of Washington. Speculative investments are not allowed.

All investments shall be made through an informal bidding process. The policy shall be to assure no single institution or security is invested into, to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

Long Term Financial Planning

The City has worked to improve its Long-Term Financial Planning over the past year. These improvements help to provide awareness of the financial standing of the City to the City Council, employees, as well as the greater Olympia resident and business communities. Long-term financial planning encourages strategic thinking and provides decision-makers with the tools to allow for making better business decisions by focusing on long-term objectives and the future impact of current decisions. Long-term financial planning provides a platform for analyzing trends as well as risk factors that may impact the City's financial standing and, allows for the organization to be proactive in addressing any issues.

The City's Long-Term Financial Planning process includes the following:

1. The city maintains 10-year financial forecasts for five (General Fund, Water, Sewer, Solid Waste, and Storm Water) of the six major funds as reported in the city Annual Comprehensive Financial Report (ACFR) and will complete a 10-year forecast for the sixth major fund (HUD fund) in 2023. These forecasts provide a forward-looking view of these funds allowing City officials and others to evaluate their long-term sustainability. All forecasts are built assuming status quo operations meaning that no new positions, programs, or rates are included in the forecast. Increases in charges for service or sales revenue is based on growth. [To see the forecasts, click here.](#)

Identified Risks:

Staffing & Service Levels: The forecasts assume flat staffing levels in the forecasted years. It is unlikely that existing staffing will be able to keep pace with necessary additional service levels over time. Without an increase in staffing or other measures, and an associated funding source, the outcome will be a degradation of existing service levels.

Infrastructure Repair and Maintenance: The City has had difficulty fully funding necessary infrastructure repair and maintenance needs and capital replacement reserves on an on-going basis and has used one-time resources to provide some level of funding for those purposes. The lack of ongoing sustainable funding may result in deterioration of infrastructure, especially in the General Fund.

Economic Recession & Slowdowns: The City's General Fund is heavily dependent on taxes. Sales and use tax, business and occupation tax, and taxes on utilities are volatile and impacted by the economy. As the forecast for revenue is based on a five-year trend excluding outliers, revenue growth may not be sustained and decline, or increase at a slower rate, than projected further impacting the City's ability to fund services.

Legislative Changes: Unfunded mandates and changes in federal, state, and county priorities or their fiscal position may impact shared revenues and sources. The City is at risk of being negatively impacted by downstream revenue changes and reduced service levels from other levels of government.

2. Maintaining, updating, and creating financial policies aligning with best practices to guide financial operations and financial decision making.
3. Integrating and aligning financial planning in other City strategic planning processes including the Comprehensive Plan, Transportation Improvement Plan, Utility Improvement Plans, and the Capital Facilities Plan.
4. Identify and assess potential risks, including unfunded liabilities, changes in the economy, regulatory changes, and other issues that may impact the City's financial position and proactively take steps to help mitigate these identified risks.
5. When initiating a new program or activity, ensure that revenue to pay for the service is sustainable over time, ensure the service provided can be done well and pursue innovative service delivery methods, seek partnerships and other cost sharing strategies, be entrepreneurial, and continue to seek operational efficiencies.
6. Assess infrastructure condition and preserve and maintain current infrastructure through maintenance and repair schedules to achieve at least the full useful life of the asset.

City Operating Revenue



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City Operating Revenue

Revenue Basics

What is City Revenue?

Revenue is the income the City needs to pay for all of the services provided. The major sources of City revenues include taxes, license and permits fees, fees charged for providing services to the public, and other miscellaneous revenue such as investment income, and funds received from other governments like grants.

Olympia's revenue structure is primarily influenced by State statutes, as well as the City's size, geography, land use and the type and level of services provided. Other factors include legal, political and economic influences, historical precedent, national economic trends, federal and state laws, intergovernmental relations, and community member and City management preferences. In addition, the City's political policies toward new growth, social welfare and business competition are reflected in its revenue structure.

The revenue the City receives, both current and projected, establishes the basis to determine what services can be provided, as well as the level of those services.

Where Does the City's Revenue Come From?

The majority of City revenue comes from two sources: 46% from charges for services and 38% from taxes. The remaining revenues comes from other governments, the issuance of licenses and permits; and other sources such as investment income, rents, and interfund transfers.

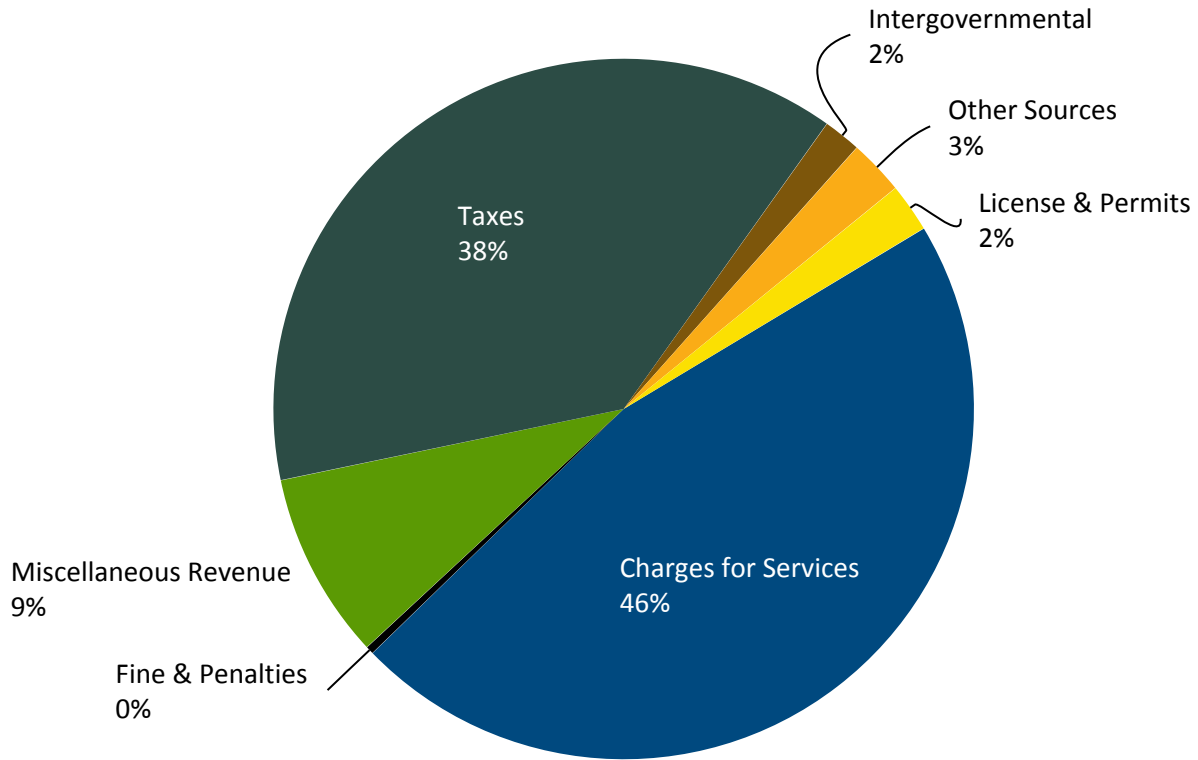
2023 Revenue

For 2023, City revenue is projected at 6 percent more than 2022. The significant factors for this increase include utility service fee increases, growth in property tax collections, and increases in sales and business & occupation taxes. Revenue estimates are based on a five year trend and known changes.

Revenue by Type

WHERE DOES THE MONEY COME FROM?

TOTAL OPERATING REVENUE - \$184,918,040



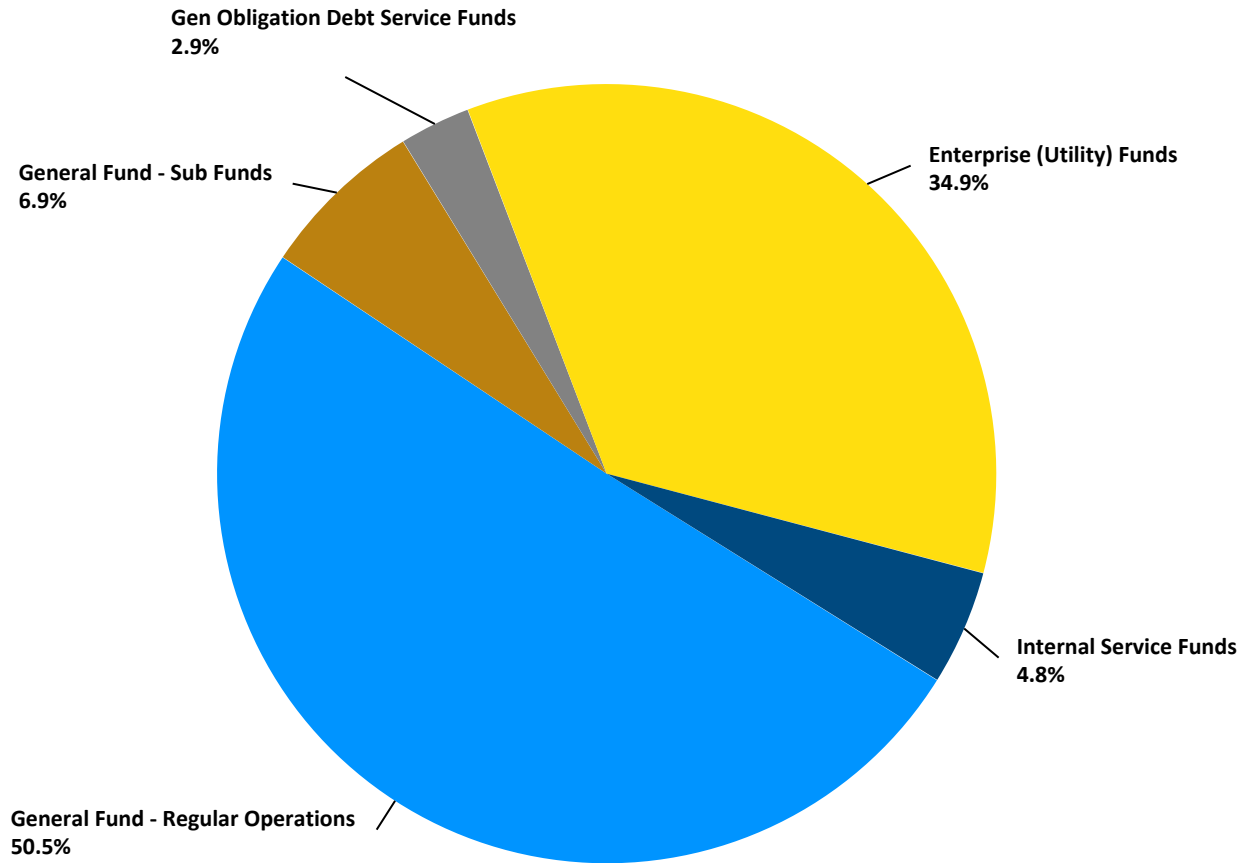
City Revenue (By Type)	2023 Budget	% of Total
Charges for Services	\$ 85,696,697	46%
Taxes	70,496,017	38%
Other Sources*	4,685,815	3%
Miscellaneous Revenue**	15,968,442	9%
License & Permits	4,166,134	2%
Intergovernmental	3,215,635	2%
Fine & Penalties	689,300	Less than 1%
Total City Revenue	\$ 184,918,040	100%

*Interfund transfers, debt proceeds, sale of capital assets
 **Interest, rents, donations

Tax Revenue (By Type)	2023 Budget	% of Total
Property	\$ 21,135,984	30%
Sales	28,770,000	41%
Business & Occupation	20,175,033	29%
Admissions Tax	220,000	Less than 1%
Other Taxes	195,000	Less than 1%
Total Tax Revenue	\$ 70,496,017	100%

Service Charge Revenue (By Type)	2023 Budget	% of Total
Wastewater Utility	\$24,550,850	29%
Water Utility	14,921,207	17%
Waste ReSources Utility	14,194,566	17%
General Government	12,154,106	14%
Storm/Surface Water Utility	7,022,000	8%
Public Safety	6,285,856	7%
Equipment Rental	3,320,017	4%
Other	1,862,376	2%
Parks & Recreation	1,200,719	1%
Transportation	185,000	Less than 1%
Total Service Charge Revenue	\$85,696,697	100%

Revenue by Fund - Operating Funds



Revenue by Fund - Operating Funds

	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	BUDGET 2023	% OF CHANGE 2022 ACTUAL TO 2023 BUDGET
General Fund - Regular Operations					
Property Tax	\$15,292,151	\$16,012,785	\$15,956,055	\$16,868,366	6%
Sales Tax	23,698,856	27,941,079	28,902,120	28,770,000	—%
Business Tax	16,085,559	18,193,695	19,691,783	20,175,033	2%
Permits	810,706	823,633	856,293	854,100	—%
Intergovernmental	3,039,344	4,618,287	5,289,502	3,215,635	(39)%
Services	16,285,501	16,912,681	17,505,005	18,676,155	7%
Fines and Penalties	195,146	205,743	347,588	329,300	(5)%
Rents and Leases	1,493,696	1,431,537	1,615,411	956,089	(41)%
Other Revenue	134,244	85,543	215,981	4,856,177	2148%
	\$77,035,201	\$86,224,985	\$90,379,738	\$94,700,855	5%
General Fund - Sub Funds					
Taxes	\$985,000	\$1,000,000	\$1,000,000	\$1,000,000	—%
Permits	2,645,459	3,084,462	2,768,967	3,312,034	20%
Intergovernmental	—	—	521,122	—	(100)%
Services	1,789,311	2,108,823	2,304,316	2,826,902	23%
Fines and Penalties	263,883	300,000	413,388	360,000	(13)%
Rents and Leases	1,214,256	1,717,324	1,085,265	1,207,000	11%
Other Revenue	2,649,559	1,743,554	1,355,441	4,187,592	209%
	\$9,547,468	\$9,954,163	\$9,448,499	\$12,893,528	36%
Gen Obligation Debt Service Funds					
Taxes	\$3,402,078	\$2,810,522	\$3,256,197	\$3,267,618	—%
Intergovernmental	167,912	81,100	162,565	—	(100)%
Other	2,092,950	2,257,884	2,437,076	2,251,917	(8)%
	\$5,662,940	\$5,149,506	\$5,855,838	\$5,519,535	(6)%
Enterprise (Utility) Funds					
Services	\$52,207,492	\$55,314,806	\$57,354,892	\$60,688,623	6%
Intergovernmental	88,595	87,725	122,119	—	(100)%
Other Revenue	471,303	470,398	590,990	476,000	(19)%
Transfers In	2,588,031	6,165,230	4,000,694	4,324,148	8%
	\$55,355,421	\$62,038,159	\$62,068,696	\$65,488,771	6%
Internal Service Funds					
Services	\$2,158,534	\$2,526,860	\$2,899,263	\$3,320,017	15%
Other Revenue	—	—	—	5,620,668	N/A
	\$2,158,534	\$2,526,860	\$2,899,263	\$8,940,685	208%
TOTAL REVENUE	\$149,759,564	\$165,893,673	\$170,652,034	\$187,543,374	10%
Significant changes in intergovernmental revenue and other revenue are due to the CP&D programs moving into the Development Fee Fund in 2023					

General Fund - Program Revenue By Type

	ACTUAL 2021	ACTUAL 2022	BUDGET 2023	Change
City Manager's Office - Executive Office				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	916,298	300,477	30,000	(270,477)
Charges for Goods and Services	538,372	567,864	173,926	(393,938)
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	0	22,495	0	(22,495)
TOTAL CITY MANAGER'S OFFICE - EXECUTIVE OFFICE	\$1,454,670	\$890,835	\$203,926	\$(686,909)
Office of Community Vitality				
Taxes	\$0	\$0	\$2,945,000	\$2,945,000
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	1,948,440	273,974	249,460	(24,514)
Charges for Goods and Services	0	0	399,425	399,425
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	0	0	0	0
TOTAL OFFICE OF COMMUNITY VITALITY	\$1,948,440	\$273,974	\$3,593,885	\$3,319,911
Office of Strategic Initiatives				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	875	1,075	500	(575)
Intergovernmental Revenues	23,434	23,434	23,434	0
Charges for Goods and Services	1,514,299	1,705,390	1,899,595	194,205
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	1,595	660	720	60
TOTAL OFFICE OF STRATEGIC INITIATIVES	\$1,540,203	\$1,730,559	\$1,924,249	\$193,690
Municipal Court				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	69,819	123,223	21,520	(101,703)
Charges for Goods and Services	197,725	225,560	200,500	(25,060)
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	0	10	0	(10)
TOTAL MUNICIPAL COURT	\$267,544	\$348,792	\$222,020	\$(126,772)

	ACTUAL 2021	ACTUAL 2022	BUDGET 2023	Change
Community Planning & Development				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	1,200	300	0	(300)
Intergovernmental Revenues	3,935,548	3,673,668	0	(3,673,668)
Charges for Goods and Services	430,283	458,180	0	(458,180)
Fines and Penalties	382,760	413,388	0	(413,388)
Miscellaneous Revenues	869,725	1,158,318	0	(1,158,318)
TOTAL COMMUNITY PLANNING & DEVELOPMENT	\$5,619,515	\$5,703,854	\$0	\$(5,703,854)
CP&D is moving into the Development Fee Fund beginning in 2023.				

Finance Department				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Goods and Services	1,376,327	1,326,864	1,979,073	652,209
Fines and Penalties	(1,309)	180,751	180,000	(751)
Miscellaneous Revenues	32,458	32,745	7,000	(25,745)
TOTAL FINANCE DEPARTMENT	\$1,407,476	\$1,540,360	\$2,166,073	\$625,713

Fire Department				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	104,974	135,740	125,000	(10,740)
Intergovernmental Revenues	32,528	30,603	33,463	2,860
Charges for Goods and Services	4,763,494	5,085,538	4,603,392	(482,146)
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	389,241	330,304	193,830	(136,474)
TOTAL FIRE DEPARTMENT	\$5,290,236	\$5,582,185	\$4,955,685	\$(626,500)

Legal Department				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Goods and Services	201,484	208,318	226,495	18,177
Fines and Penalties	3,656	3,044	3,650	606
Miscellaneous Revenues	35	0	0	0
TOTAL LEGAL DEPARTMENT	\$205,175	\$211,362	\$230,145	\$18,783

	ACTUAL 2021	ACTUAL 2022	BUDGET 2023	Change
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Police Department				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	(11,109)	7,542	8,000	458
Intergovernmental Revenues	392,441	190,327	156,704	(33,623)
Charges for Goods and Services	301,699	138,130	86,500	(51,630)
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	52,696	4,350	9,198	4,848
TOTAL POLICE DEPARTMENT	\$735,728	\$340,350	\$260,402	\$(79,948)

Parks, Arts and Recreation				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	6,244	9,103	9,000	(103)
Intergovernmental Revenues	2,740,188	3,143,784	3,768,185	624,401
Charges for Goods and Services	1,267,435	1,552,665	1,764,502	211,837
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	251,383	358,827	258,790	(100,037)
TOTAL PARD	\$4,265,250	\$5,064,379	\$5,800,477	\$736,098

Public Works				
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0
Intergovernmental Revenues	1,667,052	1,627,078	2,933,198	1,306,120
Charges for Goods and Services	5,025,955	4,760,793	5,529,692	768,899
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	751,529	801,285	1,563,339	762,054
TOTAL PUBLIC WORKS	\$7,444,536	\$7,189,155	\$10,026,229	\$2,837,074

Non-Departmental				
Charges for Services	\$62,233,103	\$64,765,939	\$66,033,399	\$1,267,460
Fines and Penalties	721,449	702,533	711,600	9,067
Intergovernmental	1,484,674	3,213,241	1,805,594	(1,407,647)
Licenses & Permits	1,411,817	1,475,703	1,517,600	41,897
Operating Transfers In	203,396	163,793	145,650	(18,143)
Other Revenue	889,602	1,163,498	945,339	(218,159)
TOTAL NON-DEPARTMENTAL	\$66,944,040	\$71,484,706	\$71,159,182	\$(325,524)
TOTAL GENERAL FUND PROGRAM REVENUE	\$91,467,298	\$94,656,657	\$100,542,273	\$5,885,616

CP&D has been removed from the totals row. As noted above the CP&D programs have been moved out of the General Fund in 2023. Including previous years would skew the numbers.

Property Taxes

Property Tax Basics

Property Taxes are the second largest tax source for the City, and make up over 11% of the City's total operating revenue. For 2023, property taxes are estimated to generate \$21.4 million in Operating revenue.

In Washington, RCW 84.52 authorizes cities and other local governments to levy property taxes on properties within their taxing boundaries. The law is based on a budget-based system of property taxation. There are three main components to the property tax:

1. Levy amount (Levy)
2. Assessed Value (AV); and
3. Levy rate

Throughout the year, the Thurston County Assessor determines the assessed value (AV) of taxable existing properties and new construction within City boundaries. As part of the budget process, Olympia City Council establishes the amount of property tax revenue needed to fund next year's budget (Levy). The Levy amount is the total amount to be collected from Olympia's taxpayers. By November 30th each year, the amount of taxes to be levied by all taxing districts are certified by the Assessor. The Assessor then calculates the Levy Rate necessary to raise the Levy revenue by dividing the total Levy amount by the AV of taxable properties in the City. By law, this number is expressed in terms of a dollar rate per \$1,000 of valuation. For example, a rate of \$0.00025 is expressed as \$0.25 per \$1,000 of assessed value.

The County Treasurer acts as the agent to bill and collect property taxes levied in the county for all taxing authorities. Taxes levied in November become due on January 1 and are billed in two equal installments due on April 30 and October 31.

The Assessor establishes AVs at 100 percent to the fair market value, then adjusts those AVs each year based on market value changes. A physical verification of each property is made at least once every six years, and the estimated AV is then adjusted to reflect the physical verification.

Washington cities are authorized by law to levy up to \$3.60 per \$1,000 of assessed valuation for general governmental services. This amount does not include voter-approved special levies. The \$3.60 limit may be reduced for any of the following reasons:

- The Washington State Constitution limits the total regular property taxes to 1% of assessed valuation, or \$10 per \$1,000 of assessed value, of which a city may levy up to \$3.60 per \$1,000 of assessed value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the one percent limit.

- Prior to 2001, Washington State law (RCW 84.55.010) limited the growth of regular property taxes to 6 percent per year, before adjustments for new construction and annexations. After 2001, growth of the regular property tax levy, before new construction and annexations was limited to the lower of 1 percent or the implicit price deflator (IPD). If the IPD is less than 1 percent, the City may declare a substantial need with a super majority of the Council and levy one percent. The 1 percent limit may be exceeded with voter approval. As the IPD was less than 1 percent in 2020, City Council passed a substantial need resolution to allow for the 1 percent increase over the previous year.
- The City may levy taxes below the legal limit. Special levies approved by the voters are not subject to the above limitations.

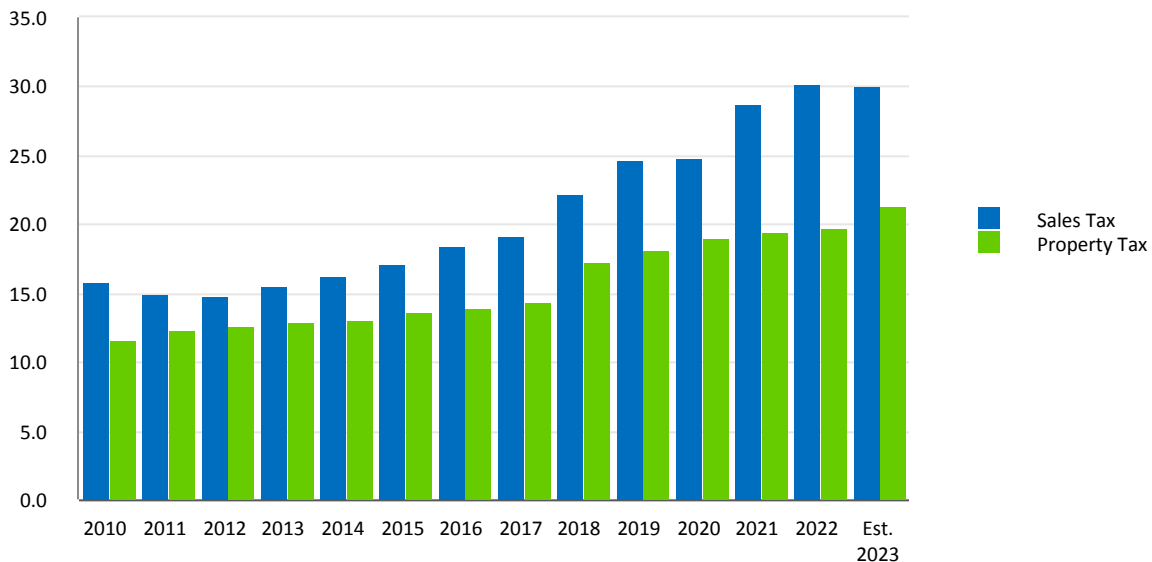
Library Districts are authorized to levy up to \$.50 per \$1,000 of assessed valuation. The City of Olympia is within the Timberland Regional Library District. The Library levy is deducted from the \$3.60 maximum available to cities. Any year in which the Library does not utilize its full \$.50 of levy, a city may assess the unused portion subject to the limitations listed above. In 2020, the Library levy rate was \$0.323 per \$1,000 AV to be collected in 2021.

Cities with a Firemen’s Pension Fund, such as the City of Olympia, may levy an additional \$.225 per \$1,000 of assessed valuation above the \$3.60 limit, less the Library levy.

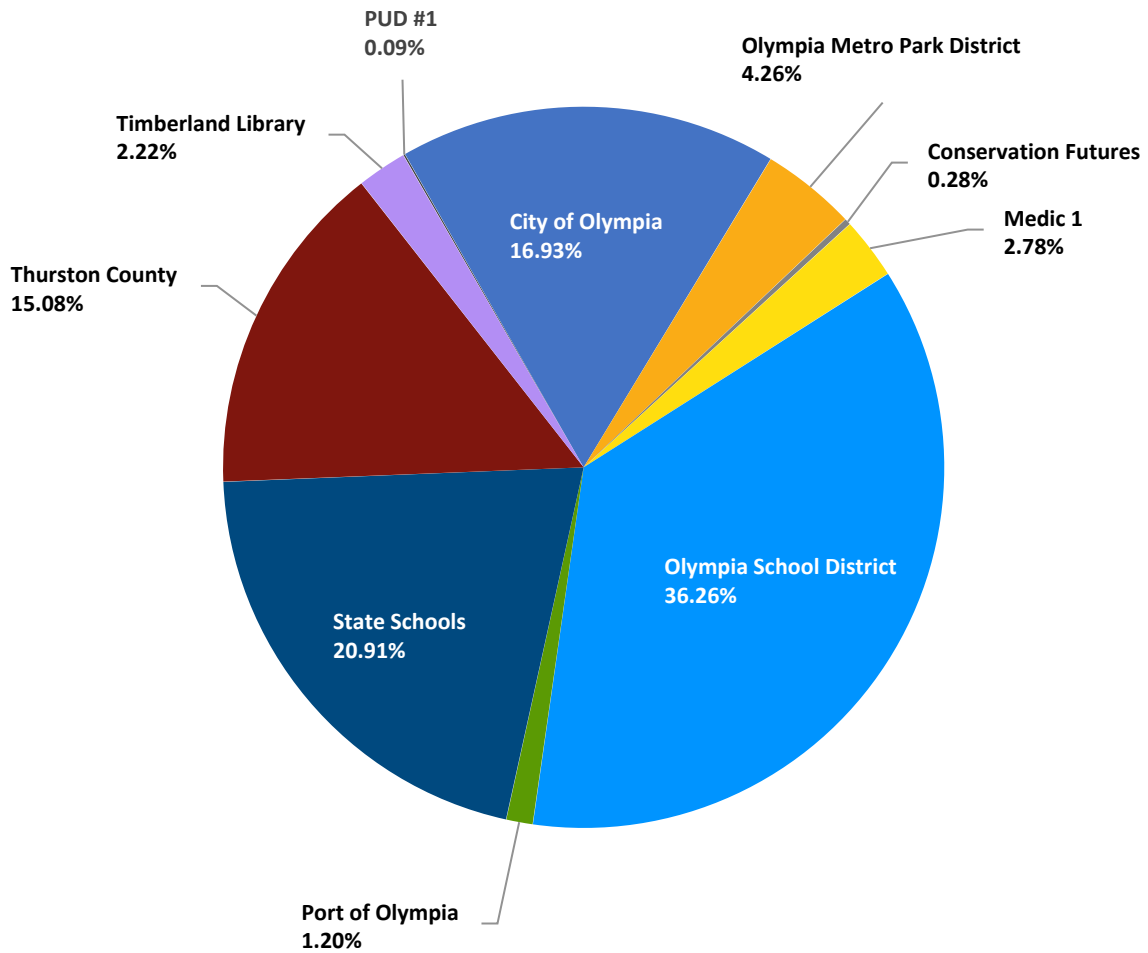
How Does Property Tax Revenue Compare to Sales Tax Revenue?

Sales tax is the largest tax revenue source to the City. Property tax revenue growth is limited to 1 percent plus any new tax revenues generated by new construction and other improvements to property. This has meant that property tax growth has been slower than sales tax growth since 2010. Property tax revenue is less volatile than sales tax growth as can be seen in the 2020 and 2021 data below.

Property & Sales Tax Comparison for the General Fund Taxes Displayed in Millions



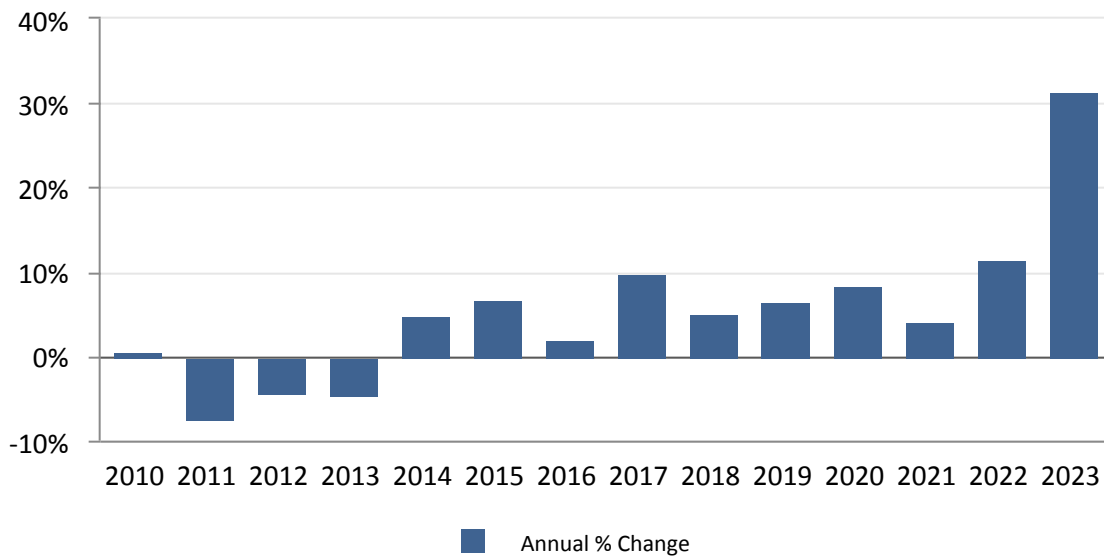
Where Property Tax Dollars Go



Assessed Property Tax Value

Assessment Year - Collection Year	Total Tax Collection	Total Assessed Value (includes New Construction)	New Construction	Total Change	Levy Rate per \$1,000 (approx.)
2022 - 2023 Est.	\$21,135,984	\$11,823,228,971	\$124,100,416	29.99 %	\$1.74
2021 - 2022	\$19,789,226	\$8,991,702,610	\$77,826,189	11.49 %	\$2.21
2020 - 2021	\$19,520,969	\$8,065,316,266	\$93,805,752	4.19 %	\$2.42
2019 - 2020	\$19,027,908	\$7,741,063,697	\$104,345,957	8.50 %	\$2.46
2018 - 2019	\$18,069,598	\$7,134,825,096	\$76,843,810	6.64 %	\$2.53
2017 - 2018	\$17,315,156	\$6,690,364,182	\$64,546,920	5.17 %	\$2.59
2016 - 2017	\$14,420,080	\$6,361,555,378	\$115,732,498	9.96 %	\$2.27
2015 - 2016	\$13,933,700	\$5,785,389,448	\$57,461,280	2.01 %	\$2.41
2014 - 2015	\$13,598,436	\$5,671,256,103	\$55,820,209	6.74 %	\$2.40
2013 - 2014	\$13,115,489	\$5,313,341,232	\$72,174,035	5.00 %	\$2.47
2012 - 2013	\$12,947,164	\$5,060,434,532	\$63,045,263	(4.66)%	\$2.56
2011 - 2012	\$12,597,003	\$5,308,051,162	\$51,343,632	(4.40)%	\$2.37
2010 - 2011	\$12,275,205	\$5,552,078,378	\$63,972,556	(7.46)%	\$2.21
2009 - 2010	\$11,581,683	\$5,999,359,843	\$89,651,803	0.61 %	\$1.93

Property Taxes - Changes in Assessed Value (2010 - 2023)



Property Tax Use

Regular property taxes support the debt service of general non-voted bonds and the Firemen’s Pension Funds. The General Property Tax Levy is allocated as follows:

Regular Property Tax Levy Allocation	
General Fund support	\$16,868,366
City Hall Bonds	\$2,211,634
Firemen’s Pension	\$288,000
LEOFF 1 Retiree Medical (non-budgeted)	\$1,000,000

In addition to the general levy, the 2023 budget includes \$1,055,984 in property taxes collected from a the 2009 voter-approved bonds for the construction of a fire station, fire training center and purchase vehicles.

Example of Property Tax Paid on Median-Priced Home in Olympia

Property Tax Paid - City of Olympia Tax	2022	2023	Change
Median Home Value	\$ 404,564	\$ 470,000	16.2%
Olympia Levy Rate			
Regular Levy	\$ 2.21	\$ 1.74	(21.3)%
Voter Approved Fire Bonds	\$ 0.12	\$ 0.09	(25.0)%
Total Levy Rate	\$ 2.33	\$ 1.83	(21.5)%
Olympia Property Tax			
Regular Levy	\$ 894	\$ 818	(8.5)%
Voter Approved Fire Bonds	\$ 49	\$ 42	(12.9)%
Total Olympia Property Tax	\$ 943	\$ 860	(8.8)%

Olympia Metropolitan Park District Rate			
Median Home Value	\$ 404,564	\$ 470,000	16.2%
Regular Levy	\$ 0.5450	\$ 0.4599	(15.6)%
Total OMPD Property Tax Paid	\$ 220	\$ 216	(2.0)%

Sales Tax - RCW

Sales Tax (RCW 82.14 and OMC 3.48) The City imposes a sales tax of 1.4 percent. In early 2018, City voters approved an additional 0.1 percent in sales tax for the City's Home Fund. The new sales tax is projected to generate \$2.8 million in annual revenue and will be used for capital and operational costs associated with homelessness. In 2022, City voters approved an additional 0.1 percent in sales tax for the City's Cultural Access program called Inspire Olympia. Of the remaining 1.2 percent, 1 percent is for general use, 0.1 percent is used for Public Safety, and a countywide 0.1 percent sales tax that funds criminal justice activities. The county-wide tax is distributed 10 percent to the county with the remaining 90 percent distributed on a per capita basis between the county, cities and towns within the county. The tax is collected and distributed by the State of Washington, which retains one percent of the tax collected for administration costs. Total overlapping sales tax within the City is 8.9 percent. Counties, which also have imposed the general use sales tax, receive 15 percent of the city portion of sales tax revenues collected in cities of that county. Thurston County has also imposed a sales tax of 1 percent. Amounts shown in this document are exclusive of the County portion.

Where Does the 9.5 % Sales Tax Go?

Distribution of the 9.5% for Jurisdiction	
Jurisdiction	% Share
State	6.50%
Correction Facilities / Chemical Dependency	0.10%
911 Dispatch	0.20%
Jail Facilities	0.10%
Intercity Transit	1.20%
City Of Olympia	
General Use	1.00%
Criminal Justice	0.10%
Public Safety	0.10%
Home Fund	0.10%
Cultural Access	0.10%
Total	9.50%

Historical Sales Tax Collection

Sales Tax Collections (2010 - 2023)						
Year	Regular Sales Tax Collections	% Change from Previous Year	Criminal Justice Sales Tax	Public Safety Sales Tax	Home Fund Sales Tax	House Bill 1406
Est. 2023	25,100,000	(0.5)%	1,370,000	2,200,000	1,030,000	356,089
2022	25,224,335	4.5%	1,373,756	2,186,502	1,037,364	338,460
2021	24,140,104	16.4%	1,305,338	2,047,412	989,561	360,292
2020	20,734,394	(1.0)%	1,147,164	1,784,843	852,345	288,139
2019	20,946,194	9.2%	1,068,138	1,793,966	854,875	9,448
2018	19,186,478	0.5%	993,400	1,652,292	407,187	N/A
2017	19,169,709	4.4%	922,096	1,632,762	N/A	N/A
2016	18,361,859	7.2%	863,528	1,587,583	N/A	N/A
2015	17,135,538	5.3%	794,758	1,352,476	N/A	N/A
2014	16,270,126	4.9%	723,265	1,462,794	N/A	N/A
2013	15,513,518	5.1%	583,664	837,848	N/A	N/A
2012	14,766,803	(1.4)%	652,767	N/A	N/A	N/A
2011	14,981,567	(1.0)%	650,194	N/A	N/A	N/A
2010	15,126,628	5.3%	644,267	N/A	N/A	N/A

Sales Tax Revenue Percentage by Type (cash basis)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sales Tax Collected (000)	\$ 15,514	\$ 16,270	\$ 17,136	\$ 18,362	\$ 19,170	\$ 19,186	\$ 20,946	\$ 20,734	\$ 24,486	\$ 25,597
Agriculture, Forestry, Fishing	0.02 %	0.02 %	0.01 %	0.01 %	0.01 %	0.01 %	0.01 %	0.03 %	0.02 %	0.02 %
Mining	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.01 %	0.01 %
Utilities	0.01 %	0.02 %	0.02 %	0.01 %	0.02 %	0.02 %	0.12 %	0.11 %	0.17 %	0.02 %
Construction	11.60 %	11.13 %	10.67 %	11.59 %	12.01 %	10.05 %	11.06 %	12.08 %	11.25 %	11.87 %
Manufacturing	1.85 %	1.57 %	1.54 %	1.50 %	1.31 %	1.54 %	1.48 %	1.37 %	1.32 %	1.27 %
Wholesale Trade	6.94 %	6.49 %	5.77 %	6.07 %	5.80 %	6.69 %	7.20 %	7.41 %	7.32 %	6.82 %
Retail Trade	51.82 %	52.03 %	51.65 %	51.36 %	50.97 %	51.94 %	50.32 %	52.36 %	54.29 %	52.21 %
Transportation and Warehousing	0.18 %	0.14 %	0.11 %	0.15 %	0.08 %	0.19 %	0.60 %	0.24 %	0.46 %	0.57 %
Information	4.93 %	5.24 %	5.45 %	4.95 %	5.09 %	4.88 %	4.73 %	4.12 %	3.93 %	4.11 %
Finance and Insurance	0.85 %	0.90 %	0.90 %	0.99 %	1.04 %	1.02 %	0.94 %	0.96 %	1.03 %	0.83 %
Real Estate, Rental, Leasing	1.73 %	1.58 %	1.81 %	1.67 %	1.71 %	1.67 %	1.69 %	1.62 %	1.49 %	1.56 %
Prof, Sci, Technical Svcs	3.36 %	2.70 %	3.37 %	3.21 %	3.19 %	3.06 %	3.58 %	3.90 %	3.67 %	3.93 %
Company Management	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Admin, Supp, Remed Svcs	1.08 %	1.79 %	1.87 %	1.86 %	2.10 %	2.69 %	2.84 %	3.15 %	3.22 %	3.40 %
Educational Services	0.26 %	0.30 %	0.24 %	0.31 %	0.22 %	0.21 %	0.24 %	0.21 %	0.29 %	0.22 %
Health Care Social Assistance	0.95 %	1.07 %	1.56 %	1.50 %	1.36 %	1.37 %	0.94 %	0.71 %	0.47 %	1.04 %
Arts, Entertain, Recreation	0.90 %	1.00 %	0.85 %	0.90 %	0.87 %	0.93 %	0.91 %	0.98 %	0.94 %	1.00 %
Accommodation and Food Svcs	9.16 %	9.37 %	9.76 %	9.68 %	9.91 %	10.26 %	9.93 %	7.51 %	7.05 %	7.88 %
Other Services	2.82 %	2.72 %	2.68 %	2.52 %	2.49 %	2.60 %	2.57 %	2.46 %	2.42 %	2.67 %
Public Administration	1.53 %	1.93 %	1.73 %	1.73 %	1.81 %	0.87 %	0.82 %	0.78 %	0.67 %	0.57 %

Business and Occupation RCW 35.102, 35.21.710, OMC 5.04

Business & Occupation taxes are imposed and collected directly by the City upon all business activity, above a certain threshold, except utilities, that occur within the City limits. Extracting, manufacturing, wholesaling, retailing, public road construction and printing/publishing are taxed at 1/10 of 1 percent. All other activities are taxed at 2/10 of 1 percent of gross revenues.

The 2023 budget estimates Business & Occupation Tax to generate \$7.9 million or a 0.4 percent increase over 2022 revenue.

Business & Occupation Tax Collections		
Year	Collections	% Change from Previous Year
Est. 2023	\$7,900,000	0.4%
2022	\$7,869,856	14.0%
2021	\$6,902,390	7.0%
2020	\$6,449,326	(3.3)%
2019	\$6,670,640	1.9%
2018	\$6,547,226	4.2%
2017	\$6,280,663	6.4%
2016	\$5,902,924	6.7%
2015	\$5,533,477	15.7%
2014	\$4,784,237	5.7%
2013	\$4,528,289	4.9%
2012	\$4,317,451	1.3%
2011	\$4,262,397	N/A
2010	\$3,889,234	N/A

Admissions Tax -RCW 35.21.280 and OMC 3.32

The Business Tax category includes admission taxes. Admissions tax is imposed at a rate of \$.01 per \$.20 of the price of admission. Events sponsored by nonprofit organizations organized for the betterment of the arts and school events are exempt from admissions tax.

The 2023 budget estimates Admissions Tax to generate \$220,000 or a 1.9 percent increase over the 2022 tax revenue. The increase in 2023 assumes moderate Admission Tax growth.

Admissions Tax Collections	
Year	Collections
Est. 2023	\$220,000
2022	\$215,981
2021	\$85,543
2020	\$134,244
2019	\$272,749
2018	\$277,801
2017	\$227,526
2016	\$202,195
2015	\$194,111
2014	\$179,841
2013	\$185,637
2012	\$174,510
2011	\$180,930
2010	\$ 191,100

Utility Taxes and Franchise Fees RCW 35.23.440, 35.21.870, 80.32.010, 82.16 and OMC 5.15, 5.84

Utility tax is a tax imposed on the gross income of various utility services. External utilities, such as telecommunication, natural gas, and electric are taxed at a rate of 9 percent. State statute limits the maximum tax on these utilities, without voter approval, at 6 percent. In 2004, City voters approved a 3 percent increase in the tax to be used for Parks and Pathways purposes; the combined tax is now 9 percent.

2023 utility taxes are based on current trends. Telephone usage has been decreasing due to changes in the communications industry and personal preferences. Since 2010, the telecommunication tax has been decreasing year over year between 1 percent - 10 percent.

Beginning in 2015 the 6 percent utility tax was applied to Cable TV to support major maintenance in the Capital Facilities Plan.

Interfund Utility Tax is a tax assessed on gross revenue of the City's Drinking Water, Wastewater, Storm and Surface Water (including LOTT) and Waste ReSources utilities generated from customers.

Allocation of Utility Tax (Electric, Gas, Telecommunications)		
Type of Utility	%	2023 Estimated Collections
Electric, Gas & Telecommunications:		
Base Tax 6%		
General use	4.50%	\$4,330,000
Park & bike lane maintenance	0.50%	481,333
Capital/Facilities and general use	1.00%	962,223
Total Base Tax	6.00%	\$5,773,556
Voter approved 3%		
Parks	2.00%	1,924,445
Sidewalk, recreation use	1.00%	962,222
Total Voter approved	3.00%	\$2,886,667
Cable TV: 6%		
Capital Facilities	6.00%	\$920,000
Total		\$9,580,223

Utility Taxes & Franchise Fees (General Use Portion Utility Tax - 4.5%)

Year	Electric	Gas	Telephone	TV Cable	Telecomm. Franchise Fees
Est. 2023	\$2,595,000	\$716,000	\$880,000	\$450,000	\$0
2022	2,654,551	746,811	970,914	450,983	0
2021	2,446,855	478,184	961,228	449,454	0
2020	2,220,228	628,864	1,203,190	441,447	0
2019	2,284,392	590,480	1,142,062	452,979	5,000
2018	2,324,406	593,765	1,258,036	469,075	5,000
2017	2,388,291	666,849	1,395,763	505,770	5,000
2016	2,330,019	579,960	1,490,795	493,262	5,000
2015	2,138,363	624,906	1,476,183	477,938	0
2014	2,277,674	679,740	1,484,345	462,324	5,000
2013	2,234,737	664,579	1,555,878	446,375	0
2012	2,244,115	748,852	1,621,542	** 371,294	0
2011	2,264,341	* 773,078	1,714,237	440,285	5,000
2010	2,155,268	690,942	1,882,495	413,967	0

* Amount before refund of \$79,117 for period 4th quarter 2005 - 3rd quarter 2007

** 2012 Includes prior year allocation adjustments

Interfund Utility Taxes

Year	Drinking Water Utility	Wastewater Utility	Stormwater Utility	Waste ReSources Utility	Total
Est. 2023	\$1,770,000	\$3,100,000	\$807,000	\$1,750,000	\$7,427,000
2022	1,751,232	2,528,097	778,445	1,711,065	6,768,839
2021	1,705,573	2,775,807	734,713	1,641,034	6,857,127
2020	1,236,175	1,848,548	563,050	1,267,865	4,915,638
2019	1,396,011	2,107,952	606,036	1,335,912	5,445,911
2018	1,392,600	1,981,627	541,146	1,230,606	5,145,979
2017	1,298,050	1,961,718	563,540	1,176,620	4,999,928
2016	884,286	1,852,242	492,188	1,071,248	4,299,964
2015	1,411,635	1,797,236	444,633	984,932	4,638,436
2014	1,265,660	1,695,640	456,469	915,620	4,333,389
2013	1,145,401	1,455,204	438,970	868,167	3,907,742
2012	1,110,498	1,419,166	417,865	869,749	3,817,278
2011	1,039,878	1,464,100	436,489	866,141	3,806,608
2010	929,738	984,812	349,675	757,870	3,022,095

Gambling Taxes RCW 9.46

State law requires proceeds from this tax to primarily go toward law enforcement of gambling activities. There are limited exemptions and deductions from the gambling tax for churches, schools, and charitable or nonprofit organizations.

Gambling Taxes Collections	
Year	Collections
Est. 2023	\$193,000
2022	183,020
2021	172,356
2020	113,417
2019	142,755
2018	128,271
2017	134,511
2016	122,684
2015	182,184
2014	117,966
2013	139,513
2012	129,732
2011	132,644
2010	220,000

Leasehold Excise Taxes, Business Licenses, Development-Related Fees and Grants

Leasehold Excise Taxes (RCW 82.29A.020 and OMC 3.36)

Leasehold excise tax is imposed at 4 percent of the rent paid by private parties on property owned by State or local governments and is paid by the private parties in lieu of property tax. The total State and City leasehold tax rate is 12.84 percent. The City projects \$195,000 to be collected in 2023 from this tax.

Business Licenses (RCW 19.02, 35.23.440 and OMC 5.02)

All businesses engaging in business in the City of Olympia, unless exempted by State law, are required to obtain a City business license. The City's business license process is managed by the State of Washington Business Licensing Service, which offers businesses a one-stop process to register for the state license as well as licenses in multiple cities throughout the state at the same time. Currently, the City's business license is \$30 annually and is pro-rated to coincide with the State business license expiration. Effective January 1, 2019, City of Olympia businesses not exceeding the newly adopted annual threshold of \$2,000, are required to register for a business license, however the \$30 business license fee is not be charged. The 2023 estimate for Business Licensing fees is \$245,000.

Development-Related Fees (RCW 19.27 and OMC 4.04, 4.36 and 4.38)

These fees are imposed generally on construction or building activities and include building permit fees, fire and sprinkler permit fees, and fees to review building plans. Development Fee Revenue Fund building permits, development fees and zoning and subdivision fees are recorded in the Development Fee Revenue Fund. This fund reimburses the Community Planning and Development Department for the costs of managing development.

Grants

The City receives various Federal, State, and local grants. Grants supporting the general operations of the City include, but are not limited to, Planning Programs, Growth Management, and Criminal Justice.

Utility Charges RCW.35.67.190, 35.92.010, 90.03.500, 90.03.510 and OMC 4.24

The City provides a variety of services to maintain the health, sanitation, and public welfare of the City. The services include the provision of water, wastewater conveyance, storm drainage and surface water, and solid waste management. Each of these services are provided at a charge to the customer. The City bills customers bimonthly.

In addition the local non-profit corporation of LOTT (cities of Lacey, Olympia, Tumwater and Thurston County) formed by the four-government partnership, provides wastewater management services to the urban area of north Thurston County. This includes wastewater treatment and production of Class A Reclaimed Water.

Drinking Water

2023 Drinking Water Rates (monthly)								
	Tier 1		Tier 2		Tier 3		Tier 4	
	Water used/ ccf	Charge per ccf	Water used/ ccf	Charge per ccf	Water used/ ccf	Charge per ccf	Water used/ ccf	Charge per ccf
Single Family & Duplex	0-800	\$2.17	801-1,800	\$3.65	1,801-2,800	\$5.82	2,801	\$7.65
Multi-Family & Non-Residential	Nov - June	\$3.05	July-Oct	\$4.55	N/A		N/A	
Irrigation	Nov - June	\$3.05	July-Oct	\$8.99	N/A		N/A	

ccf = 100 cubic feet (about 750 gallons)
 These rates are in addition to Ready-to-Serve charges which range from \$30.02 (3/4" meter) to \$1,514.34 (12" meter).

Wastewater

The City's Wastewater utility safely conveys wastewater (sewer) from our homes and businesses to the LOTT Clean Water Alliance's (LOTT) Budd Inlet Treatment Plant in downtown Olympia. The wastewater charges are comprised of fees for City and LOTT services. Utility customers pay a City wastewater collection fee. Similar to the cities of Lacey and Tumwater, Olympia also collects LOTT's wastewater treatment fee.

In 2023, the LOTT rate is \$44.80 monthly per Equivalent Residential Unit (ERU) and, depending on water usage, between \$15.96 and \$25.78 for the City collection system. An ERU is defined as a separate, single-family residence, or one per single family unit with respect to residential duplexes. Residential structures having more than two single family units are assessed at 70 percent of an ERU. Mobile homes are equal to one ERU. For customers other than residential users, an ERU is defined as 700 cubic feet for City collections and 900 cubic feet for LOTT of sewage measured at the source of either water consumption or sewage discharge.

Stormwater

2023 rates for single-family and duplex parcels are \$34.24 and \$68.48 per month respectively. In 2021, after working with a consultant and conducting public outreach, City staff restructured the rates for non-residential storm and surface water accounts. The rates were adopted by City Council, effective January 1, 2023. The new rate structure is based on actual on-site stormwater infrastructure with discounts for higher levels of treatment and flow control. Additionally, the Equivalent Residential Unit (ERU) changed from 2,528 feet of impervious surface to 2,882 square feet. This increase in impervious surface reflects today's median amount of impervious surface found on single-family parcels across Olympia. The City also eliminated the non-residential flat administrative stormwater fee, the residential maintenance agreement discount and construction phase charges in 2023. The non-residential rates are based on the following revised categories:

Category	Rate (per billing unit)
Category I: For parcels that fully utilize Low Impact	\$17.12
Category II: For parcels with any stormwater	\$25.68
Category III: For parcels with no stormwater	\$34.24
Undeveloped parcels	No charge

Waste ReSources (Solid Waste)

Current rates for basic 65-gallon service for single family households that participate in the recycling program is \$56.22 per month. Collection of garbage and recyclables occurs on alternating weeks.

Utility Rate Changes				
Utility Type	2020	2021	2022	2023
Drinking Water	6.3%	0%	2.0%	6.6%
Waste Water				
City Collection System	0.2%	0%	9.1%	9.88%
LOTT	3.0%	3%	3.0%	3.0%
Storm & Surface Water	3.5%	7.5%	7.1%	9.82%
Waste ReSources				
Drop Box	6.6%	0%	1.0%	4.0%
Residential	2.3%	0%	1.0%	4.0%
Commercial	2.3%	0%	1.0%	4.0%
Organics	2.3%	0%	1.0%	0.0%

Residential Utility Bill (typical bi-monthly, single family residential bill)				
Drinking Water	\$56.20	\$60.32	\$61.54	\$65.64
Waste Water				
City Collection System	\$42.94	\$43.04	\$49.46	\$51.58
LOTT	\$79.60	\$82.00	\$87.00	\$89.60
Storm & Surface Water	\$28.10	\$29.10	\$31.16	\$34.24
Waste ReSources	\$51.80	\$53.52	\$54.06	\$56.22
Total	\$258.64	\$267.99	\$280.72	\$297.28
% increase	2.5 %	3.6 %	3.0 %	5.9 %
\$ increase	\$6.38	\$9.35	\$8.10	\$16.54

Department Budgets

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City Manager's Office



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Department Overview - City Manager's Office

Mission

Working together to make a difference

Vision

A vibrant, healthy, beautiful capital city

Description

The City Manager's office provides overall leadership to the City organization, direct management and coordination of high-profile special projects, and staffs support to the Council as a whole.

The City Manager's Office leads the City organization by implementing City Council policies, exercising fiscal prudence, providing legal support, coordinating work of various departments, facilitating responsible communication to community members through community relations, and maintaining a positive image of City government.

The City Manager's Office is made up of four distinct offices:

1. City Manager's Office Administration
2. City Council - Legislative Office
3. Assistant City Manager's Office - Office of Community Vitality
4. Assistant City Manager's Office - Office of Strategic Initiatives

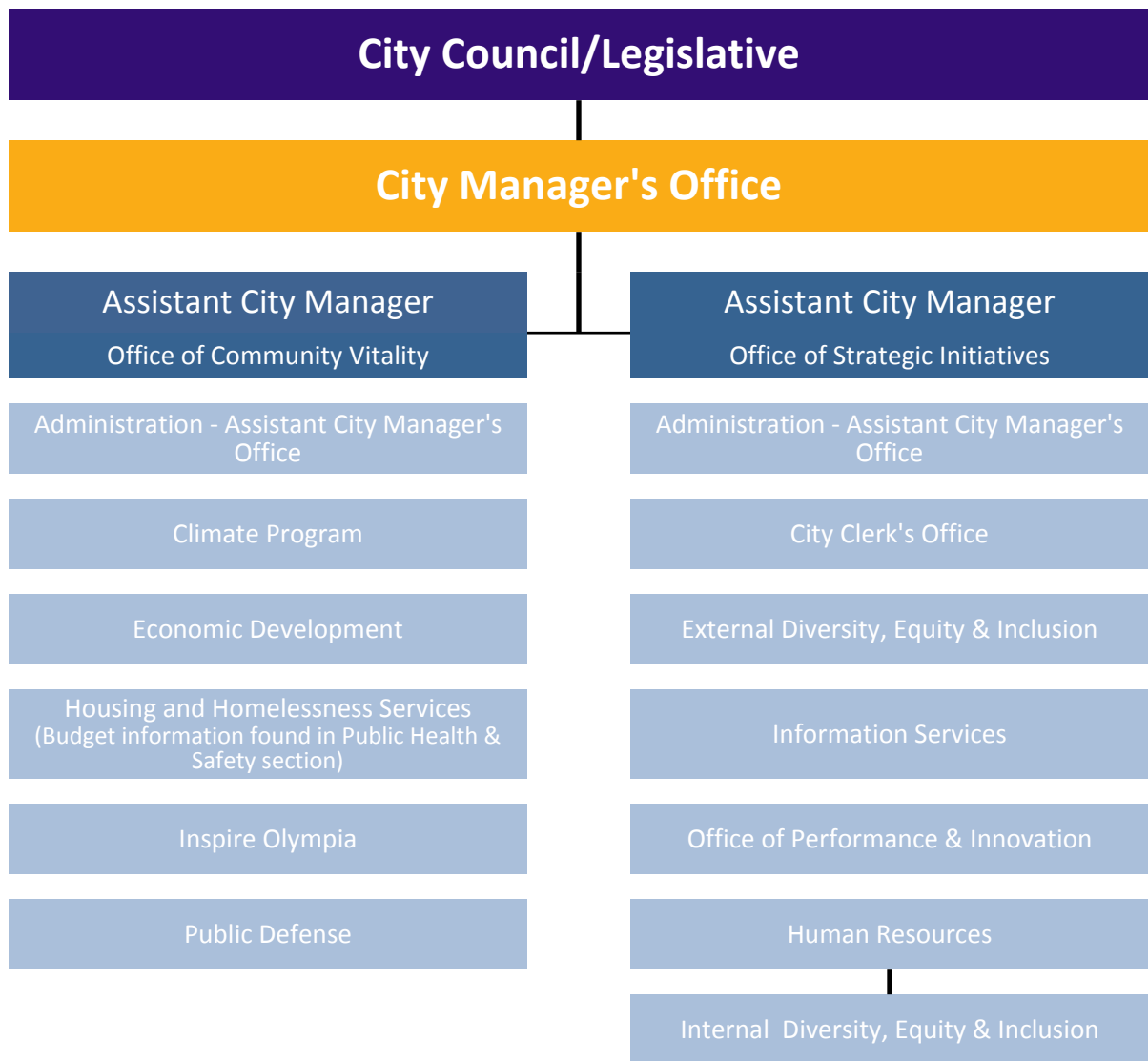
The role of City Council-Legislative Office is to adopt policies, plans, regulations and budgets in order to deliver high quality municipal services, protect the health, safety and welfare of City residents, and maintain the City's image as a great place to live.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Taxes	\$0	\$0	\$2,945,000	\$2,945,000
Licenses and Permits	875	1,075	500	(575)
Intergovernmental Revenues	2,888,172	597,885	302,894	(294,991)
Charges for Goods and Services	2,052,671	2,273,254	2,472,946	199,692
Fines and Penalties	0	0	0	0
Miscellaneous Revenues	1,595	23,155	720	(22,435)
General Fund Contribution	12,669,297	16,848,788	14,033,788	(2,815,000)
Total Funding	\$17,612,610	\$19,744,156	\$19,755,848	\$11,691

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
City Council	\$270,872	\$349,993	\$298,611	\$(51,382)
Executive Office	6,316,828	7,524,006	6,536,119	(987,887)
Office of Community Vitality	1,971,757	2,266,296	5,333,819	3,067,523
Office of Strategic Initiatives	9,053,152	9,603,862	7,587,299	(2,016,562)
Total Expenditures	\$17,612,610	\$19,744,156	\$19,755,848	\$11,691

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$6,186,324	\$7,258,547	\$9,253,360	\$1,994,813
Supplies	275,818	415,523	62,960	(352,563)
Services	5,161,638	6,094,418	5,833,996	(260,422)
Intergovernmental Payments	5,769,240	5,623,242	4,196,493	(1,426,749)
Interfund Payments	219,589	352,427	409,039	56,612
Total Expenditures	\$17,612,610	\$19,744,156	\$19,755,848	\$11,691

Organizational Chart - City Manager's Office



City Council - Legislative Office

Description/Services Provided

The City Council is committed to implementing the Comprehensive Plan adopted in 2014. The Comprehensive Plan is organized around six focus areas; Public Health & Safety, Community Livability, Downtown, Economy, Environment, and Neighborhoods.

Intergovernmental relations with the Port of Olympia, Thurston County, the adjacent cities of Lacey and Tumwater and local tribes will also continue to be a priority for Council.

Significant Proposed Budget Changes

There are no significant budget changes proposed.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$211,541	\$7,513	\$231,814	\$224,301
Supplies	8,270	27,390	10,550	(16,840)
Services	43,010	239,180	39,237	(199,943)
Interfund Payments	8,050	75,910	17,010	(58,900)
Total Expenditures	\$270,872	\$349,993	\$298,611	\$(51,382)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Council Member	5.00	5.00	5.00	0.00
Mayor	1.00	1.00	1.00	0.00
Mayor Pro-Tem	1.00	1.00	1.00	0.00
Total	7.00	7.00	7.00	0.00

Budget Overview

There are no significant changes to the 2023 budget for the City Council-Legislative Office.

Trends, Challenges and Opportunities

At their January 2023 retreat Councilmembers identified the following Trends, Challenges and Opportunities:

- Continuing to address issues related to Public Health, Economic Inequity, Climate Change, and Affordable Housing.
- Continued implementation of all the initiatives and projects planned over 2022.
- Including and valuing current residents as we move towards growth and change.
- Prioritizing resources while balancing many priority projects and initiatives.
- Addressing Public Safety, especially how people feel being in the City and their sense of belonging.
- Nurturing authentic, trusting relationships with community members who do not often engage with local government.
- Preparing the community for the future by keeping them informed of upcoming changes and letting them know what to expect from our current and future activities.

City Manager's Office Administration

Description/Services Provided

The City Manager's office provides overall leadership to the City organization, direct management and coordination of high-profile special projects, and staff support to the Council as a whole.

The City Manager's Office leads the City organization by implementing City Council policies, exercising fiscal prudence, providing legal support, coordinating work of various departments, facilitating responsible communication to community members through community relations, and maintaining a positive image of City government.

The City Manager is appointed by and accountable to the City Council for:

- Administration and City operations and activities
- Implementation of policy direction from the full Council
- Communication with the City Council, the City organization and the Community

The City Manager provides policy advice to the City Council and is responsible for keeping the Council informed about the City's finances and emerging issues.

Significant Proposed Budget Changes

There are no significant budget changes proposed.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$389,700	\$462,294	\$1,528,187	\$1,065,893
Supplies	5,900	11,783	7,650	(4,133)
Services	1,467,747	1,342,772	705,295	(637,477)
Intergovernmental/Transfers Out	4,375,203	5,617,812	4,196,493	(1,421,319)
Interfund Payments for Services	78,278	89,345	98,494	9,149
Total Expenditures	\$6,316,828	\$7,524,006	\$6,536,119	\$(987,887)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant to the City Manager	0.00	1.00	1.00	0.00
City Manager	1.00	1.00	1.00	0.00
Executive Assistant	1.00	0.00	0.00	0.00
Executive Services Assistant	0.00	1.00	1.00	0.00
Total	2.00	3.00	3.00	0.00

Budget Overview

There are no significant budget changes proposed for the City Manager's Office.

Trends, Challenges and Opportunities

Public Health & Safety

- Olympia Police Department Records Management – Replace Regional System
- Complete Regional Housing Council Interlocal Agreement for the Home Fund
- Evaluate Jail/Court Building Alternatives
- Regional Fire Authority Implementation and/or New Funding Alternatives Discussion
- Reimagining Public Safety Operational Plan
- One Community Operational Plan
- Police Civilian Oversight Model
- Olympia Police Department Staffing Study
- Olympia Police Department Strategic Plan
- Complete Equity Assessment/Develop Work Plan

Community Livability

- Formation of a Youth Council
- Social Justice and Equity Commission Community Discrimination Assessment
- Community Conversations – Fostering Connection & Belonging/2024 Budget Priorities
- Community Survey – How are We Doing?
- Transportation Funding/Sidewalk Repair
- Franz Anderson Tiny Home Village and Supportive Housing Project
- Housing Study – Phase II
- Rental Property Registry
- Homeless Encampment Outreach
- Yelm Highway Park Real Estate Agreements/Phase I Design
- Sister City Exchange – Kato City
- Comprehensive Plan Update
- Economic Development Project with Island Enterprises (Squaxin Island Tribe)

Economy

- Cultural Access Program – Form Permanent Commission, first round of funding
- Armory – Funding and Phase I Design
- Launch Request for Proposal for 108 State Avenue Site
- Completion of Olympia Strong Plan
- Economic Recovery Initiatives
- Tech Trade Center

Downtown

- Downtown Improvement District (Mid-Year)
- Present Creative District Strategy to Council (ODA Partnership)
- Percival Landing Re-Envisioning Process

Environment

- Commercial Energy Code Amendments
- Building Codes Update
- EV Charging Requirements
- Climate Action Fund
- Energize Olympia – Heat Pump Campaign
- Climate Risk & Vulnerability Assessment
- Carbon Wedge Analysis
- City Building Electrification Assessment
- Sea Level Rise Response Planning
- Kaiser Woods Park Improvements – Funding/Permitting

Neighborhoods

- Complete Wayfinding Master Plan
- Finalize Neighborhood Centers Study
- Westside Capital Mall Triangle Subarea Plan
- Complete Council of Neighborhood Associations Memorandum of Understanding

- Complete Agricultural Park Feasibility Study
- SE Annexation – Council Action

Resources & Support

- Council Communication – Process Recommendations
- WorkDay Implementation
- Internal Audit Program

2022 Accomplishments

Public Health & Safety

- Completed and presented Community Work Group recommendations for Reimagining Public Safety
- Hired a Police Chief
- Updated the Olympia Police Department Complaint Process
- Implemented Police Body Worn Cameras
- Finalized BLS Transport/OFD CARES study and moved to implementation
- RFA Planning Committee completion of RFA Plan, Council approval for April ballot
- Completed construction of Washington Center Improvements
- Developed new structure for the Regional Housing Council
- Acquired Commerce funding to construct a new Tiny Home Village on Franz/Anderson site
- Completed removal of all RV's on Ensign Rd
- Quince Street Village Design, Construction, Opening

Community Livability

- Established and appointed members to the Social Justice and Equity Commission
- Launched citywide Diversity, Equity, and Inclusion Assessment
- Launched citywide, mandatory Anti-Racism and Belonging Training
- Completed final recommendations on Phase 1 of Landlord/Tenant Protections
- Boulevard Rd Site Development Partner Selected
- Launched Fones Road Corridor Project
- Completed co-location agreement with Olympia School District and initial design for Yelm Highway Park
- Completed Aquatic Feasibility Study
- Moved forward with Passed Cultural Access Program implementation strategy.
- Created and trained on Council approved Equity Framework.

Economy

- Community Engagement for Olympia Strong

Downtown

- Completed Design of Rebecca Howard Park
- Completed Franklin Street Improvements
- Launched initial Creative District Work – Contract with ODA
- Completed transition of former mitigation site to Quince Street Village
- Completed demolition of Griswold’s property
- Completed Armory Acquisition and developed a creative campus concept

Environment

- Created and trained on Council approved Climate Framework
- Became a SolSmart Community
- Supported Estuary Alternative for Capital Lake/Deschutes EIS and developed a shared maintenance cost agreement
- Sea Level Rise Response Planning

Neighborhoods

- Neighborhood Centers – Launched consultant study
- Completed Gateway Art Crossing Project #3
- Began work to update Council of Neighborhood Associations Memorandum of Understanding.
- Launched Capital Mall Triangle Subarea plan community engagement

Resources & Support

- Hired Diversity, Equity and Inclusion Coordinator
- Completed Final Design on Workday and developed implementation plan

Office of Community Vitality

City Manager's Office



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[*Housing and Homelessness Services budget information](#) is located in the Public Health & Safety section of this budget document.

Department Overview - Office of Community Vitality

Mission

Working together to make a difference

Vision

A vibrant, healthy, beautiful capital city

Description

The Office of Community Vitality is part of the City Manager's Office and is made up of six distinct sections:

1. Assistant City Manager's Office Administration
2. Climate Program
3. Economic Development
4. Housing & Homelessness Services (Budget details are in the Public Health & Safety section)
5. Inspire Olympia
6. Public Defense

The role of the Office of Community Vitality is to aid the City Manager in achieving the City vision of a vibrant, healthy, beautiful capital city through protecting the environment, fostering a thriving business community and equitable economy, and helping the community's most vulnerable members.

The Office of Community Vitality oversees four programs and one department to work toward the goals of the community, City Council, and the City Manager.

The Climate Program, a long anticipated new program, started in 2021 to mitigate growing climate concerns and to assist in implementing the Thurston County Regional Climate Mitigation Plan.

The Economic Development program focuses on strengthening Olympia's business community and works to create a local economy that supports all community members.

Housing and Homelessness Services leads the City's response to homelessness and long-range housing programs. This program manages the City's Home Fund that provides funding for affordable housing, supportive housing and shelter projects and administers the Community Development Block Grant program. Budget information and for [Housing and Homeless Services](#) appears in the [Public Health and Safety](#) section of this document.

Olympia voters approved a 0.1 percent increase to sales tax in 2022 that will be used to fund cultural access events. This program is called Inspire Olympia and will begin in 2023. The program is overseen by an advisory committee of community members.

Public Defense ensures that indigent defendants, charged in the City of Olympia with a gross misdemeanor or misdemeanor crime, have legal representation.

The [Community Planning and Development \(CP&D\) Department](#) also reports to the Assistant City Manager's Office of Community Vitality, however budget information on CP&D Department appears in a separate chapter of this document.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Taxes	\$0	\$0	\$2,945,000	\$2,945,000
Intergovernmental Revenues	1,948,440	273,974	249,460	(24,514)
Charges for Goods and Services	0	0	399,425	399,425
General Fund Contribution	23,317	1,992,322	1,739,934	(252,388)
Total Funding	\$1,971,757	\$2,266,296	\$5,333,819	\$3,067,523

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Assistant City Manager's Office	\$224,141	\$284,781	\$262,245	\$(22,536)
Economic Development	1,078,393	1,096,409	795,499	(300,909)
Cultural Access	0	27,856	2,997,325	2,969,469
Climate Program	152,071	231,620	648,169	416,549
Public Defense	517,151	625,630	630,580	4,950
Total Expenditures	\$1,971,757	\$2,266,296	\$5,333,819	\$3,067,523

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$530,212	\$1,183,810	\$1,683,218	\$499,407
Supplies	3,871	13,985	19,260	5,275
Services	1,423,950	1,044,709	3,577,414	2,532,705
Interfund Payments	13,724	23,792	53,927	30,135
Total Expenditures	\$1,971,757	\$2,266,296	\$5,333,819	\$3,067,523

Organizational Chart - Office of Community Vitality



Office of Community Vitality Administration

Description/Services Provided

The Office of Community Vitality Administration houses the Assistant City Manager who oversees the Climate, Economic Development, Public Defense, and Housing and Homelessness programs. This office also oversees the Community Planning and Development Department.

Significant Proposed Budget Changes

Budget changes in 2023 are minimal due to salary increase (COLA) and increased interfund payments.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$222,113	\$282,563	\$252,420	\$(30,143)
Supplies	155	0	0	0
Services	1,873	1,400	0	(1,400)
Interfund Payments	0	818	9,825	9,007
Total Expenditures	\$224,141	\$284,781	\$262,245	\$(22,536)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant City Manager	1.00	1.00	1.00	0.00
Total	1.00	1.00	1.00	0.00

Budget Overview

The Office of Community Vitality is a relatively new functional area in the City's organization chart. The budget for these functions have previously been in different department budgets. Community Planning and Development had the Economic Development and Housing budgets. Administrative Services (no longer a department) had the Public Defense budget. The Climate Program is a very new program.

Given urgent priority needs for housing and climate action in our community, the City Council increased funding for both the Housing and Climate programs in 2023. New positions in these programs will help the City advance work on homeless response, affordable housing, and climate actions, including building and vehicle electrification. These budget enhancements include establishing director level positions to lead these vital programs forward.

Trends, Challenges and Opportunities

- Homelessness and lack of affordable housing remain at crisis levels in Olympia. The need for homeless services and housing in the community continues to far surpass available resources. While the City has increased investment in homeless outreach, homeless shelter facilities and affordable housing, some of these investments have used one-time funding that creates a bow-wave of operational costs in upcoming budgets. State investment in shelter housing and outreach funding for right-of-way encampments is a significant help over the next three years.
- The Regional Housing Council continues to mature. The creation of a combined City/County Home Fund is making efficient use of regional funds for housing and homeless services across Thurston County. This will continue to grow and evolve.
- The Climate Program is adding two new positions in 2023 which will help advance several initiatives including work on improving building and energy codes, electric vehicle parking, fleet electrification, heat pump and solar campaigns, and a climate risk and resilience assessment.
- Community Planning and Development continues to experience high levels of development review activity including multiple family, single family and subdivision development review applications and construction activity.
- Public defense was recently awarded a Department of Justice grant to expand the operations of the Community Court. This will continue to stretch the Public Defense/Community Court Administrator.
- Economic Development saw a surge in activity this year as a result of Covid-19 and the federal funds that flowed into the community. The Economic Development program is adding two additional Downtown Ambassadors using a variety of funding sources including Community Development Block Grant and American Rescue Plan Act dollars. This activity has stretched the administrative capacity of the program for managing contracts and invoices associated with this activity.

2022 Accomplishments

- Our Housing and Homeless Response program successfully relocated the downtown mitigation site to Quince Street Village – a new, significantly upgraded 100-unit tiny home village launched in the fall of 2022. The program also conducted a compassionate clearing of RV Parking on Ensign Road, addressing a significant public safety concern and offering housing to those residing there. Of the 75 people residing on Ensign Road, 53 chose to move to Quince Street Village.
- The City and neighboring jurisdictions developed an agreement with the State of Washington to develop and offer housing to those residing in state right-of-way areas, particularly along I-5. This initiative is funding the creation and 3 years of operation for new shelter housing in Thurston County, along with funding to support homeless outreach services. These resources are funding a compassionate approach to the ultimate removal of large encampments on state property.

- The City and Thurston County reached agreement on the creation of a Countywide Home Fund to support low income and affordable housing across our region. Since its inception, the City's Home Fund has dedicated approximately \$10 million to permanent supportive housing and homeless response in Olympia. Olympia's Home Fund Capital dollars will now be pooled in a Countywide Home Fund that together will generate \$5-7 million annually for low-income housing development.
- In 2022, our Climate program continued to advance the work of the Thurston Climate Mitigation Plan. In addition, the program successfully received a Gold SolSmart Designation as a solar friendly City, secured grant funding for a new heat pump campaign for low-income residents, and took a lead role in developing new climate and equity frameworks for all items going before City Council.
- Working effectively with our regional partners is always heartening and this year has seen our relationship with the County, Lacey and Tumwater grow and become a dynamic and important partnership through the work of the Regional Housing Council.
- CP&D continues to deliver excellent customer service whether in person or virtually. They responded to a number of complex development projects using a virtual platform and were able to effectively involve the public in the review process.
- Parking, Code Enforcement, and Homeless Response all worked to respond to our housing crisis in a collaborative way. Working together to effectively respond to the needs of the community and the unsheltered with dignity and compassion.

2023 Objectives

- Continue to work regionally to support the work of the Regional Housing Council in addressing the emergent needs of our houseless community members and the long-term needs for housing affordability.
- Continue building strong relationships with diverse and underrepresented communities to inform and guide the work at all levels of the City.
- Continue to work regionally to implement the Climate Mitigation Plan, implement a work plan, track performance measures, and take concrete actions to begin to address the impacts of climate change and reduce our community's carbon footprint.
- Continue to support regional economic recovery activities and build strong systems to support our businesses and community members in this process. Focus on supporting downtown businesses as they continue recovering from and adapting to the impacts of the pandemic.
- Continue to work to build permanent supportive housing to serve our most vulnerable community members. This includes a request for proposals (RFP) process for a permanent supportive housing project on Franz Anderson Road, financial support for Unity Commons Phase II, and other vital housing projects.
- Continue to partner with the State of Washington and regional jurisdictions to develop shelter and housing options for those residing in state right-of-way areas. This includes completion of a new 50-unit tiny home village on Franz Anderson Road.

- Implement the Department of Justice Grant to expand the services offered through our Community Court and expand the number of vulnerable community members served.

Climate Program

Description/Services Provided

The Climate Program is responsible for leading and coordinating implementation of the Thurston Climate Mitigation Plan, the Olympia Sea Level Rise Response Plan, and other actions necessary to achieve the City’s climate goals. The Climate Program supports all City Departments in integrating considerations of climate mitigation, adaptation, and resilience across all City programs, plans and policies.

Significant Proposed Budget Changes

- The 2023 budget includes a proposed Buildings and Energy Program Manager. This position will develop energy programs focused on building decarbonization and energy efficiency for Olympia businesses and residents.
- There is also a new Program Specialist position to support the implementation of new and ongoing climate program initiatives, including greenhouse gas monitoring and reporting, community outreach and education, and climate policy research and analysis.
- An increase in professional services costs reflects Olympia's annual contribution for regional coordination of the Thurston Climate Mitigation Plan as well as funding for local projects and initiatives.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$120,206	\$145,029	\$420,233	\$275,203
Supplies	1,151	4,537	10,700	6,163
Services	29,874	81,236	208,170	126,934
Interfund Payments	840	818	9,066	8,248
Total Expenditures	\$152,071	\$231,620	\$648,169	\$416,549

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Climate Program Manager	1.00	1.00	1.00	0.00
Building and Energy Program Manager	0.00	0.00	1.00	1.00
Program Specialist	0.00	0.00	1.00	1.00
Total	1.00	1.00	3.00	2.00

Budget Overview

The increased Personnel Services budget reflects the addition of two new Climate Program positions (the Buildings and Energy Program Manager and Climate Program Specialist). The increased Services budget reflects Olympia's annual contribution for regional coordination of the Thurston Climate Mitigation Plan as well as funding for local projects and initiatives.

Trends, Challenges and Opportunities

- Climate change is already affecting the City of Olympia and the Thurston region. Hotter summers, wildfire smoke, and flooding impact homes, public health, and local business. Climate models for this region project average annual temperatures will continue to rise, summers will become hotter and drier, and winters will become warmer and wetter throughout the 21st century.
- The consequences of climate change are widespread, ranging from impacts to air and water quality, to increased flooding, wildfires and landslides. Climate change also threatens local subsistence and commercial fisheries as a result of changing ocean conditions and agriculture as a result of increased pests and water shortages. Without significant reductions in greenhouse gas emissions, these impacts will continue to grow.
- In 2018, the City of Olympia and neighboring jurisdictions adopted a common goal to reduce regional greenhouse gas emissions 45 percent below 2015 levels by 2030 and 85 percent below 2015 levels by 2050.
- In addition to working towards regional greenhouse gas reduction goals, in 2022 the City established a local greenhouse gas reduction goal in line with global efforts to limit warming to 1.5°Celsius. This resulted in a local goal to reduce community-wide emissions 59 percent below 2019 levels by 2030 and achieve net-zero emissions by 2040.
- In 2021, the Cities of Olympia, Lacey and Tumwater and Thurston County all accepted the Thurston Climate Mitigation Plan (TCMP) as the regional framework for climate mitigation action, and began working towards regionally coordinated implementation of the Plan.
- In 2021, the City of Olympia established a Climate Program to lead the City's efforts to implement the Thurston Climate Mitigation Plan and other actions necessary to achieve the City's climate goals.

2022 Accomplishments

- Adopted a climate lens for all City projects, plans, and policies. Provided staff training and resources to support implementation, including the development of a Climate Mitigation Framework to guide citywide analysis of climate impacts.
- Joined the Cities Race to Zero campaign, pledging to achieve net-zero emissions by 2040 and establish an interim 2030 greenhouse gas emissions reduction target in line with global efforts to limit warming to 1.5°Celsius. Established an interim 2030 target to reduce community-wide emissions 59 percent below 2019 levels by 2030 (Resolution M-2320).
- Joined the Cities Race to Resilience campaign, pledging to integrate climate change adaptation and resilience in all aspects of planning and undertake a community-wide climate risk and vulnerability assessment that also includes all vulnerable communities. Began work to develop a Climate Risk and Vulnerability Assessment.
- Passed a resolution requiring the electrification of all new construction and major renovations of City-owned buildings and other projects receiving City funding of \$50,000 or more (Resolution M-2289).

- Began work to inventory City-owned facilities that use fossil fuels and evaluate the feasibility of retrofitting existing buildings to become all-electric by 2030.
- Began work to identify policy pathways and evaluate potential challenges to citywide electrification of all new buildings.
- Achieved SolSmart Gold designation for making it faster, easier, and more affordable for homes and businesses to go solar in Olympia. Actions included creating a solar resource webpage (olympiawa.gov/solar), streamlining the solar permit process, and supporting solar group purchase programs.
- Began work to develop a heat pump group purchase campaign for Olympia businesses and residents.
- Began work to develop electric vehicle parking standards.
- Began work to develop a city fleet electrification plan and vehicle acquisition policy.
- Continued to support regional coordination and implementation of the Thurston Climate Mitigation Plan.

Performance Measures:

Performance Measures for the Climate Program will be developed with the addition of two staff members in 2023 in conjunction with [Thurston County Climate Mitigation Plan](#).

2023 Objectives

- Conduct a citywide Climate Risk and Vulnerability Assessment.
- Model pathways to achieve Olympia’s 2030 and 2040 science-based targets.
- Develop a City fleet electrification and infrastructure plan.
- Complete the City facility electrification feasibility assessment.
- Adopt electric vehicle parking standards.
- Adopt local amendments to the state building code to support citywide electrification of all new buildings.
- Implement a heat pump group purchase campaign (Energize Olympia).
- Evaluate revenue sources to establish a Climate Action Fund, as well as budgetary needs to achieve the City’s 2030 and 2040 science-based greenhouse gas reduction targets.
- Continue to support regional coordination and implementation of the Thurston Climate Mitigation Plan.
- Facilitate the Olympia Sea Level Rise Response Collaborative and coordinate implementation of the annual workplan, including a land subsidence survey, a groundwater study, and research on public financing mechanisms to respond to sea level rise.

- Begin integrating climate mitigation and adaptation across all chapters of Olympia's Comprehensive Plan, as a part of the 2025 Comprehensive Plan Periodic Update.

Economic Development

Description/Services Provided

Economic Development represents a balanced priority embedded in the City's Comprehensive Plan. This balance ensures that as we seek to preserve our environmental assets and meet the social needs of our community, we are focused on supporting a diverse employment base and the business and investment interests responding to local and regional market demands. The Economic Development line of business (LOB) focuses on strengthening small businesses and retaining and expanding major employers by developing strong relationships with key community business stakeholders and economic development partners. The department also works with internal and external partners to advance initiatives that support the economic well-being of our community, including workforce training, affordable housing development and downtown vibrancy.

Significant Proposed Budget Changes

- A significant volume of work related to COVID recovery budgeted in 2021/22 will carry over into 2023. This includes Journey to Jobs, the Thurston Workforce Training Center and several Downtown Recovery projects. The department is also leading a major long-range planning effort called *Olympia Strong: A Roadmap for Economic Resiliency*. The outcome will be goals, policies and actions that inform the department's workplan. It is safe to assume that the workload for this department will continue to be significant in the future, and dedicated administrative support is needed to optimize the efficiency and effectiveness of this department.
- The department has submitted an enhancement request for use of \$90,960 from the Economic Development Reserves account for two initiatives that will forward community and economic development goals in 2023. This includes funding for:
 - Expansion of the Westside library branch at Capital Mall - enabling the Library to lease a larger space that supports more programs as desired by both the Library and Mall (\$15,960), and
 - RFP to create a night market at the Artesian Commons (\$75,000.)

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$311,881	\$566,154	\$562,129	\$(4,025)
Supplies	2,566	5,359	820	(4,539)
Services	755,861	508,947	208,810	(300,137)
Interfund Payments	8,086	15,949	23,740	7,791
Total Expenditures	\$1,078,393	\$1,096,409	\$795,499	\$(300,909)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Downtown Ambassador	2.00	2.00	2.00	0.00
Economic Development Director	1.00	1.00	1.00	0.00
Program Assistant	0.25	0.00	0.00	0.00
Program Specialist	0.00	0.25	0.25	0.00
Program & Planning Supervisor	0.00	0.00	1.00	1.00
Supervisor II	1.00	1.00	0.00	-1.00
Total	4.25	4.25	4.25	0.00

Budget Overview

There is a significant volume of work to be done under the banner of Economic Development slated for 2023, however the majority of the funding will come from funds associated with the American Rescue Plan and Economic Development Reserves as opposed to general funds. The new budget activity is associated with continuing the very successful Timberland Library location at the Capital Mall and to support the Artesian Commons Request for Proposals effort.

Trends, Challenges and Opportunities

- In 2023, the work on the long anticipated Economic Development Strategic Plan (Olympia Strong) is anticipated to be completed. This plan will contain strategies and actions that will have funding requirements to fully implement.
- The Economic Development program of work continues to play a significant role in the acquisition and disposition of city owned properties to meet goals and objectives. It is anticipated that this will continue with opportunities with city owned property at 108 State Ave and city owned surface parking lots in downtown.

2022 Accomplishments

- Continued work on the City's COVID Economic Response and Recovery work.
- Launched the City of Olympia's efforts associated with Thurston Strong Regional Economic Recovery – the two major projects are the Olympia Career Hub and the Journey2Jobs Program.
- Continued partnership projects with Olympia Downtown Alliance, Economic Development Council, Thurston County Chamber of Commerce, and Enterprise for Equity.

- Closed on the Purchase and Sales Agreement for the sale of the Griswold property for redevelopment into affordable housing project.
- Completed the original Environmental Protection Agency Brownfield Grant which assessed over 20 brownfield sites in Olympia while successfully obtaining \$500,000 of new grant funds to continue the program through 2025.
- Relunched the Solicitation of Interest for a development partner for the 3900 Boulevard Road project and entered into initial discussion with Habitat for Humanity on a future sale of the property.
- Assisted on the Armory Creative Campus and Inspire Cultural Access efforts.
- Continued exploration and relationship building with Squaxin Island Tribe to achieve shared economic development goals.
- Partnered with the Olympia Downtown Alliance to advance downtown vitality efforts including the LoveOly Summerfest events, development of a Creative District strategic plan and Business Recruitment and Retention Strategy.
- Successfully awarded \$586,491 of LTAC funding to 18 applicants to assist in stabilizing the tourism and hospitality industry.
- Launched the public process for Olympia Strong: A Roadmap for Economic Opportunities. This plan will include identified strategies, actions, and performance measures for economic development activities.

Performance Measures:

Performance Measures for the Economic Development Program will be developed as part Olympia Strong.

2023 Objectives

As we head into 2023, the City continues to be in a rebuilding and recovery mode due to the extensive economic damage caused by the COVID crisis. The hospitality, tourism, culture/entertainment, and restaurant businesses, as well as independently owned retailers will need significant support to rebuild and recover. Continuing with partnerships, relationship building, and outreach to understand impacts and viable solutions will be a necessity. Additionally the City will be managing multiple real estate transactions to grow economic opportunities and address community needs. In 2023 the City will be underway in the development of a long term strategy to address the economic needs and grow the economic resiliency of our city and our residents.

The Downtown Ambassador program will be operating in an expanded format, focused on addressing public safety and downtown vitality objectives.

Cultural Access Program (Inspire Olympia) - Office of Community Vitality

Description/Services Provided

The Cultural Access Program (Inspire Olympia) will increase access to arts, culture, heritage, and science experiences in Olympia by reducing barriers to access and expanding offerings through our local cultural non-profit organizations, with special emphasis on underserved youth. The program will serve city residents and students in the Olympia School District using dedicated funding from a one-tenth of one percent sales tax, approved by voters in April 2022.

Significant Proposed Budget Changes

The Cultural Access Program is a new city program in 2023.

Revenues	2021 Actual	2022 Budget	2023 Budget	Change
Taxes	\$0	\$0	\$2,945,000	\$2,945,000
Total Revenues	\$0	\$0	\$2,945,000	\$2,945,000

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$0	\$23,794	\$265,575	\$241,781
Supplies	\$0	\$4,062	\$7,000	\$2,938
Services	\$0	\$0	\$2,723,750	\$2,723,750
Interfund Payments	\$0	\$0	\$1,000	\$1,000
Total Expenditures	\$0	\$27,856	\$2,997,325	\$2,969,469

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Cultural Access Program Manager	0.00	0.00	1.00	1.00
Cultural Access Program Specialist	0.00	0.00	1.00	1.00
Total	0.00	0.00	2.00	2.00

Voters approved, by initiative in 2022, a 0.1% increase in Sales Tax to fund the Inspire Olympia program. Council approved an advance of \$100,000 in 2022 to begin administrative operations

Public Defense

Description/Services Provided

Public Defense provides indigent defense services to defendants charged with a gross misdemeanor or misdemeanor crime in the City of Olympia.

Significant Proposed Budget Changes

In February of 2023, Public Defense added a budget amendment for \$33,840 for the addition of a public defense contractor to keep up with the spike in case credits assigned to Olympia Public Defenders. This spike started in August of 2022 and has continued consistently. The number one crime assigned to public defenders in 2022 was assault.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$-123,988	\$166,270	\$182,860	\$16,590
Supplies	0	27	740	713
Services	636,342	453,126	436,684	(16,442)
Interfund Payments	4,798	6,207	10,296	4,089
Total Expenditures	\$517,151	\$625,630	\$630,580	\$4,950

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Public Defense Coordinator	1.00	1.00	1.00	0.00
Social Svcs Wrk - Project Funded	0.40	0.40	0.40	0.00
Total	1.40	1.40	1.40	0.00

Budget Overview

The 2023 budget continues Public Defense services and programs. The Public Defense Line of Business is contingent on grant funding from the Office of Public Defense to cover contract expenses for Public Defenders, compensation for the Public Defense Social Services Worker, experts and investigators.

Trends, Challenges and Opportunities

- Since being awarded a grant from Washington State Office of Public Defense, we have retained and utilized one .4 FTE Social Services Worker since Spring 2018.
- Public Defenders and the Social Services Worker appeared on the Mental Health and Homeless Calendar two times per month, pre-COVID-19. Currently, Court is held via Zoom which changes the dynamics. Instead, the Public Defenders and Social Services Worker appears for out of custody hearings via zoom and can connect with defendants via zoom breakout rooms. Public Defenders can appear in person but a large majority of defendants continue to show on zoom.

- The Social Services Worker made contact with over 1,257 defendants since Spring of 2018, providing information on social services to defendants and coordinating inpatient bed dates.
- The Social Services Worker connects with in-custody defendants on a daily basis, which provides increased opportunity to connect defendants to social services and provides defense counsel an opportunity for release arguments with supportive input from the Social Services Worker with an overall goal to provide the most accurate information for release arguments. This could have an impact on the jail population.
- General Professional Services-Investigator/Expert Services requests often fluctuate.
- The number of warrants issued at arraignment continues to affect public defense assignment numbers. If a higher number of defendants show at arraignment in the future, this could increase the amount of cases assigned.
- The increasing complexity of mental health issues adds time and challenges for Olympia's criminal caseload.
- Public Defenders are primarily operating via Zoom Court, which results in increased preparation time in advance of court. This could continue to impact public defense numbers in 2023 as all time spent on cases for attorney of the day calendars = .22 of a case/hour. In 2022, an additional Public Defense contract was added for \$2,720 for 10 case credits to accommodate the case credits needed for attorney of the day calendars. For the first time since the indigent standards were implemented, our attorney of the day on the in custody/ first appearance/community court calendar ran out of case credits. Examples of such calendars include Arraignments, First Appearance, Community Court, etc.
- Public Defender assignment numbers are running higher than average.
- Public defenders continue to need private confidential meeting space to meet their clients for out of custody calendars. This continues to be a challenge.
- Public Defense is now using one public defender in Community Court vs two to attempt to decrease the impact on case credits. Since its inception in 2016, Olympia Community Court has served more than 497+ people and celebrated over 226+ graduates. Community Court will continue to serve as 1 of 4 mentor courts in the nation in 2023.

2022 Accomplishments

- Due to COVID-19, the Social Services Worker now connects with defendants by phone or Zoom, thus keeping continuity of service.
- Washington State Office of Public Defense awarded a \$69,500 grant per year over the course of two years for increased public defender compensation, investigation/experts, and a .4 FTE Social Services Worker. This grant will conclude December 31, 2023.
- All public defenders continue to comply with the Indigent Standards published by the Supreme Court.
- Public Defense Coordinator Diane Whaley was chosen to continue to serve as the Washington Defender Association Division 2 area representative through mid-2023.

Performance Measures: Public Defense

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Public Defender data reporting by 15th of each month	100% compliance	100%	100%	100%	100%
Output Measure	Number of criminal filings	N/A	1,365	1,458	1,782	N/A
Cost Effectiveness Measure	1440 case credits or less anticipated assigned to public defenders	1,440 case credits or less	1,057	1,292	1,667	1,400 or less

Between 2021 and 2022, the court saw an increase of 375 case credits assigned to public defenders. This is the equivalent of a full time public defender. Our full time public defenders typically contract for 360 case credits max/year as the Washington State Indigent Standards do not allow for a public defender to take more than 400 case credits/year. The 360 contract allows for a small buffer for a private contractor to take outside work. Between 2021 and 2022, the court saw an increase in case filings of 324.

2023 Objectives

Continuous Improvement

- Public Defense will continue to hold round table discussions for public defenders, the public defense Social Services Worker, and interns. These are now being held by Zoom. This provides an opportunity to discuss legal issues, challenges, and current courthouse topics.
- Public Defense will continue to utilize a reporting system in order to review case credits and quality of public defense services.
- Public defense will continue to utilize a Social Services Worker. Having a Social Services Worker at pretrial and in custody calendars provides immediate access to social service information. Because of COVID, the Social Services Worker has adjusted her method of contact by meeting defendants either by phone or Zoom.
- Public Defenders are anticipated to continue to use a Zoom platform for court, using breakout rooms for confidential meetings during court with defendants.
- Public Defense had interns from South Puget Sound Community College in 2022. Interns assist with data projects and data interpretation. SPSCC interns will continue to assist in 2023. St. Martins University interns are a new addition for 2023.
- Public Defense will continue to seek out and apply for grants for Public Defense services. This includes opportunities for additional educational opportunities for the public defenders and Social Services Worker.

Office of Strategic Initiatives

City Manager's Office



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Department Overview - Office of Strategic Initiatives

Mission

The Office of Strategic Initiatives provides expertise and innovative solutions to unleash the City's potential

Vision

A vibrant, healthy, beautiful capital city

Description

The Office of Strategic Initiatives is responsible for six programs (outlined below) that work toward achieving the goals of the City Manager, City Council, and the Community. This is achieved by providing innovative tools, strategic guidance, and collaborative solutions to ensure the City is a safe, inclusive and high-performing organization and able to advance the City's priorities.

1. Assistant City Manager's Office - Administration
2. Clerk Services
3. Diversity, Equity & Inclusion
4. Human Resources
5. Information Services
6. Office of Performance and Innovation

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	875	1,075	500	(575)
Intergovernmental Revenues	23,434	23,434	23,434	0
Charges for Goods and Services	1,514,299	1,705,390	1,899,595	194,205
Miscellaneous Revenues	1,595	660	720	60
General Fund Contribution	7,512,950	7,873,303	5,663,050	(2,210,252)
Total Funding	\$9,053,152	\$9,603,862	\$7,587,299	\$-2,016,562

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Administration/Executive	\$643,115	\$696,775	\$1,110,104	\$413,329
Human Resources	1,101,227	1,046,990	1,192,861	145,871
Information Services	6,470,176	6,978,167	4,421,346	(2,556,821)
Office of Performance and Innovation	369,464	397,496	299,322	(98,175)
City Clerk/Records	469,170	484,434	563,667	79,233
Total Expenditures	\$9,053,152	\$9,603,862	\$7,587,299	\$-2,016,562

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$5,054,870	\$5,604,930	\$5,810,141	\$205,212
Supplies	257,777	362,365	25,500	(336,865)
Services	2,226,931	3,467,757	1,512,050	(1,955,707)
Intergovernmental	1,394,036	5,430	0	(5,430)
Interfund Payments for Services	119,537	163,380	239,608	76,228
Total Expenditures	\$9,053,152	\$9,603,862	\$7,587,299	\$-2,016,562

Organizational Chart - Office of Strategic Initiatives



Office of Strategic Initiatives - Administration

Description/Services Provided

The purpose of the Office of Strategic Initiatives is to provide support to all City departments and to tackle some of the community's unique challenges – the ones that do not fit neatly into a single department. The Office of Strategic initiatives (OSI) offers basic internal services and looks for ways to empower departments Citywide to operate at their highest potential. The teams within OSI includes Human Resources, Information Services, the Office of Performance and Innovation, City Clerk Services, and the Diversity, Equity, and Inclusion Program.

Besides overseeing the Office of Strategic Initiatives, the Assistant City Manager also serves as the staff liaison to the City Council's Community Livability and Public Safety Committee, coordinates the work of the Police Auditor on behalf of the City Council, and serves as the City's Risk Manager.

Risk Management coordinates claims and manages the city's liabilities. The focus of Risk Management is to ensure City-owned facilities and vehicles, as well as City employees, are insured and that programs have adequate liability and property coverage. Risk Management focuses on keeping accidents down and insurance premiums low. The program involves claims management, loss control, loss prevention training, and regular interactions with the Washington Cities Insurance Authority (WCIA), a municipal risk pool providing its members with self-insurance insurance services.

Significant Proposed Budget Changes

The Administration Budget includes two full-time employees. The primary expenditure, beyond salary and benefits, is for contract services for the City Council's Police Auditor and for stipends for volunteers who serve on Council appointed Boards, Committees and Commissions.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$417,349	\$573,876	\$633,813	\$59,936
Supplies	32,586	4,995	5,300	305
Services	174,828	94,561	445,303	350,742
Intergovernmental	4,580	3,535	0	(3,535)
Interfund Payments for Services	13,772	19,807	25,688	5,881
Total Expenditures	\$643,115	\$696,775	\$1,110,104	\$413,329

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant City Manager	1.00	1.00	1.00	0.00
Diversity Equity Inclusion Manager	0.00	1.00	1.00	0.00
Human Resources Analyst, Senior	0.00	1.00	0.00	-1.00
Program Assistant	1.00	0.00	1.00	1.00
Senior Program Specialist	1.00	1.00	1.00	0.00
Total	3.00	4.00	4.00	0.00

Budget Overview

The Administration Budget includes three full-time employees. The primary expenditure, beyond salary and benefits, is for contract services for the City Council's Police Auditor.

City Clerk Services

Description/Services Provided

City Clerk Services provides a broad range of services including:

- Managing and coordinating public records requests.
- Assisting staff with contracts and procurement.
- Providing records management consultation and training.
- Maintaining the City’s Domestic Partnerships Registration program.
- Partnering with Information Services and Legal on a variety of issues including Contracts, Privacy, Transparency, Information Security, and eDiscovery.

Significant Proposed Budget Changes

- Rising costs in non-discretionary services and supplies are driving minor budgetary increases in 2023 for City Clerk Services.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$419,243	\$439,023	\$497,096	\$58,073
Supplies	277	378	800	422
Services	38,855	30,846	44,450	13,604
Interfund Payments for Services	10,794	14,187	21,321	7,134
Total Expenditures	\$469,170	\$484,434	\$563,667	\$79,233

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
City Clerk	1.00	1.00	1.00	0.00
Contracts & Procurement Manager	0.00	1.00	0.00	-1.00
Procurement & Contract Program Administrator	0.00	0.00	1.00	1.00
Contracts & Procurement Specialist	1.00	0.00	0.00	0.00
Information Specialist	2.00	2.00	2.00	0.00
Total	4.00	4.00	4.00	0.00

Budget Overview

Rising costs in non-discretionary services and supplies and staff salary step increases are driving minor budgetary increases in 2023 for City Clerk Services.

Trends, Challenges and Opportunities

- The program continues to look for ways to increase public records request response efficiency, including improvements in processes and use of software to automate tasks wherever possible.
- Increasing the amount of goods and services purchased from small, local, women, minority and veteran owned businesses is an important goal of the City. Finding new opportunities through partnerships and outreach to accomplish this goal remains a priority.
- Compliance with the Public Records Act continues to be a challenge. The number of records requests the City receives continues to grow.

2022 Accomplishments

- Program projects in 2022 resulted in \$417,000 in hard and soft cost savings for the City over the next five years.
- The role of the Procurement and Contracts program continues to grow. City Clerk Services is now assisting staff with RFPs, managing Citywide contracts, and leading efforts in supplier diversity.
- Supported the Olympia Police Department in procuring body worn cameras.
- Collaborated with the Olympia Police Department in developing procedures for processing public records requests for body worn camera footage.

Performance Measures: City Clerk's Office

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of Public Records Requests	NA	3,850	3,123	3,250	3,763
Quality Measure	Percent of Requests Completed within 5 Days	85%	89%	88%	88%	88%
Quality Measure	# of Claims alleging violation of the Public Records Act	0	0	1	0	0
Efficiency Measure	Average Days to Complete	5.0	6.1	9.0	7.0	5.9
Cost Effectiveness Measure	Average Cost Per Public Records Request	\$180	\$160	\$183	\$180	\$190

2023 Objectives

- Develop a supplier diversity plan for the City.
- Collaborate with Departments to achieve cost savings when procuring goods and services.
- Further standardize the City's procurement procedures and processes to increase efficiencies of City operations.

External Diversity, Equity & Inclusion

Description/Services Provided

The Diversity, Equity & Inclusion Program was established in 2022 and is staffed by a DEI Program Manager and Program Assistant. The DEI Program Manager guides, advises, and supports the City's eleven-member appointed Social Justice & Equity Advisory Commission and partners with City Departments and community stakeholders to facilitate communication and foster collaboration around equity initiatives, action plans, and social justice goals and priorities.

Significant Proposed Budget Changes

- The DEI Program has two full-time employees. Salary and benefits are the primary budget increase, along with funding to support implementing the Social Justice and Equity Commission work plan.

Program Cost Summary	2021 Actual	2022 Budget	2023 Budget	Change
Personnel Services	\$0	\$313,066	\$265,816	\$(47,250)
Services	0	0	77,000	77,000
Interfund Payments	0	0	10,349	10,349
Total Expenditures	\$0	\$313,066	\$353,165	\$40,099

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Diversity Equity Inclusion Manager	0.00	1.00	1.00	0.00
Program Assistant	0.00	1.00	1.00	0.00
Total	0.00	2.00	2.00	0.00

Budget Overview

This budget is primarily made up of salary and benefits for two full-time employees. Additionally, there is funding for contract services to be used to support the Social Justice and Equity Commission and implement their work plan.

Trends, Challenges and Opportunities

- Program Assistant Vacancy
- Speaking opportunities with other jurisdictions around the equity framework

2022 Accomplishments

- Launched the Social Justice and Equity Commission
 - Commissioner orientations
 - Supporting co-chairs to develop their leadership and familiarity with the structure
 - Coordinated briefings and set workplan
- Completed the Equity Framework and training for city super-users
- Worked with and support the two other equity focused staff positions in the city

Performance Measures: DEI

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of events tabled at	6	NA	NA	NA	6
Quality Measure	# Commissioner one on one meetings	12	NA	NA	NA	12
Quality Measure	# of meetings with DEI focused staff in other jurisdictions	12	NA	NA	NA	12
The City's DEI program began in 2022						

2023 Objectives

- Complete Social Justice and Equity Commission (SJEC) work plan and other administration
- Organize at least one SJEC retreat
- Complete the community discrimination assessment
- Support SJEC to provide oversight to police auditor
- SJEC makes a recommendation on a permanent police oversight model
- Tabling and outreach at community events
- Network with DEI commissions and staff from other jurisdictions

Human Resources

Description/Services Provided

Human Resources (HR) provides guidance and support designed to increase the effectiveness of the organization, while fostering a healthy, safe, and inclusive environment through approachable and compassionate customer service.

HR manages the employee benefit programs and the employee wellness program. These programs cover all the benefits (healthcare, dental, vision, life insurance, etc.) that the City provides to employees and provides different wellness activities for City employees throughout the year.

HR is also responsible for labor negotiations and employee relations, recruitment and retention, workers compensation, and civil service.

Significant Proposed Budget Changes

- Human Resources does not have any significant budget changes.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$969,083	\$896,677	\$1,023,905	\$127,228
Supplies	3,302	6,770	3,200	(3,570)
Services	108,690	111,289	124,351	13,062
Interfund Payments for Services	20,152	32,253	41,405	9,152
Total Expenditures	\$1,101,227	\$1,046,990	\$1,192,861	\$145,871

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Human Resource Director	1.00	1.00	1.00	0.00
Human Resources Analyst	2.00	2.00	2.00	0.00
Human Resources Analyst, Senior	4.00	3.00	3.00	0.00
Human Resource Analyst - Project	0.00	1.00	1.00	0.00
Office Specialist I	0.25	0.25	0.50	0.25
Total	7.25	7.25	7.50	0.25

Budget Overview

In 2023, HR anticipates:

- Implementing and supporting Workday.
- Ensuring that the City remains an employer of choice by creating a work-life balance in addition to competitive salaries, benefits and overall employment practices (flexible work schedules, employee wellness programs, teleworking, infants at work etc.) in order to recruit great new employees and retain its best employees;
- Continuing to evaluate and potentially implement a City-wide leadership program, along with crafting and implementation of anti-bias training for all City employees.
- Continuing to help with hiring new and diverse police officers and firefighters through the Civil Service process. The Civil Service Commission continues to be a great partner, helping the City meet its needs in recruiting qualified candidates for these positions;
- Continuing to look for ways to improve workplace safety as measured by the number and severity of injured worker claims (worker compensation);
- Continuing to work with the LEOFF 1 Board as it deals with an aging retired workforce; more specifically dealing with anticipated long-term care costs;
- Closely monitoring the Federal Family and Medical Leave Act (FMLA), Paid Family Leave Act, the Americans with Disabilities Act (ADA) and the Age Discrimination in Employment Act (ADEA) to ensure compliance; Continuing to monitor healthcare costs while ensuring that employee healthcare needs are met;
- Coming up with wellness initiatives that can be completed outside of regular work due to the current working conditions such as staggered and flexible work arrangements;
- Increased competition for skilled, experienced applicants due to a limited applications and a lack of available workers;
- Continuing to negotiate and administer the eight (8) collective bargaining agreements (CBA) in 2023 (AFSCME, IUOE, Teamsters, Police Guild, Police Sergeants, IAFF, IAFF Assistant Chiefs, and IAFF Mechanics);
- Facing the challenge of an aging workforce, as some of the City's most experienced employees are retiring and the challenge of replacing that experience; and
- Continuing to monitor healthcare costs while ensuring that employee healthcare needs are met.

Trends, Challenges and Opportunities

- Implementation of Workday.
- Anticipated increases in medical insurance premiums continue to compel the City to reevaluate its benefit package to make sure it is sustainable.
- LEOFF 1 long-term care costs continue to be a concern as retirees' age.
- HR staff continues to provide training for supervisors on new and ongoing supervisory issues.

- Getting qualified candidates in the door and through the training process in the Olympia Police Department (OPD) continues to present challenges for the Civil Service positions. In 2023, HR will continue its work with OPD, Civil Service, and include the Equity and Inclusion Coordinator to look for ways to create a more efficient process for identifying and recruiting qualified, diversified candidates.
- Workers’ Compensation claims continue to challenge management staff and the City safety program to balance the physical nature of various jobs with the abilities of the employees, while trying to prevent job related injuries.
- The City has been struggling to work with outdated technology for Finance and Human Resources. HR is participating in the adoption of a new Human Resources Information System (HRIS) that will enhance the performance of the HR and Finance departments.

2022 Accomplishments

- Negotiating multi-year labor agreements with four unions (Firefighters Mechanics, Police Guild, AFSME, Teamster and IUOE).
- Conducted the LEOFF 1 Disability Board Election for new member.
- Assisted with the completion of 10 promotional processes for OPD and Olympia Fire Dept (OFD).
- Conducted new supervisor/lead training.
- Assisted with the City maintaining a 100 percent score on the Municipal Equality Index Community.

Performance Measures: Human Resources

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Recruitment Events Attended	TBD	N/A	N/A	5	0
Output Measure	# of workers compensation claims	2% annual reduction	51	30	28	20
Output Measure	# of employees trained	95% attendance	N/A	N/A	TBD	All
Quality Measure	Municipal Equity Index	100%	100%	100%	100%	100%

2023 Objectives

- Continue to adapt to an ever-changing work environment while continuing to support supervisors and managers through teleworking and other flexible work schedule alternatives.
- HR will work toward implementation of the Equity and Inclusion workplan designed by the Equity and Inclusion coordinator. HR will also continue to support the enablement of a Social Justice and Equity Commission that will help the City become a more diverse and equitable City.
- Through the upcoming equity audit the department will identify strengths and weaknesses to build a strategic plan that will.
- Building equity into day-to-day workplace practices, policies, and procedures. Improve workplace culture and building staff capacity to engage in equity analysis.

Internal Diversity, Equity & Inclusion

Description/Services Provided

The Internal Diversity Equity and Inclusion (DEI) Program provides guidance and support to create a citywide culture where people feel like and know they belong.

The Human Resources director oversees this program which is staffed with a full-time Diversity, Equity, and Inclusion Coordinator. Their responsibility is to create, develop, implement, and conduct training and programs for City employees, including: equity in hiring, recruitment and accessibility DEI trainings. Some other duties include reviewing HR data sets, organizational development, and leadership training. They continuously research the most current DEI best practices and policies to provide ongoing guidance to internal staff.

This position works with all entities in the City to ensure that the principles of diversity, equity, and inclusion are woven into the fabric of the organization.

Significant Proposed Budget Changes

- No other significant changes.

Program Cost Summary	2021 Actual	2022 Budget	2023 Budget	Change
Personnel Services	\$241,182	\$153,021	\$174,732	\$21,711
Services	77,751	119,551	42,551	(77,000)
Interfund Payments	0	1,637	1,252	(385)
Total Expenditures	\$318,933	\$274,209	\$218,535	\$(55,674)

Program Staffing	2021 Actual	2022 Budget	2023 Budget	Change
Human Resources Analyst, Senior	1.00	1.00	1.00	0.00
Human Resources Analyst	1.00	1.00	1.00	0.00
Total	2.00	2.00	2.00	0.00

Budget Overview

Salary and benefits for equity and inclusion coordinator along with budget for citywide Anti-racism and Belonging training along with other citywide DEI training opportunities. Budget for equity assessment to be completed in 2023.

Trends, Challenges and Opportunities

- Anti-racism & Belonging training
- Equity assessment
- LGBTQIA+ training

2022 Accomplishments

- Launched citywide anti-racism and belonging training
- Started equity assessment

2023 Objectives

- Continue to provide citywide DEI training
- Complete equity assessment and create DEI strategic plan

Information Services

Description/Services Provided

The Information Services line of business is a strategic partner providing a full spectrum of innovative technology solutions to enable the City to better carry out its mission and serve its community members. Our vision is to provide simple, secure access anywhere, anytime on any device.

Significant Proposed Budget Changes

- The 2023 budget continues Information Services' existing programs and services. Increased labor and benefit costs represent the largest change to the budget. Technology service contracts and subscriptions costs have decreased due to the elimination of multiple legacy solutions. These savings help to offset inflationary increases to other technology contracts as well as the increase to labor and benefits.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$2,988,380	\$3,411,570	\$3,374,044	\$-37,526
Supplies	218,367	348,613	16,200	(332,413)
Services	1,799,976	3,121,147	892,564	(2,228,583)
Intergovernmental	1,389,456	1,895	0	(1,895)
Interfund Payments for Services	73,997	94,942	138,538	43,596
Total Expenditures	\$6,470,176	\$6,978,167	\$4,421,346	\$-2,556,821

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Chief Information Officer	0.00	1.00	0.00	-1.00
Information Technology Director	0.00	0.00	1.00	1.00
Computer Systems Technician	3.00	3.00	3.00	0.00
Digital Solutions Manager	0.00	1.00	1.00	0.00
Enterprise Data Architect	1.00	1.00	1.00	0.00
GIS Coordinator	1.00	1.00	1.00	0.00
GIS Analyst	0.00	0.00	1.00	1.00
GIS Bus Manager - Project	0.00	0.00	1.00	1.00
Infrastructure Manager	0.00	1.00	1.00	0.00
IT Asset Management Specialist	1.00	1.00	1.00	0.00
IT Support Specialist	1.00	1.00	1.00	0.00
Line of Business Director	1.00	0.00	0.00	0.00
Network Analyst	5.00	5.00	5.00	0.00
Service Desk Administrator	1.00	1.00	1.00	0.00
Supervisor IV	2.00	0.00	0.00	0.00
Sys. & Appl. Specialist	5.00	5.00	3.00	(2.00)
Enterprise Applications Administrator	0.00	0.00	1.00	1.00
Total	21.00	21.00	22.00	1.00

Budget Overview

The 2023 budget continues Information Services' existing programs and services. Personnel costs represent the largest increase to the 2023 budget. Technology service contracts, subscriptions and leases for the City's hardware and software were reduced by \$126,684 largely due to the retirement of several large software solutions in 2022.

Trends, Challenges and Opportunities

- The City recognizes that the use of information and communications technologies to support, enhance or extend public participation and civic engagement processes is critical to meeting community members expectations. Whether for community members or employees we are replacing many of our traditional service models with digital alternatives to create a more convenient, consistent, and personalized experience.
- The implementation of a new Enterprise Resource Planning (ERP) solution allows the City to begin our transition to a modern, cloud-based solution for Financial, Payroll, Cashiering and Human Resources needs. This is by far the largest technology project in the City's history and was achieved through a Citywide effort. In 2023, our focus will be on training, fine tuning of workflows, report development and the adoption of a governance model to ensure the City achieves the defined outcomes for the new ERP solution.

2022 Accomplishments

Infrastructure and Security Upgrades:

- Endpoint protection solution deployed for all City owned devices
- PC and printer lifecycle replacements
- Designed and deployed new redundancy model for the City's internet services
- Completed multiple cybersecurity audits

Business Application and GIS Software Project Highlights:

- Configured and launched a new ERP solution (Financial, Payroll, Cashiering and Human Resources software)
- Implemented a major upgrade to the City's automated water meter reading software and hardware solution
- Field worker safety solution implemented

Performance Measures: Information Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure Tech Support	Service Desk Tickets	N/A	8,280	8,400	7,217	8,000
Output Measure Tech Support	Technology Change Requests	N/A	310	320	380	400
Efficiency Measure Service Response	First Call Resolution	45%	43%	42%	47%	45%
Efficiency Measure Service Response	Critical Systems Down	4 Hours	91%	87%	91%	90%
Efficiency Measure Service Response	Critical with Work-Around	16 Hours	89%	82%	87%	90%
Efficiency Measure Service Response	Non-Critical	40 Hours	90%	91%	92%	90%
Efficiency Measure Service Response	Moves, Installations, Enhancements	80 Hours	81%	81%	87%	90%
Cost Effectiveness Measure-Annual PC Lifecycle Rates	Average Device Rate	N/A	\$259	\$275	\$3,008	\$308
Cost Effectiveness Measure-Annual PC Lifecycle Rates	Per User Software Rate	N/A	\$406	\$411	\$451	\$477

2023 Objectives

- Transition to operational support for the new ERP (Enterprise Resource Planning) solution for financial, payroll, cashiering and human resource management
- Replacement of IT Service Management Solution
- Adoption of new IT Cybersecurity Policies
- Implementation of various prioritized business applications
- Annual Software License evaluation and audit
- Network security and infrastructure upgrades
- Annual PC and printer lifecycle replacements

Office of Performance and Innovation

Description/Services Provided

The Office of Performance and Innovation (OPI) is part of Strategic Initiatives in the City Manager's Office. OPI provides consultation and project management in community engagement and strategic planning, process improvement, and using data to learn and improve.

OPI partners with staff at all levels in the organization to support complex, high-profile, and cross-departmental projects. Since launching in 2018, OPI has partnered with individual staff members, teams, and departments to provide technical expertise, tools, and coaching that builds staff capacity, better leverages existing resources, and supports organizational excellence to help the City achieve our community's vision.

Significant Proposed Budget Changes

- Budget changes are due to increases in staffing costs.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$260,815	\$283,783	\$281,284	\$(2,499)
Supplies	3,245	1,609	0	(1,609)
Services	104,582	109,914	5,382	(104,532)
Interfund Payments for Services	822	2,191	12,656	10,465
Total Expenditures	\$369,464	\$397,496	\$299,322	\$(98,175)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Performance Mgmt Specialist	1.00	1.00	1.00	0.00
Performance Mgmt Specialist - Project	0.00	1.00	1.00	0.00
Strategic Planning & Performance Manager	1.00	1.00	1.00	0.00
Total	2.00	3.00	3.00	0.00

Budget Overview

OPI currently has three full-time, permanent staff positions.

Trends, Challenges and Opportunities

- The expectations of our community and the demands on the City continue to grow. To meet those needs, our organization needs to look for ways to adapt, save on costs and be more efficient in our processes. OPI supports long-term budget sustainability by working alongside staff to provide technical expertise, support and coaching, and practical tools that support their professional growth and development. This helps the City improve service delivery to the community. OPI also helps in developing strong teams that can work more effectively and efficiently to achieve their mission.
- OPI can replace the need to seek external consultant support by providing the following kinds of support: meeting design and facilitation, retreat facilitation, team development and chartering, community engagement, strategic planning, leadership development, and process improvement. OPI staff are nimble, responsive, and continuously developing and deepening skill sets based on the City's unique needs.
- OPI also partners with staff to identify and carryout process improvements. OPI specializes in developing a culture of curiosity and encouraging staff to find small to significant ways to improve program and service delivery. Those improvements can result in real costs savings and efficiencies.
- National and local trends show a significant shift in communities towards hyper-polarization on complex societal and culture issues. Local government is being looked to as a leader in bringing seemingly disparate sides together to solve wicked community problems. OPI leads the way in continuously developing new and inclusive approaches to engaging community members in intentional dialogue and relationship-building to inform City decision and policymaking. OPI also leads strategic planning processes (both internal and external) on complex topics, such as public safety, houselessness, and equity and belonging.
- The community, City Council, executive leadership, and staff, want to better understand how to collect, report on, and use data to guide planning and policymaking. OPI's provides expertise and guidance in establishing a culture of using data to learn and improve by:
 - Working directly with staff and members of existing and future performance management teams to identify and collect data that matters.
 - Use data to be strategic in identifying priorities and investments that make progress on the communities' highest priorities; and
 - Responding to the City Council and community's desire for transparency and reassurance that staff are working on and making progress on our community's vision.
- A challenge for OPI is meeting the need for services. OPI is consistently in demand to support identifying and operationalizing performance metrics and consulting on or leading highly complex and high-risk public engagement and/or strategic planning processes. With only two permanent, full-time staff, OPI has been unable to meet the existing need and has needed to decline or delay providing support on projects.

2022 Accomplishments

- Workday Olympia.** OPI Performance Management Specialist Danelle MacEwen is the project manager implementing an enterprise-wide finance, human resource, and payroll system called Workday. 2022 was spent streamlining processes and updating City policy and designing and configuring Workday to meet the City’s unique business needs to prepare for a January 2023 launch to all City employees. This cross-departmental project required a high-level of detailed-oriented project management and coordination, complex process improvements, end user training and extensive change management.
- Reimagining Public Safety Engagement Process.** OPI Strategic Planning and Performance Manager Stacey Ray served as the project manager for the Reimagining Public Safety public engagement process. This was a high-profile, highly complex community-led process that included engaging community members and staff who work in the public safety system to gather input on how to ensure the system fosters trust and is equitable. The process was led by a Community Work Group and culminated with the City Council accepting the group’s final recommendations on December 6, 2022. This process required moving at the speed of trust with community members, and repeatedly adapting our engagement to ensure it was equitable, inclusive, and fostered trust.
- Using Data to Learn and Improve.** OPI provided support to the Community Planning & Development Department in establishing a new Performance Management Team, and subsequently identifying and collecting data for their initial performance metrics. OPI also continued work on building the internal architecture, establishing the governance for, and training several staff in using ClearPoint, the City’s first data visualization solution. This work is in preparation for an external launch in 2023.

Performance Measures: Office of Performance & Innovation

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# Lean Six Sigma Greenbelts in City	15	8	14	14	15
Output Measure	# of Process Improvement Projects	5	4	2	4	5
Output Measure	# of internal and external meetings designed and/or facilitated	125	N/A	111	175	125
Output Measure	# of Data Dashboards Available Internally & Externally	6	N/A	N/A	—	6

2023 Objectives

- Create and implement a Leadership Development Program for City staff that provides comprehensive training to existing and future leaders.
- Cultivate curiosity and continuous improvement by coaching and developing department staff as leaders in performance management, including establishing a Performance Management team and metrics for the Office of Strategic Initiatives.
- Develop innovative methods to build relationships and foster trust with, and receive substantive input from community members who are not typically involved in local government planning and decision-making processes.
- Update the Comprehensive Plan focus areas and desired outcomes, and develop metrics for each area.
- Increase the number of performance metric dashboards available internally for City staff and launch the City's first external dashboard(s) for community members.
- Increase the number of process improvement projects completed citywide.
- Continue to stabilize the operation and increase the consistent use of Workday by City employees.

Community Planning and Development



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Department Overview

Mission

To protect and enhance our community's quality of life, sustainability, public safety, and economic vitality through plans, development regulations, parking services, and other programs. We achieve this mission through partnerships with our community and by delivering outstanding customer service.

Vision

Community Planning and Development staff are experts and innovators in our respective disciplines and are known throughout the community, the State of Washington, and our nation for our high-quality services and best practices.

Description

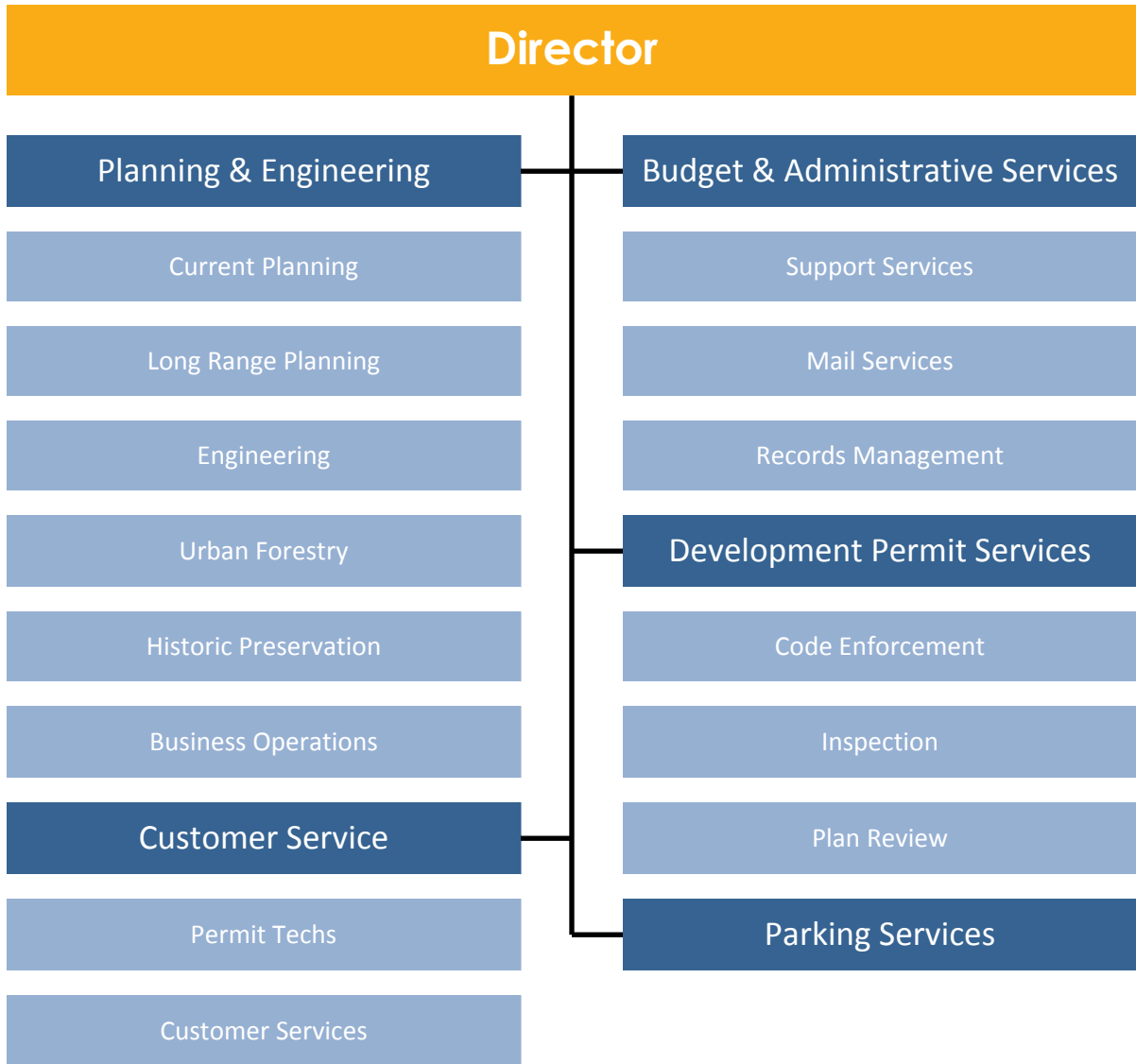
The Community Planning and Development (CP&D) Department serves our community by ensuring smart growth, safe development, protected environments, strong economy and vibrant neighborhoods. The Department is responsible for land use planning, construction permitting, code enforcement, parking services, historic preservation, urban forestry, neighborhood programs, City Hall customer service and Citywide mail services. Each program works hand-in-hand with other programs within the Department and across the City to enhance the quality of life for Olympia.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Taxes	\$0	\$0	\$0	\$0
Licenses and Permits	1,200	300	3,012,034	3,011,734
Intergovernmental Revenues	3,935,548	3,673,668	3,149,093	(524,575)
Charges for Goods and Services	430,283	458,180	2,228,850	1,770,670
Fines and Penalties	382,760	413,388	360,000	(53,388)
Miscellaneous Revenues	869,725	1,158,318	1,247,000	88,682
General Fund Contribution	2,141,822	2,623,343	(197,180)	(2,820,523)
Total Funding	7,761,337	8,327,197	9,799,797	2,422,231

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Administration	\$1,100,605	\$1,113,786	\$1,449,809	\$1,285,654
Customer Service	791,200	915,205	976,154	60,949
Development Permit Service	1,922,821	2,041,839	3,322,015	1,280,176
Parking	1,815,459	1,829,703	1,759,413	(70,290)
Planning & Engineering	1,950,899	2,366,130	2,284,841	(81,289)
Strategic Projects	180,355	60,535	7,565	(52,970)
Total Expenditures	7,761,337	8,327,197	9,799,797	2,422,231

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$5,401,024	\$5,924,880	\$6,405,400	\$480,520
Supplies	92,699	32,732	63,920	31,188
Services	879,821	972,885	879,252	(93,633)
Intergovernmental Payments	258,412	351,927	246,241	212,937
Interfund Payments	1,129,381	1,044,774	2,204,984	1,791,219
Total Expenditures	7,761,337	8,327,197	9,799,797	2,422,231

Organizational Chart - Community Planning and Development



Budget & Administrative Services

Description/Services Provided

The Administrative Services line of business is responsible for the leadership and business practices for the Department. Administrative Services supports staff of 59 FTEs for Community Planning and Development and 13 FTEs from Housing and Economic Development. It also provides Community Development Block Grant (CDBG) financial and program support and Citywide Mail Services. Strategic direction, performance management and financial management are the primary focus of this Division. This Division is also responsible for records management, archival, technology and public disclosure requests.

Significant Proposed Budget Changes

Contracts Manager and Office Specialist were added to this line of business through the budget enhancement process. Three Program Assistants were re-classed to Program Specialists.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$763,105	\$819,980	\$1,079,775	\$259,795
Supplies	5,363	5,740	13,450	7,710
Services	182,337	136,259	190,168	53,909
Intergovernmental	115,185	116,950	119,741	321,413
Interfund Payments for Services	34,613	34,857	46,675	642,827
Total Expenditures	\$1,100,605	\$1,113,786	\$1,449,809	\$1,285,654

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
CP&D Director	1.00	1.00	1.00	0.00
Office Specialist I	0.25	0.25	0.00	(0.25)
Office Specialist II	0.50	0.50	0.50	0.00
Program & Planning Supervisor	0.00	1.00	1.00	0.00
Program Assistant	4.25	3.00	0.00	(3.00)
Program Assistant - AFSCME	0.00	0.00	0.50	0.50
Program Specialist	1.00	1.25	0.00	(1.25)
Program Specialist - AFSCME	0.00	0.00	4.25	4.25
Supervisor III	1.00	0.00	0.00	0.00
Contracts Manager	0.00	0.00	1.00	1.00
Total	8.00	7.00	8.25	1.25

Budget Overview

The 2023 Budget maintains the 2022 services and programs. An increase in wages along with some non-discretionary communication and contractual services were the major cost drivers to the changes in the budget. However, other budget accounts were adjusted where available to minimize the increase overall.

Trends, Challenges and Opportunities

- Requests for financial data, both internally and externally, continue to increase.
- Continued changes in accounting standards and financial reporting requirements, including the coming Financial Data Transparency Act, require additional capacity with no associated funding increase.
- A planned full update of financial policies and procedures will provide an opportunity for better compliance with best practices. The effort to update these policies and procedures, including the creation of a Finance Policy and Procedure Manual was put on hold while the City implemented the new financial and HRMS system.
- The City's business and occupation (B&O) tax software has limited functionality and requires labor intensive manual processes for distributing and receiving tax reports and payments. There has long been a desire to allow filing and paying taxes online. The City has preliminarily tested a system already used in house to provide this functionality with positive outcomes. Continued work toward full implementation will commence in the spring.
- Exploration of two significant changes will be taking place over the next few years. Implementation of a biennial budget process is slated for 2025 and implementation of a priority-based budget process is planned for 2027.
- Implementation of the new financial and HRMS Enterprise Resource System has impacted work/life balance for the majority of the finance team. The need to prioritizing essential operational needs to meet critical timelines will impact the ability of the team to meet all information requests.

2022 Accomplishments

- Received GFOA Distinguished Budget Presentation Award for 2022 Budget.
- Received the GFOA Award for Certification of Achievement in Financial Reporting for 2020 Comprehensive Annual Finance Report (ACFR).
- Configured and implemented the new city-wide financial and HRMS Enterprise Resource System.
- Reorganized department management and reporting structure and promoted two employees into management positions.
- Received a clean report from the State Auditor's Office from their financial and accountability audit of the City's 2021 activities.
- Provided financial support for the City's of Olympia and Tumwater examination into the creation of a Regional Fire Authority.

Performance Measures: CP&D Budget & Administrative Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Workload Measure	# of Accounts Payable transactions	N/A	36,469	36,834	37,200	37,572
Workload Measure	# of Employees paid (includes temporary & seasonal) in a pay period	N/A	644	661	681	701
Workload Measure	# of Business & Occupation Tax Accounts	N/A	10,962	11,000	11,110	11,100
Efficiency Measure	# of days from invoice to payment date	15	22	20	18	16
Cost Effectiveness Measure	% of available funds invested	85%	91%	82%	90%	90%
Cost Effectiveness Measure	Expenditure budget per capita	N/A	\$3,676	\$3,813	\$3,453	\$3,250

* Target's are not included for measures outside of our control.

2023 Objectives

- Explore solution to allow for online tax filing and payment.
- Implement a formal internal audit program.
- Complete implementation of the new financial and HRMS ERP and provide in-house training for all City departments.
- Explore the potential of creating a B&O and Business License team to address taxpayer equity.
- Review, create, update financial policies and procedures and create a Financial Policy and Procedure Manual for internal publication.

Customer Service

Description/Services Provided

The Customer Service line of business consists of four Program Assistants, one Supervisor II, one Program Manager, one Lead, and two permit specialists. One of the primary functions of the Customer Service line of business is to provide excellent service when responding to internal and external customer inquiries made in-person, by telephone, or by email. The Customer Service Center (CSC) is responsible for all permit applications via the SmartGov Portal, UP Safety Portal, and cash transactions/deposits at the CSC for Utilities, Parking, Land Use and Permits, and various City business. This line of business is essentially the “face of the City.” Goals and objectives for the Customer Service LOB is to continue embodying Community Planning and Development’s three keys to success: excellent customer service, technical competence, and respectful communication.

Significant Proposed Budget Changes

- Wages and benefits are the primary cost components of these lines of business. Employees received a 5 percent COLA and several employees recently joined AFSCME.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$757,819	\$869,863	\$921,312	\$51,449
Supplies	4,546	1,922	3,900	1,978
Services	7,899	14,328	10,250	(4,078)
Intergovernmental	0	0	0	0
Interfund Payments for Services	20,936	29,092	40,692	11,600
Total Expenditures	\$791,200	\$915,205	\$976,154	\$60,949

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Lead Worker	2.00	1.00	1.00	0.00
Permit Specialist	2.00	2.00	2.00	0.00
Program & Planning Supervisor	0.50	0.50	0.50	0.00
Program Assistant	4.00	4.00	4.00	0.00
Supervisor II	1.00	1.00	1.00	0.00
Total	9.50	8.50	8.50	0.00

Budget Overview

Wages and benefits are the primary cost components of these lines of business.

Trends, Challenges, and Opportunities

- Increased communication and education with the public due to effects of our unhoused population. Program Assistants are the first contact for many unhoused individuals coming into City Hall looking for resources. The Program Assistants continue to field an increase in complaints and case set-ups regarding our unhoused, Abandoned Vehicles, Live-Aboards and RV's.
- City Hall Customer Service Center team continues to provide permitting assistance both virtually and in-person.

2022 Accomplishments

- Adjustment of City Hall's hours open to the Public from 9AM-4PM vs 8AM-5PM. The change in hours:
 1. Allows for staff meetings and training without requiring counter coverage by other work groups.
 2. Provides focused time to balance cash drawers and resolve any issues without overtime costs.
 3. Provides time in the morning before customers arrive for opening of cash drawers; processing morning reports; and address overnight payments, applications and inquiries.
- Expansion of permits – now all available online – and the creation of new Permit Specialist workflows associated with the permit expansion.
- Travel opening back up allowed for team members to attend conferences and training.
- Performance measures were created for all teams and will continued to be reported on in 2023.

Performance Measures: CP&D Customer Service

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	% of Calls Answered via CP&D & Parking Automatic Call Distribution (ACD) lines	TBD	N/A	N/A	18,670	18,000
Output Measure	Permit Applications Received (Counter & Portal)	TBD	5,453	3,231	6,916	6,500

The current performance measures selected for the front counter and permitting are number of phone calls received and number of permit land use applications.

In 2022, the Front Counter team answered 7,239 parking calls and 11,431 calls with questions for our building department. The number of calls for building are highest in Spring when many construction projects are starting. The Parking calls are highest in January, which is when the renewal of residential parking permits takes place.

This performance measure is important because the number of phone calls received reflect the services we are providing to Community Members. Tracking the volume of calls for the first-floor vs the second floor of City Hall ensures that each counter is properly staffed to provide the highest level of customer service.

Permitting has seen no decline in the number of permits coming in. 2022 Goal was to process 5,400 Permits, the actual number taken in from the portal was 6,916. This includes all applications that came into the portal regardless of status. Over the Counter (OTC) Permits are Single-Family/Duplex Furnace, Refrigeration, and Residential Electrical permits, Residential Solar Rooftop, Reroof, Single Family Plumbing, Residential siding, Window Replacement Permits reviewed, approved, and processed by Permit Specialists within 24 hours of application submittal. Each of these permit types represents a need that a City of Olympia homeowner may have to live comfortably within their homes or to improve the homeowner experience. Many OTC permits are representative of homeowners that are improving the energy efficiency of their residence.

2023 Objectives

- Continued training and emphasis on excellent customer service through trainings, coaching, mentoring, and recognizing acts of excellent customer service.
- Implementation of new parking and permit management software that performs as expected to further streamline the permitting and citation payment process.
- Continued training of general knowledge in multiple sections of CPD to expand on support roles.
- Continued evaluation of current processes for Program Assistants and Permit Specialists to maximize efficiencies. Use LEAN if current processes are determined to be antiquated or not leveraging the increased technology currently used by the department.
- Continuing to provide excellence in customer service in the advent of mass teleworking as a result of the COVID pandemic. Increased use of existing technologies to aid in the rendering of services and information to both external and internal customers.
- Implementation of new financial software program. Continued training and development of software to meet needs of the city.
- Continue looking at processes to increase efficiencies.

Development Permit Services

Description/Services Provided

Permit Services works for the protection of life, the environment, and property. This group is responsible for private and public development construction documents and permit reviews and the inspections of buildings under these issued permits. Code Enforcement works in partnership with citizens to promote and maintain a safe and desirable living and working environment. We help maintain and improve the quality of our community by enforcing laws and codes targeted to solve specific problems within the community.

Significant Proposed Budget Changes

- Staff received Cost Adjustments

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,335,763	\$1,461,560	\$1,582,144	\$120,584
Supplies	9,575	1,911	29,200	27,289
Services	54,955	103,776	207,098	103,322
Intergovernmental	0	0	0	0
Interfund Payments for Services	522,528	474,592	1,503,573	1,028,981
Total Expenditures	\$1,922,821	\$2,041,839	\$3,322,015	\$1,280,176

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Building Inspector - AFSCME	2.00	2.00	1.00	-1.00
Building Inspector II - AFSCME	1.00	1.00	1.00	0.00
Building Official	1.00	1.00	1.00	0.00
Building Plans Examiner-AFSCME	3.00	3.00	3.00	0.00
Senior Plans Examiner - AFSCME	0.00	0.00	1.00	1.00
Code Enforce Officer-AFSCME	2.00	2.00	2.00	0.00
Electrical Plan Examiner-AFSCME	1.00	1.00	1.00	0.00
Lead Code Enforce Offr-AFSCME	1.00	1.00	1.00	0.00
Supervisor III	1.00	1.00	1.00	0.00
Total	12.00	12.00	12.00	0.00

Budget Overview

- 2023 will bring a new cycle of updates to the International Building Codes. These new ICC 2021 codes will be coming online July 1st, 2023. This will increase training needs for inspectors and plan reviewers in 2023. It will also necessitate additional purchase of ICC code books as well as digital building code materials.

- Code Enforcement will need additional training to assist in the most effective enforcement trends evolving in this ever changing environment.

Trends, Challenges and Opportunities

- Commercial building projects continue to bring in strong revenue. Commercial development revenues are expected to be similar to 2022 based on commercial projects in the pipeline. New single-family home construction will remain steady for the upcoming year.
- Code Enforcement struggles with funding growing needs to address homeless encampment cleanups on public property as there is currently a very limited source of funding for this work.
- Continue to assess and tune our plan review and inspection process to work more efficiently and use our resources to their fullest potential and provide the best customer service possible.
- Developing training opportunities to improve our knowledge of internal procedures, code development and advancement in technology within our department. This training will educate the public and lead to shorter development time, increased energy conservation and exceptional customer service. “Enforcement through education.”

2022 Accomplishments

- We have developed an atmosphere of the importance of construction related education. Inspectors are constantly searching for free product/inspection training and certification through virtual classes.
- Code Enforcement has been able to close out many cases that have been active for many years.
- Olympia closed out the FEMA required Community Assistance Visit with no errors in our floodplain management.

Performance Measures: Development Permit Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual*	2023 Goal
Output Measure	# of New Commercial/Multi-family permits	TBD	12	11	17	12
Output Measure	# of Commercial/Multi-family Remodel permits	TBD	60	85	128	80
Output Measure	# of Single-family residential permits	TBD	16	31	51	40
Efficiency Measure	Average # of days to approve new Commercial/Multi-family permits	60	99	83	126	85
Efficiency Measure	Average # of days to approve Commercial/Multi-family Remodel permits	15	24	18	26	25
Efficiency Measure	Average # of days to approve Single-family Residential permits	14	48	25	83	15

*calculation method changed in 2022 from permits issued to permits approved and will be used in 2023

2023 Objectives

- Building is currently working with the CP&D Performance Measures team to improve and decrease permit issuance times
- Continuous internal adjustments to SmartGov and the City's online Portal application process to make it easier for applicants to apply and receive building permits
- Staying current on CEU's for staff certifications

Parking Services

Description/Services Provided

The Parking Services program's primary purpose is to uphold and enforce parking regulations, code, policies, and maintain infrastructure, including parking meters, kiosks, and parking lots in Downtown. Parking Services also responds to and enforces parking complaints and violations throughout the City. This includes case files, inspection and compliance of abandoned vehicles, restricted parking, and RVs. Goals and objectives for Parking Services is to increase parking compliance, education, and continue to be self-funding.

Significant Proposed Budget Changes

- Parking revenue has been significantly impacted by COVID-19 and the advent of teleworking and closures of businesses in the downtown core and surrounding downtown areas. The increased number of ABVL, unhoued and RV complaints/ demolition, has pulled staff from regular enforcement duties to manage cases and respond to complaints and assist with clean-up. Parking Services launched a new parking software, Barnacle upgrade, upgraded 180 smart meters and added 10 Kiosks.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	250,000	291,000	209,540	(81,460)
Fines and Penalties	382,760	413,388	360,000	(53,388)
Parking Collection	844,633	1,115,217	1,247,000	131,783
Net Use / (Gain) of Fund Balance	338,065	10,097	(57,127)	(67,224)
Total Funding	\$1,815,459	\$1,829,703	\$1,759,413	\$-70,290

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$835,883	\$835,085	\$934,836	\$99,751
Supplies	66,639	13,977	10,000	(3,977)
Services	266,874	297,591	167,500	(130,091)
Intergovernmental	143,227	234,977	126,500	(108,477)
Interfund Payments for Services	502,836	448,074	520,577	72,503
Total Expenditures	\$1,815,459	\$1,829,703	\$1,759,413	\$-70,290

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Field Crew Leader-AFSCME	1.00	1.00	1.00	0.00
Parking Svcs Field Rep II-AFSC	2.00	2.00	2.00	0.00
Parking Svcs Field Rep-AFSCME	4.00	4.00	5.00	1.00
Program & Planning Supervisor	0.50	0.50	0.50	0.00
Senior Program Specialist	0.50	0.50	0.50	0.00
Supervisor II	1.00	1.00	1.00	0.00
Total	9.00	9.00	10.00	1.00

Additional Parking Rep is a project position with 50% funding from PARD

Budget Overview

Wages and benefits are the primary cost components along with maintenance of equipment and parking lots.

Revenue: Parking meter collection, parking citation collection, all parking permits (9hr, residential, meter hood, leased lots), boot and tows.

Expenses: Wages and benefits, parking management software hosting, parking equipment repairs and maintenance, smart meter communication hosting, Downtown Ambassador Program support, PW Transportation support, Clean Team support, Courts support, and Citywide overhead.

Trends, Challenges, and Opportunities

Increased communication and education with the public due to effects of our unhoused population, upcoming improvements, and technology to the parking program benefiting not only the program but our community and DT businesses.

- Provide time in the morning checking and returning voicemails/emails, processing of Parking Permits, and crew updates prior to the Parking Enforcement heading into the field. Continued partnership with Parks department monitoring the lot at Olympia Center.
- Homelessness is a continuing challenge that is still affecting on and off-street parking; there have been increases in the number of RVs and Live-Aboards citywide. Staff is tasked with enforcing rules and safety laws while maintaining compassion. This trend is continuing to increase faster than City resources and legal options are available.

2022 Accomplishments

- Integrating the new UP Safety parking software system.
- Partnering with our Parks Dept. we have created assistance to both teams with a project position of one PSFR I.
- Representation on the CORE team to assist our city partners with major clean ups of camps in the public ROW.
- Sent three employees to VIN Specialist training for certification in junk vehicle affidavits. (JVA Certified)

Performance Measures: CP&D Parking Service

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of Parking Citations Issued	14,000	14,616	12,500	15,508	17,000
Output Measure	# of ABVL cases resulting in tows	90	69	141	110	90

Parking operations operates through sales of permits, meter fees and citations. ABVL cases are not a revenue generating process yet benefit the community by clearing abandoned vehicles from City ROW. A case resulting in tow has completed its life cycle and average 2.5 hours of labor for each case.

2023 Objectives

- Implementation of new parking software to provide a better customer service experience with a more robust customer portal, better enforcement and more integrations with other applications and software to create a smarter parking city.
- Increased use of License Plate Recognition technology in city lots, timed areas, and meters.
- Continue looking at processes to increase efficiencies.
- Implementation of immobilization device, the Barnacle, which will significantly reduce staff time and the amount staff needed to immobilize vehicles eligible for boot & tow.
- Continued expansion of PayByPhone on city ROW, in city lots, and to increase contactless solutions and payment convenience.
- Move to evening and weekend enforcement, filling our vacant PSFR II position and bring on 2 PSFR I positions.

Planning & Engineering

Description/Services Provided

Planning and Engineering is responsible for comprehensive long-range planning, current planning/land use review, engineering plan review, environmental planning, urban forestry, historic preservation, and neighborhoods programs.

Significant Proposed Budget Changes

- Planning and Engineering submitted a request for a budget enhancement for 2023 in the amount of \$50,000 to contract for consultant services to process a city-initiated annexation of the SE Urban Growth Area. If the City Council approves of moving forward with this annexation, a consultant would lead community outreach and communication efforts.
- Planning and Engineering submitted a request for a budget enhancement for 2023 in the amount of \$50,000 to contract for consultant services to develop methodology and to prepare a housing displacement analysis to meet the new requirements for housing under the Growth Management Act (see RCW 36.70A.070(2)(e)). This displacement work in 2023 will inform the Housing Element work in 2024 so the City can complete the Comprehensive Plan Periodic Update on time. This work must be included in the City's Housing Element of the Comprehensive Plan, which must be updated by June 2025.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,567,376	\$1,879,091	\$1,887,333	\$8,242
Supplies	6,244	9,182	7,370	(1,812)
Services	329,219	420,515	304,236	(116,279)
Intergovernmental	0	0	0	0
Interfund Payments for Services	48,060	57,341	85,902	28,561
Total Expenditures	\$1,950,899	\$2,366,130	\$2,284,841	\$(81,289)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant Planner	0.00	1.00	1.00	0.00
Associate Line of Business Director	1.00	1.00	0.00	(1.00)
Associate Planner	4.50	3.75	3.75	0.00
Business Operations Specialist	1.00	1.00	1.00	0.00
Deputy CP&D Director	0.00	0.00	1.00	1.00
GIS Coordinator	1.00	0.00	0.00	0.00
Engineering Plans Examiner	2.00	2.00	1.00	(1.00)
Senior Engineering Plans Examiner	0.00	0.00	1.00	1.00
Principal Planner	1.00	2.00	2.00	0.00
Program Specialist	0.00	1.00	1.00	0.00
Senior Planner	3.00	2.00	2.00	0.00
Total	13.50	13.75	13.75	0.00

Budget Overview

Planning and Engineering submitted a request for a budget enhancement for 2023 to contract for consultant services to process a city-initiated annexation of the SE Urban Growth Area. If the City Council approves of moving forward with this annexation, consultants would lead community outreach and communication efforts, and conduct a post-annexation census as required by the State Office of Financial Management (OFM).

Trends, Challenges, and Opportunities

- Applications for new multi-family projects remain strong while applications for residential subdivisions have continued to increase over past years.
- Engineering Plan Review continues to support a high volume of private and public development projects to ensure consistency with the City’s adopted Engineering Design and Development Standards. In addition to those projects mentioned above, the program continues to support Thurston County in reviewing projects in Olympia’s southeast Urban Growth Area.

- Work continues on long range planning projects implementing the Comprehensive Plan. Major projects include the Joint Plan (with Thurston County) for Olympia’s Urban Growth Area, Neighborhood Centers, interdepartmental coordination (EDDS, Martin Way Corridor Plan), and two large grant-funded projects: Subarea Plan and Planned Action Environmental Impact State for the Capital Mall Triangle, and parking code and development review process code changes to encourage housing development consistent with the City’s Housing Action Plan. An internal staff team has also been formed to begin work on the 2025 Comprehensive Plan update. This project will continue for the next two years, with public engagement starting in 2023.
- Planning and Engineering will continue as the primary liaison for recognized neighborhoods and the Council of Neighborhood Associations, as well as administering the popular Neighborhood Grants Program. The Program also provides staff support to the Heritage Commission, Design Review Board, Planning Commission, Hearing Examiner and Council’s Land Use & Environment Committee.
- The Urban Forestry program will continue to focus on evaluating land use applications for urban forestry and landscaping issues, address the most critical hazard trees through evaluation and mitigation, and lead the multi-department urban forestry coordination team to increase efficiencies in managing the City’s urban forest.
- The Historic Preservation program is pursuing a 2023 work plan with the support of the Heritage Commission that continues to examine expansion of the downtown historic district and individual Heritage Register property listings. The program continues its permit review role for historic properties, balancing preservation of community character alongside other important community values for sustainability, conservation, economic development and residential infill.

2022 Accomplishments

- Continued improvements to the online submittal process for land use review applications, further streamlining the permit review process and providing greater customer service.
- Land use and civil engineering permit review and approval for numerous multi-family residential, single family residential subdivisions, and mixed-use development projects continues to significantly increase the number of housing units.
- Filled vacant associate planner position (current planning) and senior planner position (long range planning).
- Reclassified engineering plans examiner position to senior engineering plans examiner.
- Selected consultant, developed scope of work and initiated planning process for the Capital Mall Triangle Subarea Plan and Planned Action Environmental Impact Statement.
- Hired a grant-funded project planner and initiated process to update parking regulations and the City’s permit process, work that will implement the Housing Action Plan and is funded by a State grant.
- Hired a consultant, developed a scope of work and initiated the planning process to address the regulatory framework for Neighborhood Centers, a project that will continue in 2023.
- Selected a consultant and completed an annexation feasibility study for the SE Urban Growth Area.

- Managed a selection process for the City’s Hearing Examiner with the Land Use and Environment Committee.

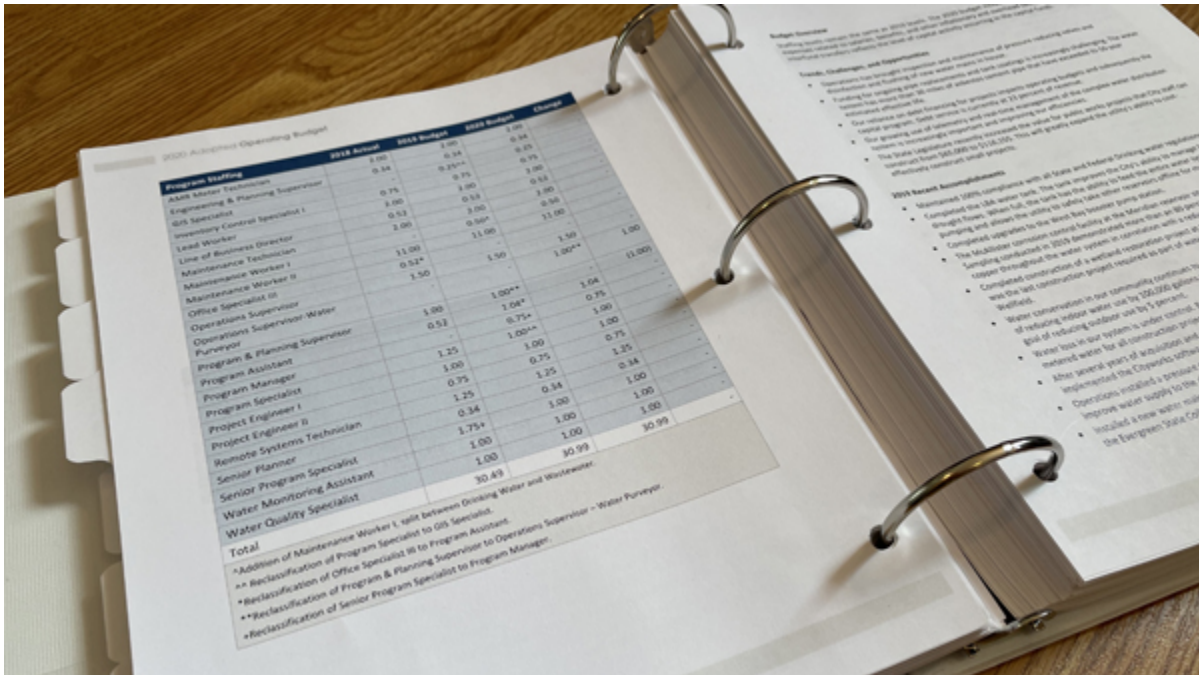
Performance Measures: CP&D Permitting

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Efficiency Measure	Days to complete review - Land Use Application	120	93	122	122	96
Efficiency Measure	Days to complete review - Preliminary Short Plat Application	90	78	76	76	127
Efficiency Measure	Days to complete review - Preliminary Long Plat Application	120	234	43	43	75
Efficiency Measure	Days to complete review - Civil Engineering Application	120	48	87	87	55

2023 Objectives

- Continue to review and lean our development review process to work more efficiently and use our resources to their fullest potential.
- Complete ongoing long range planning projects implementing the Comprehensive Plan and begin the multi-year update to the Comprehensive Plan to meet the June 2025 State deadline.
- Continue to provide training and professional development opportunities for the Planning and Engineering Team.

Finance



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Department Overview

Mission

To maintain and support the city and its fiscal responsibilities. We provide oversight and stewardship of the organizations fiscal resources through accuracy, integrity, professionalism, and adherence to regulatory and legal financial compliance.

Vision

Through our culture of continuous improvement and continuous learning, we aim to set the standard other governmental finance departments measure themselves against for excellence.

Description

The Finance Department provides a broad range of services and information to both internal and external customers. The department is responsible for accounting and financial reporting, including the development of the annual budget, monthly reports, and the Annual Comprehensive Financial Report. Other core operational services include accounts payable, accounts receivable, utility billing, general ledger, debt management, investment management, and banking.

Finance Performance Standards:

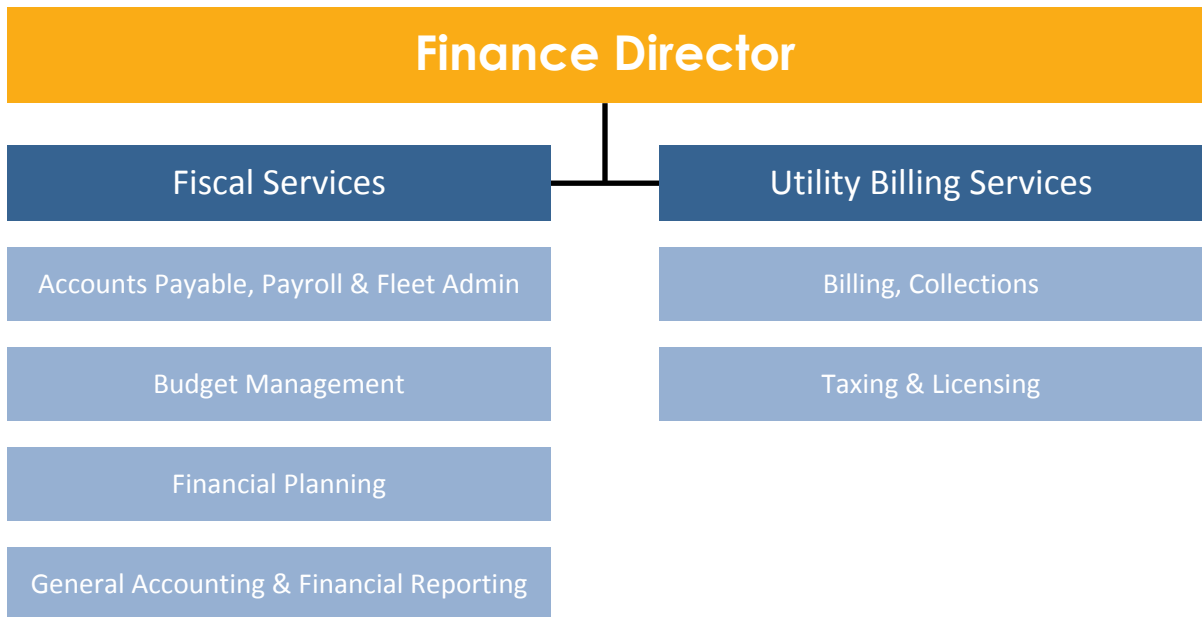
- Ensure customer confidence in the financial integrity of the City.
- Ensure the safety and security of financial assets.
- Develop and adhere to sound financial strategies for making business decisions.
- Interact respectfully and provide honest, excellent service.
- Provide accurate, clear, and concise information.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Charges for Goods and Services	\$1,376,327	\$1,326,864	\$1,979,073	\$652,209
Fines and Penalties	(1,309)	180,751	180,000	(751)
Miscellaneous Revenues	32,458	32,745	7,000	(25,745)
General Fund Contribution	1,454,548	1,506,652	1,395,039	(111,613)
Total Funding	\$2,862,024	\$3,047,012	\$3,561,112	\$514,100

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Billing and Collections	\$906,281	\$904,190	\$1,058,643	\$154,453
Accounting and Budgeting	1,955,742	2,142,822	\$2,502,469	\$359,647
Total Expenditures	\$2,862,024	\$3,047,012	\$3,561,112	\$514,100

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$2,200,702	\$2,394,225	\$2,803,293	\$409,067
Supplies	30,572	35,771	48,430	12,659
Services	573,603	541,863	592,040	50,177
Intergovernmental	1,010	0	0	0
Interfund Payments for Services	56,138	75,152	117,349	42,197
Total Expenditures	\$2,862,024	\$3,047,012	\$3,561,112	\$514,100

Organizational Chart - Finance



Fiscal Services

Description/Services Provided

The Finance Department has the lead responsibility for all City financial activities. Services are categorized in the following focus areas:

1. **General Accounting** – manage financial reporting and processes related to cash, debt, general ledger, investment and project and grant accounting.
2. **Payables and Fleet Business Administration** – manage processes to pay City vendors and employees and associated tax-related obligations; manage the business administration component of city-wide fleet program.
3. **Budget** – manage processes related to development, production, amending, and management of the City’s Operating and Capital Facilities Plan budgets.
4. **Financial Planning** – provide financial advice and analysis to support City departments and management in considering new or changing operations and projects.

Significant Proposed Budget Changes

- There are no significant budget changes. The budget has been adjusted for salary/wage changes, benefit increases, and other inflationary changes.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,634,021	\$1,831,311	\$2,051,374	\$220,064
Supplies	18,531	28,665	34,000	5,335
Services	260,744	226,100	328,012	101,912
Interfund Payments for Services	42,446	56,746	89,083	327,310
Total Expenditures	\$1,955,742	\$2,142,822	\$2,502,469	\$654,620

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
ACCOUNTANT	5.00	6.00	6.00	0.00
ACCOUNTANT, SENIOR (Project)	0.00	1.00	1.00	0.00
ACCOUNTING MANAGER	2.34	2.34	3.34	1.00
ACCOUNTING TECHNICIAN	2.50	2.50	0.50	-2.00
ACCOUNTING TECHNICIAN II	0.00	0.00	2.00	2.00
BUDGET / FINANCIAL ANALYST	1.00	1.00	0.00	-1.00
FINANCE DIRECTOR	1.00	1.00	1.00	0.00
PAYROLL SPECIALIST	1.00	1.00	1.00	0.00
PROGRAM ASSISTANT	1.00	1.00	1.00	0.00
SENIOR ACCOUNTANT	1.00	1.00	1.00	0.00
Total	14.84	16.84	16.84	0.00

Budget Overview

The 2023 Budget maintains the 2022 services and programs. An increase in wages along with some non-discretionary communication and contractual services were the major cost drivers to the changes in the budget. However, other budget accounts were adjusted where available to minimize the increase overall.

Trends, Challenges, and Opportunities

- Requests for financial data, both internally and externally, continue to increase.
- Continued changes in accounting standards and financial reporting requirements, including the coming Financial Data Transparency Act, require additional capacity with no associated funding increase.
- A planned full update of financial policies and procedures will provide an opportunity for better compliance with best practices. The effort to update these policies and procedures, including the creation of a Finance Policy and Procedure Manual was put on hold while the City implemented the new financial and HRMS system.
- The City's business and occupation (B&O) tax software has limited functionality and requires labor intensive manual processes for distributing and receiving tax reports and payments. There has long been a desire to allow filing and paying taxes online. The City has preliminarily tested a system already used in house to provide this functionality with positive outcomes. Continued work toward full implementation will commence in the spring.
- Exploration of two significant changes will be taking place over the next few years. Implementation of a biennial budget process is slated for 2025 and implementation of a priority-based budget process is planned for 2027.
- Implementation of the new financial and HRMS Enterprise Resource System has impacted work/life balance for the majority of the finance team. The need to prioritizing essential operational needs to meet critical timelines will impact the ability of the team to meet all information requests.

2022 Accomplishments

- Received GFOA Distinguished Budget Presentation Award for 2022 Budget.
- Received the GFOA Award for Certification of Achievement in Financial Reporting for 2020 Comprehensive Annual Finance Report (ACFR).
- Configured and implemented the new city-wide financial and HRMS Enterprise Resource System.
- Reorganized department management and reporting structure and promoted two employees into management positions.
- Received a clean report from the State Auditor’s Office from their financial and accountability audit of the City’s 2021 activities.
- Provided financial support for the City’s of Olympia and Tumwater examination into the creation of a Regional Fire Authority.
- Updated and refreshed our B&O web page to provide a more informative and easier to navigate customer experience.

Performance Measures: Fiscal Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Workload Measure	# of Accounts Payable transactions	N/A	36,469	36,834	37,200	37,572
Workload Measure	# of Employees paid (includes temporary & seasonal) in a pay period	N/A	644	661	681	701
Workload Measure	# of Business & Occupation Tax Accounts	N/A	10,962	11,000	11,110	11,100
Efficiency Measure	# of days from invoice to payment date	15	22	20	18	16
Cost Effectiveness Measure	% of available funds invested	85%	91%	82%	90%	90%
Cost Effectiveness Measure	Expenditure budget per capita	N/A	\$3,676	\$3,813	\$3,453	\$3,250

* Targets are not included for measures outside of our control.

2023 Objectives

- Explore solution to allow for online tax filing and payment.
- Implement a formal internal audit program.
- Complete implementation of the new financial and HRMS ERP and provide in-house training for all City departments.
- Explore the potential of creating a B&O and Business License team to address taxpayer equity.
- Review, create, update financial policies and procedures and create a Financial Policy and Procedure Manual for internal publication.

Billing, Collections, Taxes & Licensing

Description / Services Provided

Manage processes related to utility billing, account servicing, and receivables management. Other services include processes related to sales tax, business licenses, and business and occupation taxes, customer service, and a broad variety of program administration services.

Significant Proposed Budget Changes

- Additional FTE to maintain service levels for increasing number of customers
- Increase in credit card fee expenses

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$566,680	\$562,915	\$751,919	\$189,004
Supplies	12,041	7,106	14,430	7,324
Services	312,859	315,763	264,028	(51,735)
Intergovernmental	1,010	0	0	0
Interfund Payments for Services	13,692	18,406	28,266	144,593
Total Expenditures	\$906,281	\$904,190	\$1,058,643	\$289,185

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
ACCOUNTING MANAGER	0.66	0.66	0.66	0.00
ACCOUNTING TECHNICIAN	2.50	2.50	2.50	0.00
ACCOUNTING TECHNICIAN II	0.00	0.00	1.00	1.00
BILLING SPECIALIST	2.00	2.00	1.00	-1.00
SENIOR BILLING SPECIALIST	0.00	0.00	1.00	1.00
OFFICE SPECIALIST I	0.25	0.25	0.25	0.00
Total	5.41	5.41	6.41	1.00

Budget Overview

The 2023 Budget maintains the existing services, programs, and responsibilities. An increase in personnel services along with some non-discretionary interfund payments for services and supplies were the major cost drivers to the changes in the budget. However, other budget accounts were adjusted where available to minimize the increase overall.

Trends, Challenges, and Opportunities

- Real estate market boom producing greater customer service demands
- Increase in customer inquiries
- Leverage add-on technologies to provide a better customer experience

2022 Accomplishments

- Successful recruitment of Accounting Technician
- Workday hybrid deployment leveraging best practices and software capabilities
- Completed distribution of over \$ 1.1 million of ARPA funds for Utility Assistance
- Team completed a De-escalation, Communications and Resiliency Workshop

Performance Measures: Utility Billing

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Workload Measure	# of Utility Billing Accounts	TBD	20,982	21,136	21,350	21,500
Workload Measure	# of Water Shut-offs	TBD	1,479	1,423	1,400	1,350
Performance Measure	Leak Detection Notification	1 day	10 days	10 days	10 days	9 days
Performance Measure	Escrow Request Response Time	3 days	3 days	3 days	2 days	1.5 days

2023 Objectives

- Improve consumption analysis, leak detection and outage notifications for an enhanced customer experience
- Refine outward facing website for a more informative and simpler customer interface

Legal



Included in this Section

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Department Overview

Mission

The Legal Department provides thorough, timely, and balanced professional legal advice and consultation to the Olympia City Council and City Manager to support the policy and business objectives of the City and its departments; to ensure those policies and objectives are properly implemented in accordance with the law; to defend the City against legal challenges; and to prosecute violations of City ordinances in Olympia Municipal Court in a fair and equitable manner to protect public Safety.

Vision

To provide the highest quality legal services in an ethical and professional manner to the City Council, City Manager, and City departments.

Description

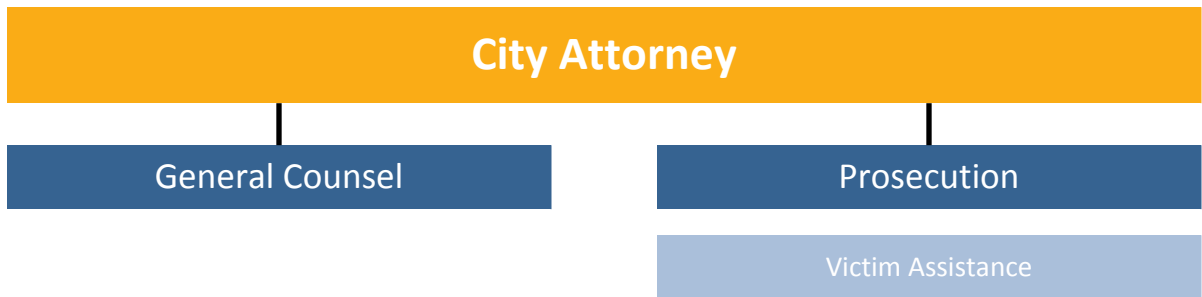
The Legal Department provides consultation, legal advice, and representation to the City of Olympia consistent with the City's priorities. It is comprised of two divisions under the supervision of the City Attorney: General Counsel and Prosecution. The General Counsel Division provides legal services to the City Council, City Manager and City departments. The Prosecution Division prosecutes violations of City ordinances in Municipal Court.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Charges for Goods and Services	201,484	208,318	226,495	18,177
Fines and Penalties	3,656	3,044	3,650	606
Miscellaneous Revenues	35	0	0	0
General Fund Contribution	1,326,429	1,420,791	1,546,696	125,905
Total Funding	\$1,531,604	\$1,632,153	\$1,776,841	\$144,688

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Victim Assistance	\$101,697	\$107,439	\$112,290	\$4,851
General Counsel	863,229	891,289	938,887	47,598
Prosecution	566,678	633,426	725,664	92,239
Total Expenditures	\$1,531,604	\$1,632,153	\$1,776,841	\$144,688

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,407,506	\$1,523,047	\$1,644,151	\$115,541
Supplies	8,164	4,838	8,100	(3,327)
Services	78,846	57,338	56,356	(21,508)
Intergovernmental	0	4,545	6,792	4,545
Interfund Payments for Services	37,088	42,386	61,442	19,056
Total Expenditures	\$1,531,604	\$1,632,153	\$1,776,841	\$114,307

Organizational Chart - Legal



Legal Services - General Counsel Division

Description/Services Provided

The General Counsel division advises the City Council, City Manager and City departments on legal questions relating to laws, policies, and regulations applicable to the City. Duties also include preparing and reviewing ordinances, resolutions, real estate documents and transactional practice, interlocal agreements, contracts and related documents, and providing proactive advice to minimize litigation risk and liability exposure. The General Counsel Division initiates or defends litigation when necessary and provides management of outside legal services provided under contractual agreements with the City. The General Counsel Division also evaluates and advises on proposed legislation, public disclosure and Fair Campaign Practices Act issues, Public Records Act requests, the Open Public Meetings Act, public bidding requirements and public works issues, advice to the Olympia Police Department and Olympia Fire Department, and other areas of legal concern for all City departments.

Significant Proposed Budget Changes

- There are no significant changes to the budget for the General Counsel Division. Budget resources for the Division are allocated almost exclusively to staff costs, along with a smaller amount for outside legal services which require specialized expertise, outside legal counsel or independent review.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$98,887	\$104,684	\$107,317	\$2,633
Supplies	540	388	1,600	1,212
Services	2,270	1,549	2,529	980
Interfund Payments for Services	0	818	844	26
Total Expenditures	\$101,697	\$107,439	\$112,290	\$4,851

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
City Attorney	1.00	1.00	1.00	0.00
Deputy City Attorney	2.00	2.00	2.00	0.00
Paralegal I	1.00	1.00	1.00	0.00
Paralegal II	1.00	1.00	1.00	0.00
Total	5.00	5.00	5.00	0.00

Budget Overview

The only change to the 2023 budget for the General Counsel Division is an increase in the compensation for the Paralegal I and Paralegal II positions to be commensurate with other cities with similar workloads. Budget resources for the Division are allocated almost exclusively to staff costs, along with a smaller amount for outside legal services which require specialized expertise, outside legal counsel or independent review.

The Legal Department's Outside Legal Professional Services budget is grossly inadequate to cover contract legal services when the City is sued or has need for specialized legal services. In order to hire a third prosecutor in the Prosecution Division, \$50,000 was diverted from the Outside Legal Professional Services budget several years ago. This funding loss has never been replaced, as other critical needs were required for staff support in the Prosecution Division (which support was lost in the 2008-09 Great Recession).

Trends, Challenges, and Opportunities

- It is impossible to predict costs for annual outside legal counsel due to unknown factors such as lawsuits brought by persons or entities against the City. Often such litigation may extend for years before a final decision or resolution is reached by the appellate courts.
- The combination of increased levels of departmental activities and multiple major projects creates a strain in resources and impacts legal review times. As a result of population growth, homeless and affordable housing issues, property acquisitions, public safety concerns, and the recent COVID-19 related emergencies, there has been an increased demand for City legal services. This demand for legal services has only increased since pandemic issues have subsided. The General Counsel division works closely with the City Manager, City Council and City departments to prioritize legal work requests and to ensure that legal advice and representation is provided in a timely and effective manner. The events of the COVID-19 pandemic in 2020 and into 2021, and the increasing need for legal services has stretched the limits of the General Counsel Division to near a breaking point. An additional attorney and paralegal will be necessary in the General Counsel division if the current level of requested legal services and major projects continues.
- The General Counsel division must respond to projects and timelines established by others, and major projects tend to consume large amounts of staff time for research, investigation, analysis, and writing. Significant community interest in low-income affordable housing, parks planning, real estate acquisition and funding, together with police reform and fire and emergency medical services continues to increase the need for timely legal services.
- The City's role in addressing the complex issues related to homelessness continues to have a significant growing impact on legal services. The General Counsel division has worked closely with the City Manager's office and City departments in supporting the efforts to address homelessness and housing affordability.
- Completion of major projects such as park acquisition, low-income affordable housing, and downtown redevelopment requires significant support from the General Counsel division.

- The responsibilities of a dedicated Police Legal Advisor impact the time required to serve other departments. As Police Legal Advisor duties continue to develop, grow and evolve, additional resources will be required to fulfill the responsibilities necessary to serve the unique and vitally important legal needs of the Olympia Police Department as it seeks to meet the community’s expectations of law enforcement and public safety, and the requirements of constitutional policing in a modern, progressive, urban environment, in addition to meeting the requirements of recent state legislative reforms.

2022 Accomplishments

- Cultural Access Program Ballot Measure (Inspire Olympia)
- Purchase of Franz Anderson Road property for tiny home village and future low income affordable housing
- Ordinance Restricting Possession of Weapons in Certain Municipal Buildings
- Smith Lake Rezone Ordinance
- Family Support Center Grant Agreement transaction
- Regional Fire Authority legal advice and support
- Negotiation with Nisqually Tribe for Jail Services
- Comprehensive OPD Policy Update, including analysis and advice on updating OPD’s Use of Force Policy in accordance with updated state laws
- Advice on formation of Social Justice and Equity Commission
- Legal support for climate mitigation and building code amendments
- City/WSDOT ROW Clean up Agreements

Performance Measures: Legal Services-General Counsel

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Legal Work Requests Received	NA	454	493	492	N/A
Efficiency Measure	Professional Services Agreements Reviewed Within 2 Weeks	95%	92%	96%	95%	95%

2023 Objectives

Continue and increase technological advancements to provide legal support to the City Council, City Manager, and Department Directors and supervisors on a 24/7 basis. The need for legal counsel is not limited to usual business hours during the work week.

Seek additional funding in the General Counsel division for one attorney and one paralegal due to increased demand for legal services related to complex and specialized projects.

Legal Services - Prosecution Division

Description/Services Provided

The Prosecution Division prosecutes persons accused of committing misdemeanor or gross misdemeanors, to assure the guilty are held accountable, the public is protected from criminal conduct, and justice is appropriately served. The Prosecution Division regularly works in close collaboration with local and state-wide law enforcement partners and nonprofit organizations to assist crime victims and deter criminal activity. The Prosecution Division also provides training on legal issues to the Olympia Police Department. It works collaboratively with other municipal entities to ensure an individual's rights are protected. Prosecutors, the Victim Assistance Coordinator, and Prosecution staff also spend significant time assisting domestic violence and crime victims to ensure they fully understand the legal process, their rights are protected within the justice system, and their voices are heard throughout the prosecution process.

Significant Proposed Budget Changes

Budget resources for the Prosecution Division are allocated almost exclusively to staff costs.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$772,768	\$801,605	\$835,312	\$33,706
Supplies	3,697	2,142	5,000	2,858
Services	49,677	45,973	37,977	-7,996
Intergovernmental	0	0	0	0
Interfund Payments for Services	37,088	41,568	60,598	19,030
Total Expenditures	\$863,229	\$891,289	\$938,887	\$47,598

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant Prosecutor I	1.00	1.00	1.00	0.00
Assistant Prosecutor II	1.00	1.00	1.00	0.00
Chief Prosecutor	1.00	1.00	1.00	0.00
Paralegal I	1.00	1.00	1.00	0.00
Program Assistant	1.00	1.00	1.00	0.00
Total	5.00	5.00	5.00	0.00

Budget Overview

Budget resources for the Prosecution Division are allocated almost exclusively to staff costs. The Division had one significant change for 2022; the Paralegal and Program Assistant (now Program Specialist) were reclassified to make compensation for these positions commiserate with other cities of similar size.

Trends, Challenges, and Opportunities

- Community Court, which is an alternative to a traditional criminal justice model, continues to evolve and adapt to the ever-growing needs of the community. Community Court requires an extraordinary amount of resources and staff time. Current staffing is the minimum needed to maintain this program, but current staffing is not sufficient to expand the program.
- In order to save money and resources, since 2017, the Thurston County Prosecutor's Office has been declining and sending felony level cases to Olympia Municipal Court. These cases can include violent and non-violent crimes, most notably, domestic violence high risk crimes. These are more complex cases and often require more preparation, litigation and witness coordination.
- The Olympia Police Department (OPD) transferred criminal history security duties to the Prosecution Division in 2019. In order to meet security requirements, the Division's Paralegal is now responsible for escorting all visitors and witnesses through the Prosecutor's office, managing the training schedule and access for staff, and overseeing destruction of sensitive materials. These new duties have often conflicted with other priority duties, including but not limited to, expedited processing of criminal cases where suspects are held in custody.
- There has been a large increase in cases that filter into increases in the number of hearings and contact by the City's Victim Advocates. The Total number of criminal cases processed by the Prosecution Division has grown by 63 percent over 2021. The total number of hearings has increased 30 percent over 2021. The total number of victim advocate contacts with witnesses or victims increased by 28 percent over 2021.

2022 Accomplishments

- Community Court. The collaborative and innovative approach in Community Court has continued to be a success. Community Court is geared to effectively provide needed services for lower-level offenders, so as to reduce their risk of recidivism and better protect the community. In 2019, the Community Court policies and procedures were modified to double the number of eligible offenses for Community Court participation. Ultimately, the goal is to reach a greater number of criminal defendants and link them to social service providers.
- In late 2019, the Prosecution Division went live with the eProsecutor case management system. This system has allowed the Prosecution Division to move from paper files to an electronic database that allows for quicker entry of cases and charging, assimilation of the Prosecutor's file and the Victim Assistance Coordinator's file into one location, reporting on trends and caseloads, and an easier exchange of information between staff. This system came at the perfect moment, enabling the Prosecution Division to adapt to a remote working model with the onset of the COVID-19 pandemic in 2020.
- The Chief Prosecutor is a subject matter expert for the City Council's Ad Hoc Committee on Public Safety and has presented on the criminal process, the function of the Prosecution Division, and the limitation on the authority of prosecution.

- In 2022, approval to expand the eProsecutor system to better track race and gender data of defendants and victims was approved. The upgrade programming was started near the end of 2022 and should complete in early 2023.
- All paper files have been migrated to the eProsecutor system.
- The backlog of cases to review for charging has been resolved and cases are now reviewed within 1-2 weeks of receipt.
- The precharging diversion program for first time offenders has been expanded from only theft charges to include some non-violent crimes.

Performance Measures: Legal Services-Prosecution

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Criminal complaints filed	N/A	968	930	894	N/A
Output Measure	Criminal cases received to be reviewed for charging	N/A	New Measure as of 2021	3,126	2,052	N/A
Output Measure	Criminal hearings attended	N/A	6,634	8,648	8,648	N/A

2023 Objectives

- Creation of user manual for case management system.
- Correct the racial designation in eProsecutor for a large number of victims and defendants who are currently listed as unknown race. This will improve racial statistics from the eProsecutor upgrade.

Legal Services - Prosecution Division – Victim Assistance

Description/Services Provided

The Victim Assistance Program provides information and support to victims of crime encountered by the Olympia Police Department and referred or prosecuted by the City of Olympia Prosecutor's Office with the intent to hold offenders accountable, provide safety planning, and ensure victim's rights.

Significant Proposed Budget Changes

- Budget resources for the Victim Assistance Program are allocated almost exclusively to staff costs.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$535,851	\$616,757	\$701,522	\$84,765
Supplies	3,928	2,308	1,500	(808)
Services	26,899	9,815	15,850	6,035
Intergovernmental	0	4,545	6,792	2,247
Total Expenditures	\$566,678	\$633,426	\$725,664	\$92,239

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Victim Assist. Coord.	1.00	1.00	1.00	0.00
Total	1.00	1.00	1.00	0.00

Budget Overview

Budget resources for the Victim Assistance Program are allocated almost exclusively to staff costs. The one significant change was a reclassifying of the Victim Assistance Coordinator to make compensation for the position commiserate with other cities of similar size.

Trends, Challenges, and Opportunities

- Previously victim/witness contacts were tracked manually. The electronic tracking process is different, but there was a significant increase in cases received by the Prosecution Division, as a result there was an increase in the total number of Victim Advocate contacts, under the new tracking process, with witnesses and victims. The total contacts increased by 28 percent over 2021.
- In order to save money and resources, over the last four years the Thurston County Prosecutor's Office has referred felony level cases to Olympia Municipal Court. These are more complicated cases and often require more litigation and witness coordination, which impacts Victim Assistance staff.

2022 Accomplishments

- The Prosecution Division has continued to effectively use the eProsecutor case management system. This system has allowed the Prosecution Division to move from paper files to an electronic database that allows for quicker entry of cases and charging, assimilation of the Prosecutor’s file and the Victim Assistance Coordinator’s file into one location, reporting on trends and caseloads, and an easier exchange of information between staff. This system has enabled the Prosecution Division to adapt to a remote working model with the onset of the COVID-19 pandemic in 2020.
- The eProsecutor system was approved for an upgrade in 2022. The upgrade will allow better tracking of defendant and victim race/gender statistics. This upgrade process began at the end of 2022 and is expected to complete in early 2023.
- Victim Assistance was required to move to a remote model during the COVID-19 pandemic. The transition to this model was smooth and did not interrupt the services provided to victims. With the use of Zoom in the courtroom and for interviews, the remote model increased the City’s ability to inform and interact with the victims of crime.
- Victim Assistance was expanded to include contact with non-domestic violence victim crimes. This expansion has increased contact and resources for victims of violence and property crimes.

Performance Measures: Legal Services-Prosecution-Victim Assistance

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# Victim contacts by Victim Assistance Coordinator (manual tracking)	N/A	6,354	6,788	System Change	N/A
Output Measure	# Victim contact by Victim Assistance (electronic tracking)	N/A	2,624	4,264	5,438	N/A

2023 Objectives

- Increase training opportunities to expand knowledge and best practice information.
- Expand cooperation between agencies in Thurston County, focused on domestic violence.
- Review and expand publicly available information on victim safety and resources.

Municipal Court



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Department Overview

Mission

The mission of the Olympia Municipal Court, as an independent and impartial branch of government, is to provide objective, accessible and timely resolution of all cases appropriately coming before the Court, the protection of the rights of all individuals and the dignified and fair treatment of all parties. Olympia Municipal Court is a contributing partner working toward a safe and vital community.

Vision

The court will strive to be a leader in innovative and evidence-based programs that will reduce recidivism and change behaviors.

Description

The Olympia Municipal Court is a high volume, limited jurisdiction court, which hears cases involving misdemeanors, gross misdemeanors, traffic infractions, parking violations and City code violations. Our court is the initial contact with the legal system for many individuals. The role of the court in the criminal justice system is to adjudicate criminal cases that impact public safety while safeguarding the rights of the accused as well as the rights of the victims. In adjudicating cases, we also want to provide options for restorative justice to stop the cycle of crime - this includes providing access to social service providers and treatment programs. Judge Scott Ahlf is the elected presiding judge and he oversees all court and probation services including community court and all probation program.

Through our community court program, social service providers are available via zoom every Wednesday morning to meet with those who need services. Services include housing assistance, chemical dependency and mental health providers, employment assistance, transportation and medical needs just to name a few.

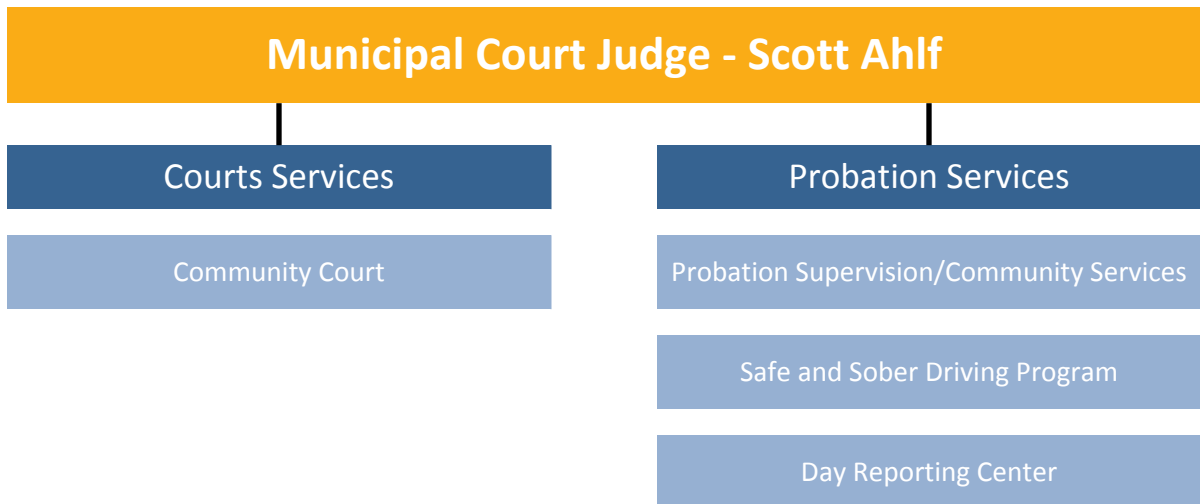
The Courts' Probation Program continues to be a leader in the use of jail alternatives such as work crew, day jail, electronic home monitoring (house arrest) and the use of alcohol sensing devices that inform the Court if someone is using alcohol in violation of a release condition, thereby posing a risk to the community.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	69,819	123,223	21,520	(101,703)
Charges for Goods and Services	197,725	225,560	200,500	(25,060)
Miscellaneous Revenues	0	10	0	(10)
General Fund Contribution	1,746,685	1,746,771	2,054,259	307,489
Total Funding	\$2,014,229	\$2,095,563	\$2,276,279	\$101,521

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Court Services	\$1,218,048	\$1,226,309	\$1,347,781	\$8,261
Community Court	104,437	191,851	122,168	87,414
Probation/Day Reporting	691,743	677,402	806,330	(14,341)
Total Expenditures	\$2,014,229	\$2,095,563	\$2,276,279	\$81,334

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,715,227	\$1,792,743	\$1,927,891	\$77,516
Supplies	27,003	13,045	21,095	(13,958)
Services	212,659	221,942	230,779	9,282
Interfund Payments for Services	59,339	67,833	96,514	28,681
Total Expenditures	\$2,014,229	\$2,095,563	\$2,276,279	\$101,521

Organizational Chart - Municipal Court



Court Services

Description/Services Provided

Court Services is primarily responsible for the day-to-day operations of court and parking citation processing. This includes data entry, docketing and calendaring, case management/ adjudication, receipting payments, fine distribution and compliance monitoring. It is the goal of this Court to require offenders to be accountable for their actions, and to work with these offenders to address the underlying issues relating to their offenses and reduce recidivism.

Significant Proposed Budget Changes

- Due to the reorganization of parking services, more responsibilities have been shifted to the CP&D staff. The Court's funding received through CP&D for parking services is reduced to \$30,000 per year, down from \$92,160. The staff dedicated as the parking clerk has also reduced her hours from 40 hours to 32 hours per week.
- Security services will be increasing rates for 2023 from \$28.00/hour to \$33.33/hour - this will impact the security budget by \$12,110/annually.
- The Court has contracted with The Administrative Office Of the Courts for a Language Assistance Plan in which the State will reimburse the Court for the use of certified interpreters at a rate of 50 percent of the paid invoice. This will cut the spending for interpreters for 2023 by 1/2.
- It is anticipated that the Court will receive \$25,000 for partial reimbursement of the Municipal Court Judge's salary for 2023 from the State through the Trial Court Improvement Fund.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,044,663	\$1,083,509	\$1,163,232	\$79,723
Supplies	21,201	5,286	8,800	3,514
Services	127,239	103,759	123,788	20,029
Interfund Payments for Services	24,946	33,756	51,961	18,205
Total Expenditures	\$1,218,048	\$1,226,309	\$1,347,781	\$121,471

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Court Operations Supervisor	1.00	0.00	1.00	1.00
Municipal Court Judge	1.00	1.00	1.00	0.00
Oly Municipal Court Director	1.00	1.00	1.00	0.00
Office Specialist II	1.00	0.00	0.00	0.00
Office Specialist III	4.00	0.00	0.00	0.00
Program Assistant	0.00	4.00	4.00	0.00
Program Specialist	0.00	1.00	1.00	0.00
Supervisor II	0.00	1.00	0.00	(1.00)
Total	8.00	8.00	8.00	0.00

Budget Overview

oCourt electronic document system - In 2020, the court applied for and was granted CARES funding in the amount of \$36,000 to obtain oCourt - a document management program and scheduler which automates court forms to function thoroughly remotely during the pandemic. This system also allows the court to become paperless as court forms are prepared and shared electronically with only the requirement of printing a copy of the complete form for the court participant. The annual maintenance and support cost for this program is \$7,700.

Security - Security services will be raising their rates effective August 2021 from \$23.77/hour to \$26.94/hour - this will increase the budget for 2023 by \$7,795.

The court reduced its cost for armored car pick up due to a re-negotiation of the contract with the City. This cost savings of approximately \$400 per month helps set off the added expenses for the technology increases. The additional cost of security and the maintenance of oCourt is requested for the 2023 budget.

It is anticipated that the Court will receive \$25,000 for partial reimbursement of the Municipal Court Judge's salary for 2023 from the State through the Trial Court Improvement Fund.

Trends, Challenges, and Opportunities

The pandemic has brought about changes that have made the court more versatile and accessible to all users. Remote hearings have increased appearance rates and have been beneficial to those without transportation and living outside of the area. The court will continue to provide remote hearings as an option along with in-person hearings for those who qualify. With the addition of oCourt, our electronic document system, documents are easily sent to all parties electronically avoiding the delay in mailing.

With the legislative changes regarding the possession of drug charges, more treatment agency involvement will be needed in the court system. The need for full time, on-site social service providers would help with police/prosecution referrals as well as community court needs. We are seeing courts more as restorative justice centers rather than the traditional justice center - thus more social services are needed to meet the demands.

The Lee Creighton Justice Center facility needs replacement. Not only is it an aged building, but the space is limited in use for court and community court needs. There is no sufficient space for social service providers and at this time of social distancing, therefore Community Court continues to be conducted remotely. Security is also an issue as there are no safe separate parking and entry/exit for staff including the Judge, prosecution, and defense employees as well as jurors.

2022 Accomplishments

The COVID-19 pandemic has made an impact on the Justice System as a whole. The initial impact was quite chaotic, but the court has been determined and steadfast in finding ways to function. Court staff has been remarkable and resilient in adapting to the many changes the year has brought. Many new procedures and process have been made and are ongoing during these trying times. The court continues to improve process for efficiency and for access to justice for all parties.

The court has been successful in implementing the electronic document system - oCourt - in that all prosecutors, private attorneys and public defenders now have access to this system and can obtain documents from court, file documents in advance of a hearing, and receive documents through e-mail from oCourt. Court staff schedule hearings, send documents, and electronically fill out court orders.

The court has continually scheduled and held trials without any backlog of hearings throughout the pandemic and after. The seamless processes are a result of a diligent and efficient staff who work hard to provide excellent customer service and processing of all court operations.

Performance Measures: Court Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Criminal Cases Filed	N/A	1365	1458	1,920	N/A
Output Measure	Infraction Cases Filed	N/A	1505	1123	973	N/A
Output Measure	Hearings Held	N/A	3959	4053	5,676	N/A
Output Measure	Parking Hearings Held	N/A	925	761	1243	N/A
Cost-Effectiveness Measure	Warrant Return Calendar-w/o booking	N/A	202	202	153	N/A

2023 Objectives

Going into 2023, the Court will continue to update programs and technology to avoid any interruptions to justice due to COVID-19. We will continue providing remote hearings as an option to in-person appearances to ensure the safety of court participants, visitors, jurors and staff.

- Continue to obtain contact information from court customers to increase court appearance rates and reduce warrants.
- Work with justice partners to provide access to social services for all court participants, not only community court participants.
- Continue to enhance technology in order to make the court more accessible for all court users.

Community Court

Description/Services Provided

Community courts seek to respond to crime through a combined strategy of holding offenders accountable and offering to help defendants with a range of social needs. Community Court is a non-traditional approach that works to provide practical, targeted solutions rather than traditional punishment. Working together with community partners specializing in housing, education, employment, chemical dependency, health care, licensing, mental health, transportation, lesbian, gay, bisexual, transgender and queer (LGBTQ) and youth/family support services, the Olympia Community Court offers individuals a hand-up, with the goal of restoring the person and community.

Through a collaborative effort between Olympia Municipal Court, the Olympia City Prosecutor's Office, Olympia Public Defenders, the Olympia Police Department and community organizations, Community Court seeks to break the cycle of crime, reduce recidivism and reduce the overall impact on the justice system involving offenders committing minor nonviolent offenses through case management and access to supportive services. Olympia's Community Court primarily gives selected low level offenders the opportunity to have their cases dismissed by entry into a stipulated order of continuance. If all conditions are met, the participant successfully graduates.

Significant Proposed Budget Changes

There are no significant changes to this budget for 2023. The cost of security will increase slightly due to wage increases as well as uncontrolled increases in utilities and upkeep of the provider building. With the help of grant funding, the court has been able to enhance the Community Court operations without the need to increase the annual budget. However, grant funding will likely be depleted as of mid 2023 as our grant funding provided by Department of Justice Bureau of Justice Assistance will be coming to an end.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$57,461	\$129,749	\$75,753	\$(53,995)
Supplies	1,048	2,235	1,670	(565)
Services	40,558	58,428	41,070	(17,358)
Interfund Payments for Services	5,370	1,440	3,675	2,235
Total Expenditures	\$104,437	\$191,851	\$122,168	\$(69,683)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Case Manager	0.75	0.75	0.75	0.00
Total	0.75	0.75	0.75	0.00

Budget Overview

Going into 2023, Community Court will continue to be funded through the Public Safety Property Tax Levy. Outside of salaries and benefit increases, no significant changes in the budget are expected for 2023. The court was awarded a 2 year, \$400,000 grant by the Bureau of Justice Assistance (BJA). This is an enhancement grant to be used along with the current funding to enhance services and providers for community court.

Trends, Challenges and Opportunities

- Olympia's Community Court is one of approximately 74+ Community Courts in the nation.
- Community Court eligible offenses have remained at 28 eligible offenses since 2021.
- Community Court is currently held on Wednesdays in a hybrid setting, primarily on Zoom. Participants have access to computers in the provider building so that they can participate in court and can meet with their case manager in person if they so choose. Participants link with social service providers via Zoom and meet with the public defender, prosecutor, and case manager in breakout rooms. Probation meets with potential participants at the arraignment hearing in a Zoom breakout room to set up an appointment for the initial CCAT evaluation. This evaluation can be done via Zoom or in person on site at the provider building.
- Drug and alcohol services help connect participants to in-patient bed dates in the most efficient manner possible.
- The Community Court provider building located at 909 8th Ave SE is a small venue to accommodate future growth for community court. COVID 19 is now a factor to consider in that building and it is anticipated that a larger venue will be needed to accommodate any in-person provider services in the near future. Space was always a factor pre-pandemic.
- Lack of available detox beds and inpatient beds continue to be a challenge in moving participants in a timely manner to the resources they need for their addiction. As some of the facilities are out of town, transportation becomes an issue as many participants are without a license and vehicle.
- Lack of funding for housing continues to impact community court participants in that it can delay housing efforts. The current BJA grant is contributing to the effort to stabilize participants by placing them in hotel rooms, assisting with rental applications, etc. BJA grant funding in 2023 will further contribute to the investment in the Quince Street tiny home village as well, with hope for a long term return on investment ie providing long term access to tiny home's for our community court participants as well as those in need in our community.
- Warrants at arraignment continue to be an issue as many Community Court eligible participants are unaware that they are eligible to participate. The prosecutor's office is now fully staffed and as the department becomes more caught up on the back-log of filings, the gap in time between the date of violation and the date of arraignment will be reduced, thus hopefully increasing appearance rates.

- With the increased divide with our downtown population, adding a peacemaking component could provide an opportunity to decrease the tension and come up with alternative solutions. The BJA grant is currently funding multiple workshop opportunities for a new peacemaking influenced component called "Community Circles." Further, the BJA grant is currently funding a Restorative Justice Coordinator to lead this movement, which has been a critical position in the development of this program.

2022 Accomplishments

The Olympia Community Court received \$400,000 in BJA grant money in early June of 2021 for the grant it was awarded in October of 2020 to enhance its touted alternative-justice program.

As one of seven recipients nationwide of the grant from the Department of Justice's Bureau of Justice Assistance, Olympia Community Court has used the funding to expand its operations, which have become a model for community courts around the country. In the first year of the two-year grant, Olympia increased its number of case managers from one part-time manager to two full-time managers and added a part-time housing case manager. However, this position has since been eliminated and instead, one full time case manager remains. The grant has also provided funding to assist those that are houseless with temporary shelter costs, rental application fees and rental down payments. Additionally, BJA funding was used to add an additional drug and alcohol/mental health provider, along with a medication assisted treatment provider. Olympia Community Court held it's first ever Medication Assisted Treatment training via Zoom. Further, Olympia Community Court held its first ever Community Resource Fair at the Lee Creighton Justice Center. Last, BJA funding has been used to hire a Restorative Justice Coordinator and fund training workshops on a peacemaking influenced program called "Community Circles."

Olympia Community Court continues to remain nationally recognized as one of four mentor courts in the nation. As of January 1st, 2023, Olympia Community Court has had 497+ participants and 226 graduates.

Performance Measures: Community Court

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of graduates	225	34	16	32	TBD
Output Measure	# of new participants	450	77	82	54	TBD
Output Measure	# of service providers	17	12	17	19	TBD
Quality Measure	% of graduates who do not re-offend post-graduation	100%	82%	86%	81%	100%
Cost-Effectiveness Measure	Value of community service labor	\$97,200	\$9,624	0*	\$5,038	TBD

2023 Objectives

- Continued use of Zoom to serve the needs of community court participants.
- Continue to follow MOU's with providers for continuity of service.
- Mental Health and Drug and Alcohol evaluations are scheduled via Zoom breakout rooms.
- Continue to develop the Community Circles program by offering training workshops, develop policies, and develop relationships to support the program, etc.
- Offer a second medication assisted treatment training for providers and court staff via Zoom.
- Participate in the development of the Quince Street tiny home village.
- Hold a second annual Community Court Resource Fair.
- The provider building has been opened for access to participants who do not have a phone or computer to link with providers via Zoom. 4 computer stations are available for participants on community court Wednesdays.
- Case manager in-person check-ins are also available at the provider building by appointment.
- UA's can be done by probation when needed.
- Participants are getting notices for hearings easier with e-mails as many do not have mailing addresses.

Probation/Day Reporting

Description/Services Provided

Probation Services offers effective community supervision for misdemeanor offenders including pretrial and post disposition supervision, intensive supervision as well as active and bench supervision in the City of Olympia. Along with the correctional options programs offered as alternatives to incarceration, Probation Services continues to offer an array of treatment and counseling services to help motivate and guide clients out of the Court system. The Day Reporting Center (Options Program), comprised of intense probation programs and jail alternatives, continues to run successfully. Our goals include enhancing public safety while using alternatives to incarcerations and allowing better management of jail costs to the City of Olympia.

Significant Proposed Budget Changes

- Salary savings in 2022 was due in part to attrition. Two probation staff retired in 2022, leaving a .5 FTE Program Specialist position and 1.0 FTE Probation Officer II position vacant for a portion of 2022 and into 2023. Department reorganization is being considered to enhance client services for both Probation and Community Court programs.
- Probation discontinued its partnership with the Parking & Business Improvement Area Advisory Board (PBIA) to water downtown flower baskets, mainly due to an ongoing work crew participation shortage. The department appreciates the partnership with PBIA over the years and will continue to be available for other short-term projects when needed.
- Revenue collection for all probation and jail alternative programs will be down in 2022. Probation fees cannot be imposed on any client that is determined to be indigent. Additionally, fee collection for jail alternatives programming is reduced as well. Most of our work crew participants are referred from the Community Court program. Fees are not imposed in that program which will affect our revenue. The DUI Alternative Program was suspended for all of 2022 due to on-going COVID-19 concerns. The program will return in 2023.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$613,103	\$579,485	\$688,906	\$109,421
Supplies	4,754	5,525	10,625	5,100
Services	44,863	59,754	65,921	6,167
Intergovernmental	0	0	0	0
Interfund Payments for Services	29,023	32,637	40,878	8,241
Total Expenditures	\$691,743	\$677,402	\$806,330	\$128,929

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Jail Alternatives Officer	0.50	1.00	1.00	0.00
Office Specialist III	1.00	0.00	0.00	0.00
Program Assistant	0.00	0.50	0.50	0.00
Program Manager	1.00	1.00	1.00	0.00
Senior Program Specialist - RPN	0.25	0.25	0.25	0.00
Probation Officer II	2.00	2.00	2.00	0.00
Probation Work Crew Leader	1.00	1.00	1.00	0.00
Total	5.75	5.75	5.75	0.00

Budget Overview

Staffing in the probation department is down 1.5 FTE currently, with the retirement of one full time Probation Officer II and .5 FTE Program Specialist in April and October 2022. Rather than immediately hiring, the department chose to reorganize with existing staff. The 1.0 FTE Jail Alternatives Officer was promoted to Probation Officer II. This was done as an emergency hire for 24 months, allowing them to continue their education to become a fully certified Probation Officer.

The 1 FTE Jail Alternatives Officer position duties were absorbed by the Work Crew Leader position. The decision to combine the Work Crew Leader and Jail Alternative Officer position, at least temporarily, was possible due to the reduction in work crew participation. The department will continue to evaluate the workload of that current combined position and if necessary, make needed adjustments, including recruitment to fill the vacancy.

The department continues to function without front office staff. The .5 FTE position will also remain vacant until further discussion is had regarding the direction of the department. Level of service to clients has been maintained. The Court's use of technology, specifically oCourt has allowed Probation to access court orders electronically, directly after any hearing allowing clients files to be created immediately by assigned probation staff.

As the restrictions of the Covid pandemic have eased, probation officered programming will resume to normal capacity. The 24-hour DUI Alternative Program will be offered again quarterly, beginning February 9, 2023. This program had been suspended since early 2021. Additionally, the DUI Victim's Impact Panel is offered monthly at full capacity. The return of these programs may positively impact revenue collection.

Trends, Challenges and Opportunities

- Probation Services continues with many of the Covid 19 safety protocols. Operational changes put into place in March 2020 have continued at some level through 2022. The satellite office set up in the Community Court Provider Building continues to be utilized as necessary by probation staff for safe, in person client reporting. Other programs offered by probation that were suspended in 2020 have returned at full capacity and include: MRT, DV MRT and the DUI Victims' Impact Panel.
- In addition to the programs offered currently, the department began offering an anger management course. "Coping with Anger" is an 8-week course offered to both Probation and Community Court clients. Two Probation staff are trained to facilitate the program in 2022.
- Probation continues to support the Community Court program. Staff are present during the Wednesday morning arraignment calendar and schedule intake interviews at that time. Both in-person and remote appointments via Zoom are offered. If the intake can be completed immediately after arraignment, staff are available to accommodate that client. Additionally, those clients in custody that may be eligible for the program are interviewed prior to their 2:00 pm hearing to determine conditions of release. Completing the intake interview prior to release has helped to increase participation. Historically, clients released from custody to report the following week to complete the intake process have often failed to appear and a bench warrant would issue. In 2022, 105 Community Court intake interview were completed.
- The Community Court provider building continues to be available each week to clients unable to participate in virtual meetings with various treatment providers through Zoom. The number of clients reporting in person on Wednesday mornings continues to increase. Our Community Court clients tend to have limited resources which often prohibit them from utilizing the Zoom option. Additionally, these clients tend to respond much more positively to in person contact. The need for an adequate Community Court service provider/clients space is paramount in maintaining the success of this program. Discussions on securing appropriate office and client space is on-going.
- Remote hearings continue to be an effective option for those clients that have transportation issues or are living outside the area. Violation hearings via Zoom have increased probation staff's ability to regularly attend court sessions virtually and provide updated reports and recommendations. Previously, other office commitments and appointments prevented staff from attending most violation hearings in the courtroom. Feedback from both prosecution and defense attorneys has been positive regarding increased participation in those hearings. Probation's ability to attend these hearings has also allowed cases to be resolved with fewer continuances.
- Our current criminal justice complex needs replacement. Built in 1966, the original city hall building was renamed the Lee Creighton Justice Center in 2011 when a new city hall was built. Although the age of the building is one issue, space for the Community Court program staff and service providers, courtrooms, jury selection, and jury deliberation spaces are inadequate. Judicial and staff security and safety are also lacking in the existing complex. Options for the complex replacement are being reviewed.

2022 Accomplishments

- The DV MRT program continues to be offered to clients approved to participate by the Court. Fewer community options for domestic violence perpetrator treatment both locally, and statewide have compelled most misdemeanor probation departments to offer this alternative program to clients. Probation is now offering the course to clients outside of the City of Olympia jurisdiction. In 2022, 50 clients participated in the DV MRT program with 40 clients successfully completing.
- Due to limited treatment resources in the Thurston County area, Probation staff will continue to expand programming options for both Probation and community Court clients. Anger Management started in 2022. "Coping with Anger" is an 8-week course that is facilitated by trained probation staff.
- The DUI Victim's Impact Panel (VIP) resumed at full capacity beginning in May 2022. Previously capacity was limited to 12 persons to comply with Covid protocols. Up until 2022 the City of Olympia VIP was one of only a few programs in Washington state that offered an in-person presentation to court ordered DUI offenders. In 2022 a total of 138 clients attended the 2-hour presentation.
- Probation began an audit of all outstanding "failure to comply" warrants. In some cases, warrants have been outstanding for years. Those cases are researched and if determined to be in the interest of justice, it is recommended that the court recall the warrant and close those cases. Examples of recommended closure would include age of the case and length of time warrant has been outstanding, verification of the defendant having relocated to another state, previous sanctions imposed while on probation supervision and the severity of the offense. Currently, there are approximately 1000 active "failure to comply" warrants.

Performance Measures: Probation/Day Reporting

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Active Probation Cases	N/A	216	274	254	300
Output Measure	Inactive Probation Cases	N/A	408	406	419	400
Output Measure	Deferred Prosecution Supervision	N/A	159	129	119	140
Output Measure	Defendants on Warrant Status	N/A	1523	1,493	1,539	1,500
Quality Measure	Successful Completion of DUI Alternative Program	100%	94%	98%	N/A	50%
Quality Measure	Successful Completion of Jail Alternative Program	100%	91%	90%	94%	95%
Quality Measure	Defendants successfully completing Intensive Supervision	N/A	43	38	25	45
Cost-Effectiveness Measure	Defendants on Work Crew	N/A	118	120	34	50
Cost-Effectiveness Measure	Defendants in Day Jail	N/A	38	25	0	5
Cost-Effectiveness Measure	Defendants on Electronic Home Monitoring (EHM)	N/A	112	96^	57	100
Cost-Effectiveness Measure	EHM Jail Beds Saved	N/A	3801	2599^^	1,817	2,000
Cost-Effectiveness Measure	Total Jail Beds Saved(EHM/ Work Crew/Day Jail)	N/A	4487	3,220	3,266	4,000

2023 Objectives

- Assist with planning to replace/relocate the Criminal Justice Center
- Continue to partner with the jail to manage jail population and help with transition of upcoming facility changes
- Facilitate an Anger Management program for both Probation and Community Court clients

Parks, Arts and Recreation Department



Included in this Section

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Click on sub-section or page number for a direct link.

Department Overview

Mission

To enrich lives by connecting people with quality experiences.

Vision

Throughout our hiring, partnerships, services and community engagement we are: Respectful, Fun, Dedicated, Inclusive, Responsive and Innovative.

Description

Olympia Parks, Arts and Recreation is a cornerstone to Olympia's high quality of life. Olympia's great parks, vibrant arts community and variety of recreation programs enrich Olympians' lives and strengthen their connection to the community. One only has to walk to a neighborhood park, search for a new skill to learn, or catch the latest downtown Arts Walk to experience this. These facilities and programs promote active lifestyles, create a sense of place and contribute to the local economy.

2023 Objectives

Equity, Inclusion, and Belonging Initiative

Our Department is working to create an environment where every person we interact with truly feels welcome, invited to participate, and experiences a genuine sense of belonging. In order to achieve this goal, we have launched a department-wide initiative to analyze current policies, procedures, programs and services. Our plan is to identify and implement strategies both within our organization and throughout the services we provide that are designed to undo historical harm while also demonstrating our commitment to equity, inclusion, and belonging.

Continued COVID Response

While the pandemic response appears to have settled, there are still lasting impacts for our Department as we navigate new normal and yet to be discovered opportunities. Department leadership is committed to staying aware of local and state health guidelines while also maximizing creativity around the services in our parks, indoor facilities and recreation activities.

Department Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$6,244	\$9,103	\$9,000	\$(103)
Intergovernmental Revenues	2,740,188	3,143,784	3,768,185	624,401
Charges for Goods and Services	1,267,435	1,552,665	1,764,502	211,837
Miscellaneous Revenues	251,383	358,827	258,790	(100,037)
General Fund Contribution	5,474,112	5,901,561	6,505,248	603,687
Total Funding	\$9,739,362	\$10,965,941	\$12,305,725	\$1,339,785

Program Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Administration	\$1,029,848	\$1,439,155	\$1,676,772	\$237,617
Arts & Events	264,715	464,497	659,526	195,029
Facility Operations	1,314,362	1,421,574	1,746,351	324,778
Maint & Ops	4,181,735	4,493,642	4,886,526	392,884
Stewardship	701,876	683,356	821,043	137,686
Planning	738,665	767,260	843,533	76,273
Recreation	1,508,162	1,696,457	1,671,974	(24,482)
Total Expenditures	\$9,739,362	\$10,965,941	\$12,305,725	\$1,339,785

Categorized Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$6,861,108	\$7,737,902	\$8,620,867	\$882,965
Supplies	424,949	437,961	441,284	3,323
Services	1,558,379	1,741,925	1,926,838	184,914
Capital Outlay	71,495	52,407	38,784	(13,623)
Intergovernmental Payments	33,746	117,668	116,810	(858)
Interfund Payments	789,685	878,078	1,161,142	283,064
Total Expenditures	\$9,739,362	\$10,965,941	\$12,305,725	\$1,339,785

Parks, Arts and Recreation

Revenue Sources and Operating Budget

	General Fund	Program Revenue	OMPD	Total
Revenue	\$6,505,248	\$2,032,292	\$3,768,185	\$12,305,725

Budget by Line of Business				
Administration	\$1,676,732	\$40	\$0	\$1,676,772
Arts & Events	168,956	108,532	382,038	659,526
Facility Operations	1,487,401	258,950	0	1,746,351
Park Maintenance	2,363,402	149,800	2,373,324	4,886,526
Stewardship	539	0	820,504	821,043
Planning & Design	254,813	416,401	172,319	843,533
Recreation	553,405	1,098,569	20,000	1,671,974
Total Operations	\$6,505,248	\$2,032,292	\$3,768,185	\$12,305,725

General Fund

Beginning in 2016, the City allocates 11 percent of specific General Fund revenues to support Olympia Parks, Arts and Recreation Department (OPARD) operations. This allocation is specified in an Interlocal Agreement between the City and the Olympia Metropolitan Park District (OMPD). The table to the right summarizes the General Fund tax revenues that support OPARD in the 2023 Operating Budget.

General Fund Revenue	2023 Estimate
Property Tax	\$1,502,251
Regular Sales Tax	2,761,000
B&O Tax	893,200
Private Utility	550,197
Public Utility	798,600
Total	\$6,505,248

Olympia Metropolitan Park District (OMPD)

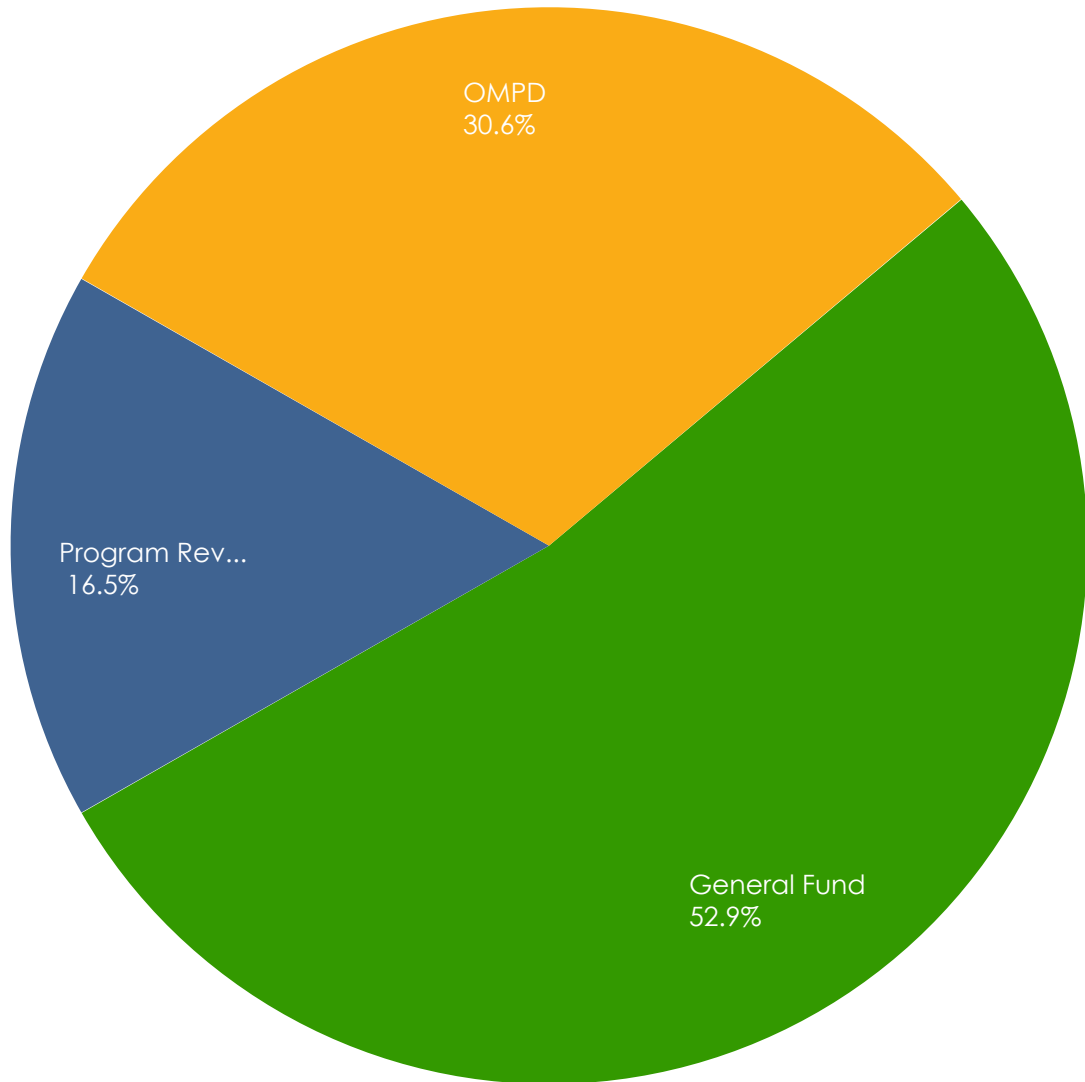
Olympia voters approved the formation of the OMPD in 2015. The OMPD Board approves a budget and levies a property tax assessed to properties located within City limits. For 2023, the proposed levy is \$5.378 million in property taxes. The tax rate is estimated to be \$0.455 per \$1,000 of assessed value. The table to the right summarizes 2023 OMPD's Budget.

OMPD Expenditure	2023 Estimate
Operating Budget	3,768,185
Capital Facilities Plan	1,835,000
Debt Service	—
OMPD Administrative Costs	38,388
Total	\$5,641,573

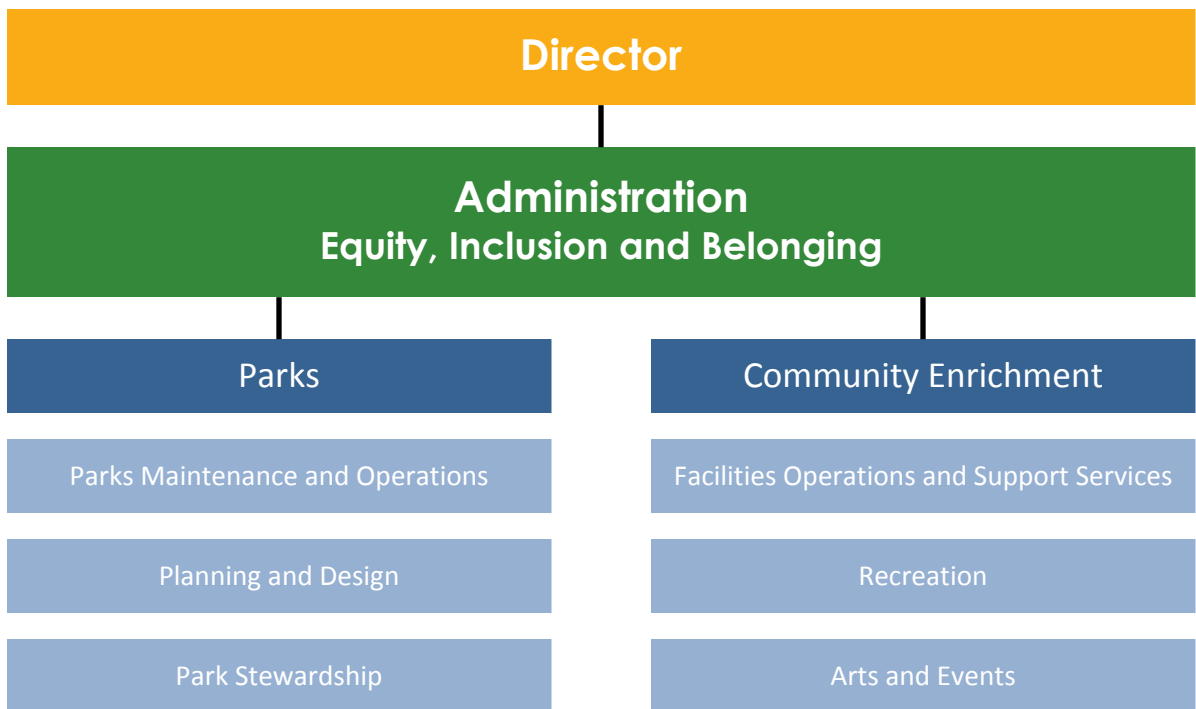
OPARD Revenue

OPARD's operating costs are supported by 11 percent of specific City General Fund revenues, property taxes levied by the Olympia Metropolitan Park District (OMPD) and transferred to the City, and OPARD's program revenues from facility rentals and class fees. Program revenue are projected to be 15 percent of the overall operating revenues.

Parks Operating Revenue \$12,305,725



Organizational Chart - Parks, Arts, & Recreation



Administration

Description/Services Provided

Administration provides department leadership in creating a work place that promotes productivity, creativity, and accountability. Core services include budget development/oversight, communications, policy development and implementation, emergency management and labor relations.

Significant Proposed Budget Changes

- Equity, Inclusion and Belonging is a high priority for the department as outlined in the recently adopted Parks, Arts and Recreation plan. In 2022 Parks, Arts and Recreation hired an Equity, Inclusion and Belonging Specialist to support community cultural events and facilitate opportunities for staff development around equity, inclusion and belonging (EIB). The 2023 budget includes increases to support implementation of two additional City-wide cultural celebrations, and expansion of EIB work.
- New Citywide initiatives such as Climate Change and Urban Agriculture have also driven changes to the 2023 budget with investment in EV vehicles and work on an Agripark Feasibility Study.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Miscellaneous Revenues	\$0	\$0	\$40	\$40
General Fund Contribution	1,029,847	1,439,150	1,676,732	237,582
Total Funding	\$1,029,848	\$1,439,155	\$1,676,772	\$237,617

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$562,662	\$736,398	\$768,425	\$32,028
Supplies	6,727	9,870	7,900	(1,970)
Services	187,500	286,900	345,143	58,243
Capital Outlay	0	0	0	0
Intergovernmental	507	97,860	58,230	(39,630)
Interfund Payments for Services	272,451	308,127	497,074	188,947
Total Expenditures	\$1,029,848	\$1,439,155	\$1,676,772	\$237,617

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Director of Parks Plan & Maint	1.00	1.00	1.00	0.00
Director of Rec Art & Facility	1.00	1.00	1.00	0.00
Lead Worker - AFSCME	0.00	1.00	0.00	-1.00
Parks Arts & Rec Director	1.00	1.00	1.00	0.00
Senior Program Specialist	0.00	1.00	1.00	0.00
Total	3.00	5.00	4.00	-1.00

Budget Overview

The 2022 Parks, Arts and Recreation Plan provides a road map for budget decision-making. As community priorities evolve, it becomes increasingly more important to use the plan as a grounding tool, while remaining open and flexible to emerging opportunities. In general, our success in terms of park land acquisition and facility development has outpaced our investment in park maintenance, creating a need to re-evaluate our priorities and resource allocations moving forward. As land acquisition and development continue, it is likely that future budgets will require a gradual shift from capital funding toward operations to ensure adequate maintenance resources.

Trends, Challenges, and Opportunities

- The two major current factors affecting the OPARD budget are inconsistent program and facility revenues as pandemic recovery continues, and the continued need to assess our revenue resources to ensure historic and recently added properties are properly maintained. Program revenues for indoor facility use continue to lag as community groups found new ways to meet while managing pandemic related restrictions and guidelines. OPARD will closely monitor revenues in 2023 to ensure any associated reductions are balanced with reduced expenses. This is especially important with programs that are 100 percent reliant on program fees but also impacts fixed costs such as salaries and infrastructure overhead that continue regardless of program status.
- On a micro level, increasing costs for City services such as utilities, fleet, information technology, and Finance continue to increase each year. With declining revenues, this creates a dual challenge to manage. Equally challenging are the impacts of goods and services rising as inflation hits many sectors our department relies on to manage and operate our parks and services.
- Security costs for facilities and parks will be increasing annually to meet state required labor standards.

2022 Accomplishments

The Department continues to operate in an effective manner. Response to the community is consistent and professional, and that effort is rewarded with strong support of the community through our activities and services. The department is valued by our community, and that is something we are grateful for every day.

- Hired a fulltime Equity, Inclusion and Belonging Specialist and continued work on a department Equity, Inclusion and Belonging Plan that will support department employees, program participants, and community members who utilize our parks.
- Through the Equity, Inclusion and Belonging initiative, the City sponsored four cultural celebrations (Black History Month, Capital City Pride, Juneteenth, and Indigenous Peoples' Day).
- Rebecca Howard Park and Squaxin Park were renamed to reflect deeper history and cultural significance.
- Completed Parks, Arts, and Recreation Plan
- Completed the Armory Creative Campus Concept Design

2023 Objectives

The Department will continue to evaluate staffing levels to support the increased demand on our services as well as to meet the requirements to maintain safe, clean and enjoyable parks and facilities.

Key projects that will be led by our Department in 2023; the Agripark Feasibility Study, the Yelm Highway Community Park Design, and the Armory Creative Campus Design and Safety Improvements. The Department will also work to complete the West Bay Master Plan and launch a re-visioning process for Percival Landing. These projects will require strong and creative leadership to support staff as well as ensure our community feels valued and heard. As these planning processes near completion, next steps and financial strategies will need to be identified and implemented to keep these projects moving forward.

Arts and Events

Description/Services Provided

Olympia Arts and Events facilitates Arts Walk, Percival Plinth Project, Traffic Box Wraps, the Art Crossings Project, Poet Laureate Program and other arts programming each year, acquires and maintains the City's collection of public art, is engaged in the City's Arts, Cultures and Heritage (ARCH) planning team and serves as staff to the Olympia Arts Commission. The program also manages the planning and facility design process for the Olympia Armory, acquired by the City in 2022.

Significant Proposed Budget Changes

- The increase in the 2023 budget outlines staff and facility funding to maintain and support the Armory Creative Campus.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$73,362	\$82,850	\$382,038	\$299,188
Charges for Goods and Services	16,903	56,265	157,382	101,117
Miscellaneous Revenues	8,500	9,908	(48,850)	(58,758)
General Fund Contribution	165,951	315,474	168,956	(146,518)
Total Funding	\$264,715	\$464,497	\$659,526	\$195,029

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$227,641	\$355,149	\$496,943	\$141,793
Supplies	2,044	37,410	15,670	(21,740)
Services	29,355	60,771	115,478	54,707
Capital Outlay	0	5,453	14,284	8,831
Intergovernmental	61	0	0	0
Interfund Payments for Services	5,615	5,713	17,151	11,438
Total Expenditures	\$264,715	\$464,497	\$659,526	\$195,029

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Program Manager	1.00	1.00	2.00	1.00
Program Specialist	0.75	1.00	1.00	0.00
Lead Worker - AFSCME	0.00	0.00	1.00	1.00
Total	1.75	2.00	4.00	2.00

Budget Overview

An additional .25 FTE was added on a limited basis to the Program Specialist Position in 2022, to add capacity for coordination of the consultant contract for the Armory Concept Design. That work plus managing day to day building operations, project management and grants will move to the new Armory Building Manager position. A Lead Maintenance worker was also brought on in 2022 for facility operations. The existing Program Manager position was reclassified to support growing Arts Program staff.

Trends, Challenges, and Opportunities

- The transfer of the Olympia Armory to the City of Olympia is a tremendous opportunity for redevelopment as an Arts Center/Creative Campus. 2023 will see an Armory Operations Strategy and Business Plan to determine community partners, followed by Phase 1 Architectural Planning and Design for the Armory. Also, the building will see interim use by Avanti High School (going through major building rehabilitation), the City Clean Team, Olympia Career Hub's Construction Cohort and community group rentals, among others.
- Arts Walk shows an important turning point in involvement in events as we shift away from previous pandemic restrictions and the community becomes ready for in person gatherings again with the fall 2022 event seeing 80+ participating downtown locations. The Department's 2023 Parks, Arts and Recreation Plan provides several new areas of focus including Climate Change and Equity, Inclusion and Belonging, which will inform Arts Program goals and processes over the coming years.

2022 Accomplishments

- In March 2022, the community celebrated the transfer the Olympia Armory from the Military Department to the City of Olympia. The recently completed Armory Concept Design creates a foundation for the project by identifying community need, including an architectural concept overview, community desired uses and spatial allocations, and campus grounds concept.
- Public participation in the Armory Visioning Phase exceeded expectations with 955 participants in 2022 through Event Attendees, Focus Groups, Tours, Surveys; and an additional 3254 web visitors. Since 2021 there have been over 1563 direct project participants, and 6,039 unique web visitors. Outreach included intentional strategies to ensure community members from underrepresented groups were intentionally included in the public process connected to the concept design and visioning phase, ensuring there were dedicated spaces for folks to share and be heard.
- The City of Olympia was recommended to receive a State Heritage Capital Project (HCP) Grant of \$1 million for the 23-25 biennium for rehabilitation of the historic Olympia Armory.
- Arts Walk was awarded a Washington Festivals and Events Pandemic Relief Grant for \$12,500 to support loss of revenues related to the pandemic, which allowed us to continue offering event registration on a "Pay what you choose" basis starting at \$5, for both fall and spring as well as enhanced street closure activations to encourage energy at the downtown core.
- A Lead Worker was hired for the Armory and the building began to see limited rentals including meetings and community events.

- The team of Jennifer Corio and Dave Frei were selected as project artists for Art Crossing #3 at Martin Way and Pacific Avenue.

Performance Measures: Arts and Events

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of residents with public art within ½ mile	95%	50%	50%	50%	95%
Quality Measure	Quality of arts experiences (currently Arts Walk)	Rating of 4 of 5 or better	0 (No data)	3.4	3.6	4 of 5 or better
Participation Measure	Annual participation in Arts Programs	2% increase per year	6,011	15,389	30,259	2% increase per year
Support Measure	City investment in the arts based on population	Maintain \$7.31 investment in the arts per person per year	\$6.07	\$9.73	\$8.53	\$7.31 or greater

2023 Objectives

- Increase accessibility of arts programming for emerging artists and artists of color.
- Apply for grants to support various stages of development for the Armory Creative Campus.
- Continued work with the ARCH planning team to support Arts, Cultures and Heritage in our community.

Facility Operations and Support Services

Description/Services Provided

The Facility Operations Program is responsible for the scheduling and use of key public facilities in the Department. This includes room rentals at The Olympia Center, park shelters, transient moorage at Percival Landing, and the Harbor House at Percival Landing. In addition, the Program is responsible for scheduling games, tournaments, and practices on City and Olympia School District athletic fields. Staff also provides for the coordination of unique facility requests throughout the park system. Facility Operations provides support to community service partners that include Senior Services for South Sound, the Olympia Farmers Market, and the Sandman Foundation.

Significant Proposed Budget Changes

- Remaining budget impacts are limited to predictable increases for commodities, services and labor/benefits.
- There is a need at The Olympia Center to make sure staffing levels are adequate both in maintenance and customer service. The combination of new norms with use of sick leave related to the pandemic, as well as state statutes that provide for additional absences are creating a shortage of available staff that for years operated lean as it was. A half time position to be filled with an additional employee not adding hours to existing staff, is critical to reducing pressure on existing front line staff and supervisors on the maintenance side of the house. For customer service, adding .5 FTE could be beneficial either added to existing staff or an additional employee.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$6,244	\$9,103	\$9,000	\$(103)
Intergovernmental Revenues	50,000	20,000	0	(20,000)
Charges for Goods and Services	35,977	83,817	69,850	(13,967)
Miscellaneous Revenues	105,888	193,056	180,100	(12,956)
General Fund Contribution	1,116,252	1,115,598	1,487,401	371,804
Total Funding	\$1,314,362	\$1,421,574	\$1,746,351	\$324,778

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$862,563	\$940,778	\$1,173,629	\$232,850
Supplies	34,633	57,544	54,855	(2,689)
Services	408,611	422,225	513,668	91,443
Capital Outlay	0	0	0	0
Intergovernmental	1,317	1,027	4,200	3,173
Interfund Payments for Services	7,238	0	0	0
Total Expenditures	\$1,314,362	\$1,421,574	\$1,746,351	\$324,778

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Maintenance Worker I OLYCR-AFS	4.00	4.00	4.80	0.80
Maintenance Worker II-AFSCME	1.00	1.00	1.00	0.00
Program Manager	0.50	0.00	0.50	0.50
Program Specialist	0.55	0.55	0.55	0.00
Public Service Representative	3.15	3.15	3.65	0.50
Supervisor I (Exempt)	0.35	0.35	0.35	0.00
Supervisor II	1.00	1.00	1.00	0.00
Total	10.55	10.05	11.85	1.80

Budget Overview

Facility use was directly impacted by the pandemic. In some cases, such as athletic fields and park shelters, use has returned to pre-pandemic levels as state guidelines are relaxed around outdoor activity. And while the second half of 2022 started to show signs of life for indoor facility permits, the community is still determining how and when they will meet in person versus using remote meeting tools. The result is revenue reduction projections for both The Olympia Center and Harbor House for 2023.

Trends, Challenges, and Opportunities

- The impacts of the pandemic will clearly affect overall operations from both a staff safety perspective and the ability for the public to access our facilities. Following regional trends related to in-person gatherings as opposed to virtual meetings will be important for the department as it assesses indoor facility needs for the short and long term.
- Unrelated to the pandemic, derelict vessels or owners that ignore regulations related to boat moorage continue to challenge the operations at Percival Landing. Abandoned or derelict vessels can become hazards while attached to our facility and ultimately the City is left with no choice but to take responsibility for the destruction and/or disposal of these vessels. Department of Natural Resources (DNR) has a program to assist with qualifying costs, but their funds are regularly depleted. Vessels belonging to owners that are live-aboards are typically run down, improperly maintained, and can attract disturbances or other behaviors not conducive to a transient moorage facility that is intended to attract tourists. Consideration for how to manage moorage to minimize these occurrences should be given for both our department as well as the Olympia Police Department if public moorage continues to be a priority.

2022 Accomplishments

- There is a significant sense of pride knowing that customers return time and again because their experience with a shelter rental, class, camp or facility rental was exceptional.
- The Facility Operations team remains nimble and ready to respond to changing customer values. Whether it is in response to health and safety concerns or advancing with technology, our staff continues to look for ways to meet the needs of our users.
- The seasonal ice rink, Oly on Ice, operated for the fourth year in 2022-23 and hosted a record 21,000+ skaters. Our department is incredibly proud to be able to provide what has become a cherished seasonal tradition for many while being one more destination in downtown Olympia.
- Scheduled and hosted 900+ youth baseball/fastpitch tournament and league games on city fields while following pandemic guidelines.
- Upgraded Olympia Center meeting room signage to include digital calendars at the entrance of each meeting room to support customer wayfinding.

Performance Measures: Facility Operations and Support Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Games annually scheduled on City fields	2% growth from previous year	742	1,452	1,585	1,600
Output Measure	Reserved hours at The Olympia Center, Harbor House, and Park Shelters	2% growth from previous year	3,119	5,545	7,692	7,845
Output Measure	Gross Revenue Generated	3% growth from previous year	\$219,686	\$196,931	\$294,528	\$303,364

2023 Objectives

- Evaluating the use of our facilities and how they are being accessed by our customers will require staff attention as we determine best practices to attract and maintain customers for public gathering spaces. The impacts of the pandemic have changed these needs, at least short term, and understanding where the path is leading will also inform longer term decisions.
- As we start to feel a return of use in The Olympia Center, Harbor House and on Percival Landing, we also see an increase in unwanted behaviors. Ensuring we have proper practices in place to manage the safety of staff and visitors is an important emphasis for 2023.

Parks Maintenance and Operations

Description/Services Provided

The Parks Maintenance Program is responsible for keeping 55 parks, totaling 1,466 acres, safe, clean and enjoyable. Maintenance responsibilities include park restrooms, picnic shelters, playground equipment, three ballfield complexes, Heritage Park Fountain, the Woodruff Park Sprayground, park trails, neighborhood parks, Percival Landing, undeveloped park sites, street trees, and school field facilities.

Significant Proposed Budget Changes

- The major components of the Park Maintenance budget are staffing, utilities, operating supplies, fleet and tools.
- With wages and benefits being the main cost driver, the other cost drivers leading to increases in 2023 is inflation and rate increases. Building materials, fleet, fuel, equipment replacements, utility rates and contracted services have specifically impacted the operating budget.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$1,573,538	\$2,050,974	\$2,373,324	\$322,350
Charges for Goods and Services	45,525	52,397	30,200	(22,197)
Miscellaneous Revenues	115,939	149,935	119,600	(30,335)
General Fund Contribution	2,446,734	2,240,335	2,363,402	123,066
Total Funding	\$4,181,735	\$4,493,642	\$4,886,526	\$392,884

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$2,817,414	\$3,218,900	\$3,466,921	\$248,021
Supplies	339,314	279,866	311,363	31,497
Services	537,195	478,224	539,490	61,265
Capital Outlay	71,495	46,954	24,500	(22,454)
Intergovernmental	14,891	17,000	19,500	2,500
Interfund Payments for Services	401,426	452,696	524,752	72,056
Total Expenditures	\$4,181,735	\$4,493,642	\$4,886,526	\$392,884

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Electrician-AFSCME	1.00	1.00	1.00	0.00
Field Crew Leader-AFSCME	1.00	1.00	1.00	0.00
Lead Worker - AFSCME	3.00	4.00	4.00	0.00
Maintenance Worker I - AFSCME	5.00	5.00	5.00	0.00
Maintenance Worker II-AFSCME	11.00	11.00	11.00	0.00
Parks Operations & Maint Mgr	1.00	1.00	1.00	0.00
Program Assistant	1.00	1.00	1.00	0.00
Supervisor III	1.00	1.00	1.00	0.00
Total	24.00	25.00	25.00	0.00

Budget Overview

The 2023 Parks Maintenance Operating Budget shows an increase from 2022.

- The major components of the Park Maintenance budget are staffing, utilities, operating supplies, fleet and tools. Increases in the budget are due to non-discretionary rises in the cost of materials and labor.
- With wages and benefits being the main cost driver, the other increases in 2023 are costs for building materials, fleet, fuel, equipment replacements, utility rates and contracted services.

Trends, Challenges, and Opportunities

- Climate change has resulted in increased use of irrigation, tree loss, and noxious and invasive weeds.
- Rise in people experiencing homelessness has increased the dependence on park facilities to meet basic needs (restrooms, drinking water, showers, picnic shelters, etc.).
- Increased demand for outdoor space due to COVID.
- After experiencing our first full year of operating 3 highly popular dog parks, two of which are located outside the City of Olympia, resources at times, were stretched thin and staff creatively adjusted operations to manage these valued spaces.
- Our maintenance staff are heavily involved in continuing to set goals and incorporate best practices around equity, inclusion and belonging.
- With the anticipated opening of a third sprayground in 2023, our department will have the challenge of incorporating this labor-intensive amenity into existing maintenance schedules.
- Other challenges are with maintaining an aging infrastructure, addressing the backlog of deferred maintenance, and keeping up with vandalism and illicit behavior.

2022 Accomplishments

- Some of our most proud moments in Parks Maintenance are when we collaborate with other departments or divisions. For example, we work closely with the Urban Forestry program in Community Planning and Development to maintain 2,500 street trees. We also collaborate each winter on helping prepare the Isthmus for the Ice Rink and support the operations of the Ice Rink facility.
- Parks Maintenance staff are proud of supporting equity, inclusion and belonging work such as the renaming of Squaxin Park, cultural events such as Indigenous Peoples' Day and Juneteenth, as well as starting construction on the first ever Sensory Garden.

Performance Measures: Parks Maintenance and Operations

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Maintenance & Stewardship Hours Per Acre	40.4 hours per acre	35.4	45.0	45.0	41.0
Output Measure	Maintenance and Stewardship Cost Per Acre	Increase slightly	\$3,024	\$3,320	\$3,535	\$3,893
Output Measure	Developed Acres per Full Time Maintenance & Stewardship Employee	20 Developed Acres per FTE	28.2	27.5	25.59	25.0

2023 Objectives

- Analyze data in work order system. Look for trends and plan for future resource needs
- Help field staff learn, navigate and resolve issues in Workday financial software system
- Fill vacant positions promptly
- Implement tree replacement and watering program
- Safely operate the new Sprayground at Lions Park
- Seasonal hiring outreach to youth at risk and low-income youth
- Identify creative solutions to space needs
- Complete the construction of the Sensory Garden at Decatur Woods Park

Park Stewardship

Description/Services Provided

Park Stewardship includes the Volunteer, Park Ranger and Environmental Education programs. Staff in Stewardship work together to accomplish the goals of ensuring safe, clean, accessible parks for all, managing natural resources through stewardship and creating meaningful experiences for park users. Through this program, the department provides daily connections to nature, cultivates partnerships with a wide variety of organizations and maintains safety in parks.

Significant Proposed Budget Changes

- Increases in 2023 are due to mandatory or non-discretionary costs related to staffing and fleet rate increases.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$718,767	\$786,525	\$820,504	\$33,979
General Fund Contribution	(16,891)	(103,169)	539	103,707
Total Funding	\$701,876	\$683,356	\$821,043	\$137,686

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$606,880	\$577,511	\$705,229	\$127,717
Supplies	6,988	9,928	8,466	(1,462)
Services	7,566	7,418	14,600	7,182
Interfund Payments for Services	80,441	88,499	92,748	4,249
Total Expenditures	\$701,876	\$683,356	\$821,043	\$137,686

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Park Ranger II - AFSCME	3.00	3.00	3.00	0.00
Program Assistant - AFSCME	1.00	1.00	1.00	0.00
Program Specialist - AFSCME	1.00	1.00	1.00	0.00
Supervisor III	1.00	1.00	1.00	0.00
Total	6.00	6.00	6.00	0.00

Budget Overview

Increases for 2023 are due to mandatory or non-discretionary costs.

Trends, Challenges, and Opportunities

- Acreage managed by our department continues to increase, creating more opportunities for stewardship activities and additional acreage for the Park Rangers to patrol, often on foot.
- Habitat restoration information is now being plotted and planned using GIS tools in partnership with Public Works Environmental Services. Rangers are a respected and effective resource for Parks staff as well as other City departments and community members, which increases the demand for their time. The number of Park Stewards continues to increase, which demonstrates the quality of the volunteer program, but with the increased volunteerism comes challenges to effectively oversee so many volunteers with the current staffing level and competing requests for environmental education opportunities.

2022 Accomplishments

- Recruited and hired a second paid work study position with the intent of removing barriers to employment for people experiencing disabilities or other challenges.
- Completed a comprehensive Stewardship Plan with Friends of LBA Woods
- Initiated research into wildfire prevention best practices for Parks and developed an SOP. Park Rangers on duty 97 percent of the working days in 2022, spending the majority of their day in the field working with park visitors.
- Increased free summer environmental education events
- Continued working with community organizations to address issues of equity, inclusion and accessibility.
- Effectively managed impact of encampment adjacent to Karen Fraser Woodland Trail and assisted responding departments
- Held first annual “Bumblebee Jubilee”

Performance Measures: Park Stewardship

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Efficiency Measure	Stewardship volunteer work hours	Maintain	3,055	10,511	8,049	8,000

2023 Objectives

- Complete and celebrate first Sensory Garden at Decatur Woods Park
- Publicize one stop contact information for Park Rangers
- Promote Stewardship program and volunteers by sharing accomplishments with the public
- Find meaningful measure of success for Park Ranger program

Planning and Design

Description/Services Provided

The Planning and Design Division is responsible for long-range facility planning, land acquisition, park design and development, condition assessment and major infrastructure rehabilitation. The Division leads and prepares the Olympia Parks, Arts and Recreation Plan, and participates in other long-range planning efforts conducted by other departments. The Division also provides policy guidance and direction on issues related to parks, often through consultation with the Parks and Recreation Advisory Committee (PRAC).

In addition, the Planning and Design Division is responsible for the Department's Capital Budget which is the funding source for turning plans into construction projects. The Division oversees the revenues and expenses of capital funding and the financial accounting for land acquisition and park construction projects. Once capital funds are secured, staff in this Division work with the community to design and build parks and park amenities.

Significant Proposed Budget Changes

- Inflationary increases for staffing and design software rates have impacted the 2023 budget.
- The Professional Services budget is highly variable from year to year depending on needed park feasibility studies and planning projects.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$320,511	\$163,309	\$172,319	\$9,010
Miscellaneous Revenues	35	0	0	0
General Fund Contribution	120,110	226,182	254,813	28,631
Total Funding	\$738,665	\$767,260	\$843,533	\$76,273

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$600,361	\$724,344	\$809,105	\$84,762
Supplies	2,628	2,626	2,100	(526)
Services	123,083	28,744	19,925	(8,819)
Intergovernmental	2,030	2,030	2,030	0
Interfund Payments for Services	10,563	9,517	10,373	856
Total Expenditures	\$738,665	\$767,260	\$843,533	\$76,273

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Associate Planner	0.75	0.75	0.75	0.00
Finance & Policy Coordinator	1.00	1.00	1.00	0.00
Program & Planning Supervisor	1.00	1.00	0.00	-1.00
Engineering & Planning Supervisor	0.00	0.00	1.00	1.00
Project Engineer II	1.00	2.00	2.00	0.00
Senior Engineer	1.00	1.00	0.75	-0.25
Total	4.75	5.75	5.50	-0.25

Budget Overview

Olympians have a strong appetite for high quality parks. With the help of the Metropolitan Park District, the projects the community desires now have the funding available. In addition to new park land and amenities, the major maintenance and ADA programs are fully funded. The Department also has had tremendous success with the award of several State Recreation & Conservation Office grants, which also gives more priority to those projects due to the strict project deadlines.

Trends, Challenges, and Opportunities

- Consistent funding provided by the Metropolitan Park District, and leveraged through grants, has allowed for a robust Capital Facilities Plan to meet the community’s desires for more parks and park amenities.
- Olympia’s parks are highly used by the community. According to a recent random sample survey about Olympia’s park system, 53 percent of Olympians visit a city park more than once a week. This comes with high community expectations and also provides an opportunity for even more public support and involvement in the Planning and Design section’s work.

2022 Accomplishments

- Completed the 2022-2028 Parks, Arts & Recreation Plan.
- Completed the Yelm Highway Community Park Master Plan.
- Installed new backstops and dugouts at Yauger Park.
- Completed asphalt repairs on the Karen Fraser Woodland Trail and Sunrise Park trail.
- Completed ADA improvements to LBA Park Restroom #2.
- Installed new tables and benches next to Friendly Grove Park playground.
- Applied for \$3.5 million in grants from the State Recreation and Conservation Office for Yelm Highway Community Park Phase I construction and Kaiser Woods Park development.

Performance Measures: Planning and Design

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Acres of park land per 1,000 population	8.40	20.47	20.50	21.30	21.60
Output Measure	Percentage of land within ½ mile of a park entrance	80%	63.33%	63.65%	63.65%	65%
Output Measure	Percentage of Developed vs. Undeveloped Park Acres	100% Developed	69.45% vs. 30.55%	74.17% vs. 25.83%	76.41% vs. 23.59%	79% vs. 21%
Output Measure*	Percent of Capital Projects Completed from Parks Plan	85%	65%	81%	9%	21%
Quality Measure	Facility Condition Index (FCI) Rating	<10%	17%	16.3%	16%	15%

*2016 Parks Plan capital projects tracking ended with 2021; 2022 data reflects projects in 2022 Parks Plan

2023 Objectives

- Acquire land for at least one new park.
- Complete the Yelm Highway Community Park Phase 1 Design.
- Launch a process to re-envision Percival Landing.
- Complete a master plan for Rebecca Howard Park adjacent to Olympia Timberland Library.
- Complete the West Bay Park Master Plan.
- Construct a sprayground at Lions Park.
- Complete design for one mile of multi-modal trail at Grass Lake Nature Park.
- Renovate LBA Park Field 2.
- Invest \$750,000 into major maintenance projects in our parks.
- Invest \$200,000 into addressing ADA deficiencies in our parks.
- Launch update of the Parks, Arts and Recreation chapter in the City's Comprehensive Plan.
- Complete the Agri-park Feasibility Study.

Recreation

Description/Services Provided

The Recreation Program provides a wide variety of programs for the community, including athletics, fitness and enrichment classes, outdoor adventures, youth camps and clinics and an expanding list of teen/preteen activities.

Significant Proposed Budget Changes

- Labor costs for supervision and service delivery comprise the greatest percentage of the Recreation budget with over 70 percent of expenses dedicated to salaries, wages and benefits.
- Recreation services have generally returned to pre-pandemic levels, with some exceptions. Camp and youth programming participation reflects both a high demand for youth activities both to provide opportunities for learning and mentorship, but also the strong need for supervision of children while parents are working or taking care of other family obligations. Athletic league registration indicates a healthy community of adults are ready to compete while socially interacting in a fun and well-organized environment.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$4,010	\$40,126	\$20,000	\$(20,126)
Charges for Goods and Services	871,020	982,412	1,090,669	108,257
Miscellaneous Revenues	21,021	5,928	7,900	1,972
General Fund Contribution	612,110	667,991	553,405	(114,586)
Total Funding	\$1,508,162	\$1,696,457	\$1,671,974	\$(24,482)

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,183,587	\$1,184,821	\$1,200,615	\$15,795
Supplies	32,615	40,717	40,930	213
Services	265,069	457,642	378,535	(79,107)
Capital Outlay	0	0	0	0
Intergovernmental	14,941	(249)	32,850	33,099
Interfund Payments for Services	11,950	13,525	19,044	5,519
Total Expenditures	\$1,508,162	\$1,696,457	\$1,671,974	\$(24,482)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Lead Recreation Specialist	0.15	0.42	1.00	0.58
Program Manager	1.50	2.00	1.50	(0.50)
Program Specialist	3.20	3.20	3.20	0.00
Recreation Specialist	2.52	2.26	2.60	0.34
Supervisor I (Exempt)	0.65	0.65	0.65	0.00
Total	8.02	8.53	8.95	0.42

Budget Overview

Labor costs for supervision and service delivery comprise the greatest percentage of the Recreation budget with over 70 percent of expenses dedicated to salaries, wages and benefits..

Trends, Challenges, and Opportunities

- Summer camps remain an extremely popular and important service provided by our department. Registration opens in early spring and most weeks are full by the end of March. This creates a sense of pride for our staff, in that customers continue to extend trust in this service. At the same time, there are unmet needs that we are challenged to meet due to facility, transportation, supervision and seasonal staff complexities.
- The recreation team continues to look for sustainable growth in services meeting the needs of the community. The most obvious area of growth is in summer activities and school day childcare, with families heavily reliant and supportive of the camps, clinics and classes we offer for youth while parents and caregivers are working.
- Related to the marketing of our programs, database reports, social media analytics, and customer feedback help us stay updated with how our community is hearing about our programs, which avenues for marketing and advertising are yielding return and new customers, and which methods give us the most bang for our buck.

2022 Accomplishments

- Camps and other recreation activities maintained high satisfaction reports despite pandemic restrictions such as the elimination of field trips.
- Coordinated successful adult sports leagues and fitness classes while following pandemic guidelines.
- Increased specialty camp offerings to accommodate large waitlists, ultimately serving over 400 specialty campers.

Performance Measures: Recreation

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Gross Revenue Generated	7% growth over 2022	\$530,861	\$896,051	\$1,028,464	\$1,102,069
Quality Measure	New activity offerings	20%	13.59%	24.66%	24.66%	20%
Quality Measure	% of returning registrants	45%	21%	38%	N/A	45%
Quality Measure	Recreation Cost Recovery %	75%	42%	64%	66%	75%
Quality Measure	Activity participants quality rating (1-5 scale)	4.5/5	4.42	4.45	4.47	4.5
Quality Measure	Customer service rating (1-5 scale)	4.5/5	4.8	4.87	4.87	4.5

2023 Objectives

The recreation program continues to lean on best practices in the industry related to marketing, data collection and analysis and increasing offerings of new programs.

Public Works



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Department Overview

Mission

We build and maintain the foundation of our extraordinary Olympia.

Vision

A healthy environment. A thriving economy. A vibrant community.

Description

The Public Works Department serves our community by providing and maintaining foundational services - safe water, sewer, stormwater, solid waste collection, transportation and sound public buildings. In the first quarter of 2022, Public Works reorganized the Water Resources Line of Business (LOB). The utilities of Wastewater and Storm and Surface Water remained under the Water Resources LOB. The Drinking Water utility is now its own Line of Business. Each LOB is led by a Director that is a part of the Public Works Leadership Team.

Public Works is comprised of six Lines of Business:

- Engineering
- Transportation
- General Services
- Water Resources (Wastewater and Storm & Surface Water Utilities)
- Drinking Water Utility
- Waste ReSources

Within these Lines of Business, Public Works provides these services in a way that makes our community extraordinary - a place where people love to live, raise families and do business. We do this by integrating sustainability into our work and providing services that benefit our local economy, environment and community members.

In 2023, the Public Works Department will continue to:

- Provide safe and reliable drinking water to more than 60,000 residents.
- Maintain and repair 16 City-owned buildings.
- Maintain a fleet of over 250 vehicles and various pieces of equipment.
- Provide solid waste, recycling and organics disposal services to a population of over 54,000.
- Maintain 218 miles of streets, 41 miles of bike lanes and several miles of sidewalks across the City.
- Ensure safe delivery of millions of gallons of wastewater per day to the LOTT treatment plant.

- Reduce flooding, improve water quality and protect/enhance our aquatic habitat in eight watershed basins.

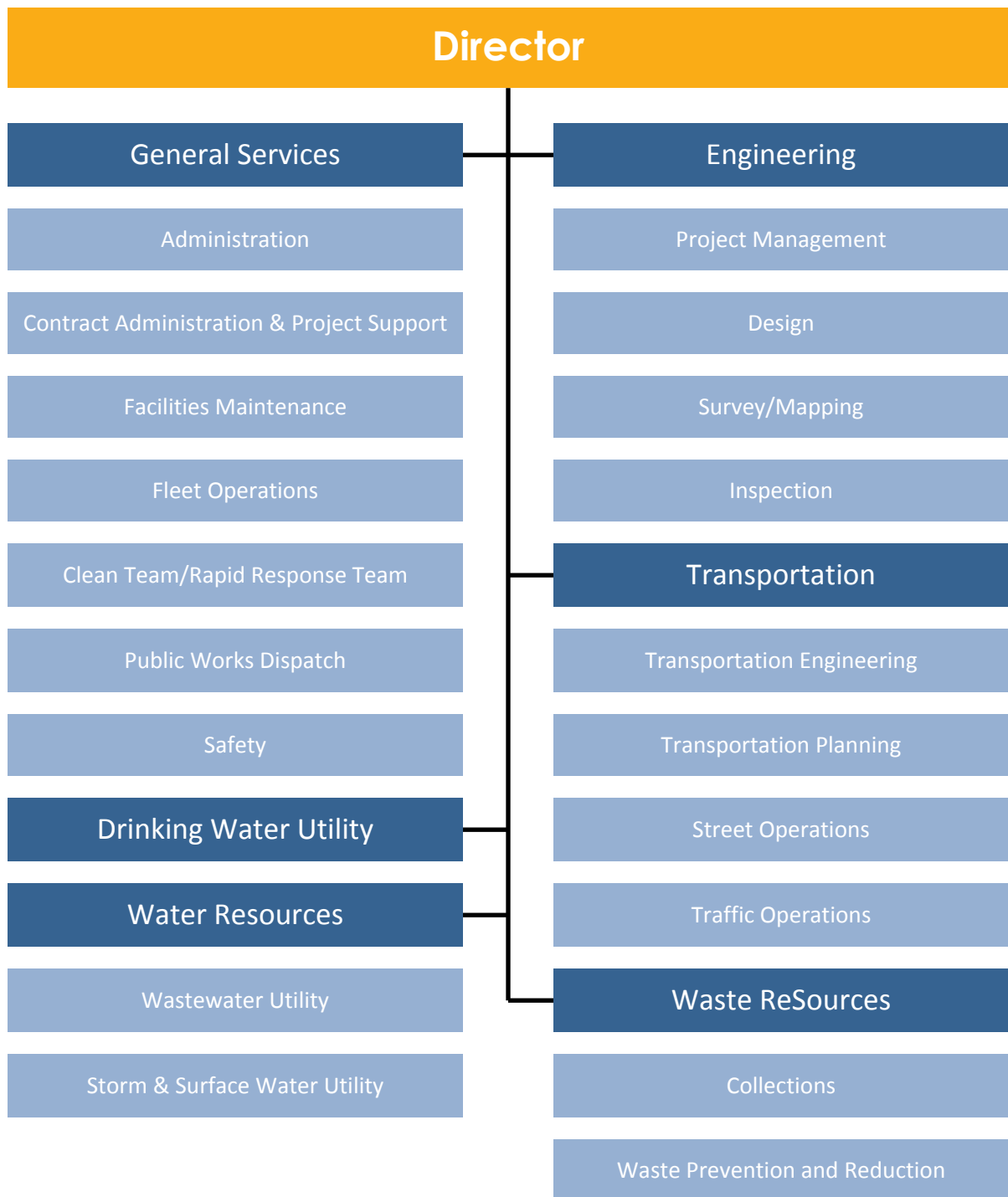
Department Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$3,512,940	\$13,096	\$0	\$(13,096)
Intergovernmental Revenues	8,244,956	1,800,937	2,982,793	1,181,856
Charges for Goods and Services	60,340,761	62,115,685	66,218,315	4,102,630
Miscellaneous Revenues	(9,339,699)	1,504,771	2,441,967	937,196
General Fund/Use of Fund Balance	(198,217)	4,096,324	7,974,305	3,877,982
Total Funding	\$67,830,150	\$69,530,813	\$79,617,381	\$10,086,568

Program Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Engineering	\$3,647,290	\$3,627,900	\$4,015,344	\$387,445
General Services	4,055,026	3,523,067	4,489,973	966,906
Clean Team/Rapid Response	631,296	674,100	799,311	125,211
Transportation	5,578,546	5,096,113	6,593,049	1,496,936
Drinking Water	12,617,418	14,684,942	16,339,257	1,654,315
Storm/Surface Water	6,295,228	6,205,702	7,338,905	1,133,203
Wastewater	21,681,059	22,071,327	24,667,003	2,595,676
Waste ReSources	13,324,287	13,647,662	15,374,538	1,726,876
Total Expenditures	\$67,830,150	\$69,530,813	\$79,617,381	\$10,086,568

Categorized Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$20,285,107	\$20,349,617	\$23,502,931	\$3,153,315
Supplies	2,110,627	1,947,462	2,929,280	981,818
Services	8,003,633	7,704,019	9,154,827	1,450,808
Intergovernmental Payments	28,073,271	29,879,015	31,174,825	1,295,810
Capital Outlay	105,168	142,236	80,000	(62,236)
Interfund Payments	9,252,345	9,508,464	12,775,517	3,267,053
Total Expenditures	\$67,830,150	\$69,530,813	\$79,617,381	\$10,086,568

* Interfund transfers include transfers from the Operating utility funds to the capital funds to support capital projects.

Organizational Chart - Public Works



Engineering

Description/Services Provided

Engineering provides project management, professional engineering, surveying and inspection services to Public Works and other City departments to support City utilities, facilities, and transportation systems, consistent with our community's vision.

The Engineering Division is responsible for implementing the Public Works portion of the City's Annual Capital Facilities Plan (CFP), updating the Engineering Design and Development Standards (EDDS), providing support to Community Planning and Development on platting and private development projects, enforcing erosion and sediment control regulations for new construction, inspecting private development construction in the right of way, utility locating, surveying, and mapping the City's infrastructure.

Significant Proposed Budget Changes

- Increase in salaries and benefits due to required payroll adjustments.
- Increase in interfund payments from fleet rates, insurance, and computers.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$0	\$143,225	\$0	\$(143,225)
Charges for Goods and Services	3,869,991	3,693,092	4,429,395	736,303
Miscellaneous Revenues	0	620	0	(620)
General Fund Contribution	(222,701)	(209,038)	(414,051)	(205,013)
Total Funding	\$3,647,290	\$3,627,900	\$4,015,344	\$387,445

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$3,275,317	\$3,261,809	\$3,538,875	\$277,066
Supplies	8,743	15,289	20,956	5,667
Services	186,931	159,430	183,710	24,280
Intergovernmental Payments	4,380	3,047	3,047	0
Interfund Payments for Services	171,918	188,324	268,756	80,432
Total Expenditures	\$3,647,290	\$3,627,900	\$4,015,344	\$387,445

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
City Engineer	1.00	1.00	0.00	-1.00
Deputy Public Works Director / City Engineer	0.00	0.00	1.00	1.00
City Surveyor	1.00	1.00	1.00	0.00
Construction Inspector	4.00	4.00	0.00	-4.00
Construction Inspector - AFSCME	0.00	0.00	4.00	4.00
Assistant City Engineer	0.00	0.00	2.00	2.00
Design & Constr Contract Spec	0.00	0.00	3.00	3.00
Eng & Planning Supervisor	1.00	1.00	0.00	-1.00
Engineering Program Manager	1.00	1.00	0.00	-1.00
Engineering Project Coord	1.00	1.00	1.00	0.00
Engineering Project Manager	2.00	2.00	2.00	0.00
Engineering Technician II	2.00	2.00	4.00	2.00
Lead Construction Inspector	1.00	1.00	0.00	-1.00
Lead Construction Inspector - AFSCME	0.00	0.00	1.00	1.00
Program Specialist	0.00	0.00	1.00	1.00
Mapping Coordinator	1.00	1.00	1.00	0.00
Procurement & Contract Manager	0.00	1.00	1.00	0.00
Project Engineer I	2.00	2.00	1.00	-1.00
Project Engineer II	4.00	4.00	4.00	0.00
Senior Engineer	1.00	1.00	1.00	0.00
Surveying Coordinator	1.00	1.00	1.00	0.00
Total	23.00	24.00	29.00	5.00

Four positions were moved from the General Services program to the Engineering program

Budget Overview

The main budget drivers for Engineering are Salaries and Benefits as well as Interfund Payments for the cost of insurance, fleet vehicles, and computers. This budget maintains existing levels of service. There are two (2) additional FTE's, Engineering Technicians, added in Survey to address growing record drawing, mapping, and field surveying needs.

Trends, Challenges and Opportunities

- The current job market continues to make it difficult to attract and retain employees with the desired level of technical experience.
- Increases in construction costs have been difficult to predict and estimate. Inflation, contractor availability, and material accessibility are all factors and have resulted in wide variations of bid prices.
- Supply chain interruptions from the Covid-19 pandemic continue to impact material availability. Excessively long lead times on some materials are impacting project delivery and construction schedules.
- The level of private development has added significantly to staff workload related to plat reviews, field surveys, plan review, response to public inquiries, and timely updates to the basic parcel information used for permitting.

2022 Accomplishments

- Designed and built over \$10 million worth of infrastructure.
- Completed construction of the Franklin Street Improvement project downtown, which was a full reconstruction of three blocks of Franklin Street to improve pedestrian mobility throughout the area, enhance streetscaping, and resurface the roadway heavily used by local transit.
- Made improvements to City owned buildings, as well as upgrades to water, sewer, and storm systems, all with the goal of providing safe, attractive, continued reliable delivery of water and sewer services to our customers as well as improving water quality.
- Full implementation of e-Builder, a project management software, which has increased efficiencies for managing projects and improved project delivery transparency.

Performance Measures: Engineering

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Efficiency Measure	On-Time Project Delivery	85%	91%	67%	71%	80%
Efficiency Measure	On-Budget Project Delivery	90%	91%	100%	TBD	80%

2023 Objectives

- Continued collaboration through the Building Capital Projects Together process, in order to deliver projects on time and on budget.
- Work with the Washington State Department of Transportation to get approval of the use of new digital tools for project documentation.
- Evaluate and improve Public Works project review and private development inspection and documentation using LEAN methodology.

Drinking Water Utility

Mission

We provide and protect healthy drinking water for the community.

Vision

The Utility sustains present and future water supplies for our community while protecting the environment.

Description/Services Provided

The Drinking Water Utility provides the public with safe and sustainable drinking water and reclaimed water. It ensures a sufficient drinking and firefighting water supply and system capacity for our growing community. The utility serves as a steward of Olympia's precious water resources.

Program areas include operations and maintenance, water quality monitoring, cross-connection control, groundwater protection, water conservation, water treatment, water source and other capital facility development, and reclaimed water. A 6-year Water System Plan, adopted by the Olympia City Council and approved by the State Department of Health, guides the activities of the Drinking Water Utility. An updated Water System Plan will be approved by mid-2023.

Significant Proposed Budget Changes

Drinking Water utility programs and core services will remain largely unchanged in 2023. The 2023 budget includes increased expenses related to salaries and benefits due to cost-of-living adjustments and inflation. Other inflationary increases related to fuel, electricity, chlorine, and other materials and supply costs are also reflected in the proposed budget. Property and liability insurance costs, as well as other overhead costs are up significantly.

Following a recent financial review by City's financial consultant, FCS Group, Drinking Water Utility revenues were reduced to reflect recent trends and effects from the pandemic. In order to maintain adequate cash flow projections, capital funding was also temporarily reduced for 2023.

There is one staffing requests in the proposed budget to add 0.25 FTE as part of a reclassification creating a new Drinking Water Utility Director position.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$2,414,069	\$0	\$0	\$0
Charges for Goods and Services	14,622,762	14,472,426	14,921,207	448,781
Miscellaneous Revenues	724,909	352,612	346,000	(6,612)
Net Use/(Gain) of Fund Balance	(5,144,324)	(140,096)	1,072,050	1,212,146
Total Funding	\$12,617,418	\$14,684,942	\$16,339,257	\$1,654,315

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$3,753,267	\$3,725,449	\$4,259,491	\$534,042
Supplies	952,041	619,551	1,121,954	502,403
Services	1,023,793	969,464	1,248,368	278,904
Intergovernmental Payments	4,471,659	6,982,331	6,495,207	(487,124)
Capital Outlay	0	13,406	0	(13,406)
Interfund Payments	2,416,658	2,374,741	3,214,237	839,496
Total Expenditures	\$12,617,418	\$14,684,942	\$16,339,257	\$1,654,315

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
AMR METER TECHNICIAN-AFSCME	2.00	2.00	2.00	0.00
INVENTORY CONTROL SPECIALIST	0.75	0.75	0.00	(0.75)
INVENTORY CONTROL SPECIALIST II	0.00	0.00	1.00	1.00
LEAD WORKER - AFSCME	2.00	2.00	2.00	0.00
MAINTENANCE TECHNICIAN-AFSCME	2.00	2.00	2.00	0.00
MAINTENANCE WORKER I - AFSCME	1.50	1.50	1.50	0.00
MAINTENANCE WORKER II-AFSCME	10.00	10.00	10.00	0.00
OPERATIONS SUP- DRK WTR- IUOE	1.50	1.50	1.50	0.00
REMOTE SYSTEMS TECHNICIAN	1.25	1.25	1.25	0.00
CROSS CONNT CTRL SPELT- AFSCME	1.00	1.00	1.00	0.00
OPERATIONS SUP-WTR PURVEY-IUOE	1.00	1.00	1.00	0.00
PROGRAM SPECIALIST	1.00	1.00	0.00	(1.00)
PROGRAM SPECIALIST - AFSCME	0.00	0.00	1.00	1.00
SENIOR PROGRAM SPECIALIST	1.00	1.00	1.00	0.00
WATER MONITORING ASSISTANT	1.00	1.00	1.00	0.00
WATER QUALITY SPECIALIST	1.00	1.00	1.00	0.00
ENG & PLANNING SUPERVISOR	0.34	0.34	0.00	(0.34)
GIS ANALYST	0.25	0.00	0.00	0.00
GIS SPECIALIST	0.00	0.25	0.25	0.00
LINE OF BUSINESS DIRECTOR	0.52	0.52	0.00	(0.52)
PROGRAM ASSISTANT	1.04	1.04	0.00	(1.04)
PROGRAM ASSISTANT - AFSCME	0.00	0.00	1.00	1.00
PROGRAM MANAGER	0.75	0.75	0.00	(0.75)
DRINKING WATER UTILITY DIRECTOR	0.00	0.00	1.00	1.00
PROJECT ENGINEER I	1.00	1.00	2.00	1.00
PROJECT ENGINEER II	1.00	1.00	1.00	0.00
Total	31.90	31.90	32.50	0.60

Budget Overview

Drinking Water utility programs and core services will remain essentially unchanged in 2023. Consistent with work being performed, one quarter Inventory Control Specialist position will move from Wastewater and Storm and Surface Water funding to the Drinking Water operating budget in 2023. The 2023 budget includes modest increased expenses related to salaries, power utility rates, and other inflationary and overhead costs.

Trends, Challenges, and Opportunities

- Revenues throughout the public health emergency have been diminished and unstable. We have seen greater revenue from our residential accounts and diminished revenue from our commercial accounts. This can be attributed to business and office closures and people (including commuters from outside the city) working from home.
- Funding for ongoing pipe replacements, tank coatings, and seismic upgrades is increasingly challenging. The water system has more than 30 miles of asbestos cement pipe that has exceeded its 50-year estimated effective life.
- Depreciation funding will continue to be an increasing need and challenge for the utility. As a component of the Water System Plan update, the Utility's financial consultant recommended a year 2023 decrease in depreciation funding from \$1.4 million to \$700,000 to address short-term cash flow limitations. This Water System Plan rate analysis includes an increase in depreciation funding thereafter.
- Federal infrastructure stimulus funding has the potential to help defray capital costs. In anticipation, the Utility has positioned itself to benefit from the funding.
- The Utility anticipates expanding the number of small Public Works projects to be constructed in house. In-house construction is far more cost-effective than contracted work. We anticipate this will help CIP funding, but may have potential budgetary implications (additional seasonal staff) in future years.
- Our reliance on debt financing for projects impacts operating budgets and subsequently the capital program.
- The United States Environmental Protection Agency's 2021 revised lead and copper rule requires the City to identify the materials of both public and private water service lines to verify they are not lead. This will require substantial records research and then excavation of service lines for which there is no record.

2022 Accomplishments

- Maintained 100 percent compliance with all State and Federal Drinking water regulations.
- Staff completed the draft Water System Plan and submitted it for approval to the Washington State Department of Health (DOH).
- Staff continue to meet goals for valves and hydrants maintenance. Along with meters replacements as per our Water System Plan.
- Maintenance of pressure reducing valves has successfully been brought in-house, improving reliability and response times.

- Work has begun to complete seismic upgrades to the Boulevard Tank to improve the reservoirs’ reliability in the event of an earthquake.
- During a shortage of chlorine, Pump Stations staff expediently responded to ensure all source wells could remain operational.
- Pump Stations staff is working to replace computer servers used for supervisory control and data acquisition (SCADA) and upgrade the software to reduce security risks and prevent cyberattacks.
- Water Quality staff accomplished all DOH water quality sampling and reporting requirements throughout the public health emergency.
- A pilot production well was installed at the Log Cabin Tank to evaluate feasibility of relocating the Shana Park and Hoffman wells water rights.

Performance Measures: Drinking Water Utility

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Water Conserving Devices/ Rebates Distributed	1,000	720	369	400	400
Output Measure	Backflow Devices Tested/ Inspected	3,000	3,300	3,300	3,837	3,900
Quality Measure	Water quality samples meeting standards	100%	100%	100%	100%	100%
Quality Measure	Compliance of high-risk connections with adequate backflow prevention	100%	100%	100%	100%	100%
Efficiency Measure	Reduce water use	Reduce by 5% per service connection	N/A	+4%	+2%	TBD
Cost Effectiveness Measure	Maintain water loss at below 10% of production (3-year average)	<10%	10%	10.1%	TBD	<10%

2023 Objectives

- Maintain 100 percent compliance with all State and Federal Drinking water regulations.
- Continue water conservation efforts and water loss reductions.
- Operations will fulfill all targets for valve exercising, hydrant inspections and flushing and meter replacement.
- Obtain a sole source designation for the McAllister Wellfield to help protect the aquifer from contamination and prioritize it for financial assistance.
- Enter into a new Interlocal Agreement with the Cities of Yelm and Lacey to address establishing a long-term property management strategy for the jointly owned Deschutes River Properties.
- Adopt an updated Water System Plan, a DOH regulatory requirement.
- Address the United States Environmental Protection Agency's 2021 revised lead and copper rule requirements.

General Services

Description/Services Provided

Public Works General Services' budget includes the following programs: Clean Team, Contract Administration and Project Support, Facilities Maintenance, Fleet Operations, Public Works Dispatch, and the Safety Program. This budget also includes Public Works Administration.

- The Clean Team helps ensure our Downtown community is a vibrant and attractive urban destination. They also help enhance our community's quality of life, as well as public health and safety. The team achieves this through partnerships with other Downtown services and our community, and by delivering world class customer service.
- Contract Administration and Project Support provides leadership, policy development, oversight, and management of purchasing and contracting processes to ensure fairness, equity, and transparency, as well as compliance with local, state, and federal regulations. This group is also responsible for public records requests.
- Facilities Maintenance is responsible for maintaining 16 City-owned buildings, totaling over 420,000 square feet. This work includes electrical, plumbing, HVAC, building security and fire alarm systems, general maintenance, space planning, custodial, and other miscellaneous tasks. We also manage the work for contracted landscaping, elevator repairs, pest control, and janitorial services.
- Fleet Operations provides reliable, safe, well-maintained, and environmentally friendly vehicles and equipment to all City departments, except for Fire. Highly qualified staff perform preventive and corrective maintenance on City vehicles and equipment, coordinate the purchase and disposal of fleet assets, and manage the purchase and distribution of fuel and parts.
- Public Works Dispatch is responsible for dispatching services that enable the public to have their questions and concerns addressed promptly.
- The Safety Program ensures a safe and healthy workplace for employees by promoting a culture of safety through education and technical assistance. This program also leads the Public Works Department's efforts in Emergency Preparedness and the Building Emergency Response Team (BERT). The Safety Program provides services for all City employees, except for Fire and Police.

Significant Proposed Budget Changes

- With the help of the Finance Department, the Facilities Maintenance budget will no longer be part of the General Fund. In 2023, it will become an enterprise fund (506). This will allow unexpended funds to be carried over from one fiscal year to the next. By doing this, we will be able to complete some larger, more costly repair/maintenance projects to City facilities.
- With revenue shortfalls in Parking Services, the Clean Team will lose \$46,500 that Community Planning and Development historically contributes to this program's annual budget. A new funding source will need to be identified to make up for the shortfall.
- With the increase in workload, as well as two of the three current Master Mechanics being close to retirement, General Services received funding for an additional Master Mechanic position in the amount of \$132,335. This increases staffing levels to two Master Mechanics and one Senior Master Mechanic for Fleet Operations. This additional FTE is part of the Fleet Operations' succession planning.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$303,391	\$154,828	\$1,819,844	\$1,665,016
Charges for Goods and Services	683,786	680,176	720,602	40,426
Miscellaneous Revenues	576,943	585,797	1,378,339	792,542
General Fund Contribution	2,490,905	2,102,266	571,188	(1,531,078)
Total Funding	\$4,055,026	\$3,523,067	\$4,489,973	\$966,906

In 2023, Equipment Rental has been moved to it's own fund. General Fund contributions are now transferred and are included above in Intergovernmental Revenues

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$2,186,751	\$2,147,820	\$2,447,432	\$299,613
Supplies	106,462	127,869	130,156	2,287
Services	717,625	713,212	989,565	276,353
Capital Outlay	0	0	0	0
Intergovernmental	502,263	3,711	0	(3,711)
Interfund Payments for Services	541,924	530,455	922,820	392,365
Total Expenditures	\$4,055,026	\$3,523,067	\$4,489,973	\$966,906

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Finance & Policy Coordinator	1.00	1.00	1.00	0.00
Line of Business Director	1.00	1.00	1.00	0.00
Program Assistant	1.00	1.00	0.00	(1.00)
Program Assistant - AFSCME	0.00	0.00	1.00	1.00
Public Works Director	1.00	1.00	1.00	0.00
Design & Constr Contract Spec	3.00	3.00	3.00	0.00
Program Specialist	1.00	1.00	0.00	(1.00)
Electrician-AFSCME	1.00	1.00	1.00	0.00
Facilities Maint Wkr I-AFSCME	2.00	2.00	2.00	0.00
Facilities Systems Tech-AFSCME	1.00	1.00	1.00	0.00
HVAC Technician - AFSCME	1.00	1.00	1.00	0.00
Lead Worker - AFSCME	1.00	1.00	1.00	0.00
Maintenance Worker II-AFSCME	2.00	2.00	2.00	0.00
Operations Supervisor - IUOE	1.00	1.00	1.00	0.00
Inventory Control Specialist II	1.00	1.00	1.00	0.00
Master Mechanic - AFSCME	3.00	3.00	4.00	1.00
Operations Sup - IUOE	1.00	1.00	1.00	0.00
Senior Master Mechanic-AFSCME	1.00	1.00	1.00	0.00
Fleet Specialist -Project	0.00	0.00	0.50	0.50
Clean Team Worker - AFSCME	4.50	6.50	6.50	0.00
Operations Supervisor - IUOE	0.00	1.00	1.00	0.00
Supervisor III	1.00	0.00	0.00	0.00
Total	28.50	30.50	31.00	0.50

The Contract Specialist positions and Program Specialist position were moved into the Engineering program

Budget Overview

Public Works currently has a decentralized, LOB level approach to managing the budget process.

A Finance and Policy Coordinator position was created and approved in 2021. This position will serve as a primary liaison with Finance and can provide higher-level technical support to LOBs on utility and fleet rates, engineering revenue, and other complex budgetary issues. This position will report directly to the Public Works Director.

Trends, Challenges and Opportunities

- Transitioning to electric vehicles (EV) has its challenges. The increase in cost for vehicles and the future of hybrid and EV technology, brings a strong need for more training to properly maintain our fleet. Additionally, further analysis will be required to establish a charging infrastructure that will support each department's needs to accomplish routine duties and emergency response.
- We continue to face challenges in managing costs and efficiencies with our contracted custodial and landscaping services, due to rising costs of prevailing wages. In 2023, the cost of our contracted custodial services will increase 16 percent, while landscaping services is increasing by 11 percent. In the past 18 months, we have processed almost 20 custodial employees through our badge access system. This high level of turnover impacted our level of efficiency and impacted the workload of Facilities Maintenance staff.
- Electricity costs are expected to increase by 6 percent over the next year. This will put more focus on reducing our carbon footprint. We continue to hit our goal of a 5 percent annual reduction in energy use, which will hopefully offset the rising costs of energy. We have partnered with the Olympia Fire Department to assist them in finding ways to reduce energy consumption in their facilities.
- Vehicles and parts are getting more and more expensive. A cash analysis of Fleet Capital Rates indicating several contributing factors resulted in the capital reserve not performing as originally designed, i.e. current method for determining the lease charges has not kept pace with vehicle replacement costs; and legacy decisions to use capital reserves for fleet additions, without cash contributions. Adjustments in the charging method are needed on inflation and salvage rates. In addition, the increase in cost for vehicles and the future of hybrid and electric vehicle (EV) technology, brings a strong need for more training to properly maintain our fleet.
- The COVID-19 pandemic presents unique ongoing challenges to our operations. The transition to teleworking has accelerated adoption of innovations such as electronic signatures, digital forms, document sharing, video conferences, etc. These innovations have contributed to Contract Administration and Project Support's continued success. Through bid submissions and evaluations to contract awards, we have the technology to quickly adapt to a paperless procurement process.
- With the integration of Workday and e-Builder in 2023, the Contract and Procurement team will be collaborating with the e-Builder Administrator and Workday Procurement group to refine business processes for processing construction project payments and managing on-call task orders.

- The Contracts team will be ready to meet new challenges with potential Legislative changes related to prevailing wage, bid criteria, and changes to procurement opportunities for small and disadvantaged businesses.
- Workday will continue to impact the work of the Contract Administration and Project Support team as they collaborate with e-Builder and Workday administrators to integrate the Public Works Contract Management System (e-Builder) with Workday for Capital Facilities projects, small works projects, on-call contracts, and other procurement.

2022 Accomplishments

- The Clean Team continues to receive positive feedback from Downtown businesses and community members for their customer service and quick response to requests. In 2022, the team received a Public Works Award in the "Respect" category. They were also recognized and celebrated by the City Council for being part of the community for 10 years.
- Contract Administration and Project Support continues to process a high volume of contracts of all types. Staff processed over 150 contracts varying in value, size and complexity and managed Capital Facilities projects bidding and contracts worth \$3.4 million and small works projects worth nearly \$840K. Several projects, including emergency housing projects, are funded by state and federal grants and loans, which have very specific compliance conditions and require a higher level of support to successfully execute the requirements, in order to clear audits and maintain eligibility for future funding.
- The Contract Administration and Project Support team supported the development of Workday procurement business processes in 2022. At launch in January 2023, the team provided City-wide training in procurement and invoice processing and provided City-wide support for requisitions, purchase order, invoices, and P-Cards. The team also provided support for signature authority and approval routing in Workday.
- The Contract Administration and Project Support team worked with the Engineering Line of Business to revise the Build Capital Projects Together (BCPT) process and created a virtual board to accommodate a virtual working environment. This update allows the team to streamline the process of moving projects from design to construction, and increases efficiency and accuracy in status updates and financial tracking Citywide..
- Updates to Public Works' online intranet pages will provide a guide to bid thresholds, regulations related to Public Works contracts and small works projects. The update will include templates and resource materials.
- The Contract Administration and Project Support team provided key support in developing new processes in e-Builder to streamline online bidding, contract commitments, submittals, and documentation, creating efficiencies for staff and contractors, and allowing for better documentation for audits and project closeouts.
- The Contract Administration and Project Support team partnered with Public Works Water Resources to develop a pilot program for contract administration and procurement requests. This process will improve communication related to procurement and contract needs and create efficiencies in bidding, contract processing and tracking.

- The Contract Administration and Project Support team continues to manage the Public Works' responses to annual state and federal project management review audits. Staff provides manual and electronic process documentation in accordance with city, state and federal policies and guidelines. For 11 consecutive years, we successfully passed audits with no findings from the State Auditor's Office. Staff continues to work towards a virtual audit process.
- Fleet Operations is proud of the essential services we provided during 2022. They maintained a high level of communication with each other, as well as with our customers, in organizing and dispatching speedy and appropriate repairs. The team received a Public Works award in the "Innovation" category.
- The City's fuel center was upgraded with new electronic fuel dispensers and a new fuel management system. This allows the flexibility to control distribution and monitor fuel levels from one central point to maximize fleet efficiency and minimize fueling expenses. With these upgrades, Fleet Operations now have a fast, highly reliable, and accurate fuel management system.
- Fleet Operations worked collaboratively with other departments to determine operational needs and look for opportunities to replace existing fuel vehicles and equipment with electric options. As a result, six Ford F-150 Lightning trucks and one electric forklift were ordered through our Washington State Department of Enterprise Services cooperative contract in 2022.
- Fleet Operations piloted a new reporting system to reduce excessive idling, create fairness, and help departments/programs define their own success. Each department/program has unique operational needs and success should be measured against their own capability.
- The Facilities Operation Supervisor passed the Certified Facility Manager (CFM) exam and received a CFM certification from the International Facility Management Association (IFMA). There are less than 3,000 facility managers in United State and Canada who have this prestigious certification. Public Works continues to invest in our employees through training and other mentorship programs.
- Facilities Maintenance is providing support to the City's ADA transition plan and continues to make our facilities more accessible.
- Facilities Maintenance continues to provide support to the Climate Program's climate action goals and working toward the transition of all City-owned facilities to 100 percent LED lighting.
- Facilities Maintenance is assisting in the effort to electrify City-owned facilities. This includes a gas-to-electric study and eventual cost model implementation plan.
- Facilities Maintenance provided support to the three CPF projects at the Washington Center for the Performing Arts that replaced the generator, updated the auditorium flooring, and refurbished the elevator. This team also provided support to the Fire Department in several repair and replacement projects that repaired floors, remodeled bathrooms, and reconditioned the HVAC systems.

- The Safety Program coordinated with a consulting firm to conduct a facility safety inspection at the Maintenance Center with the goal of identifying areas for improvement in overall safety. The plan is to develop a safety inspection program for all City facilities.
- The Safety Program supported with the transition from the prior safety training platform, SafetySkills, to Workday.

Performance Measures: General Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Number of reported injuries	0	7	19	6	0
Output Measure	Garbage, Recycle, Compost and Large Items	25% Reduction	3,685	6,419	6,612	4,960
Output Measure	Sharps, Bio Hazard and Human Waste	25% Reduction	4,649	9,454	9,264	6,950
Output Measure	Graffiti, Stickers/Flyers and Sidewalk Segments	25% Reduction	10,707	12,000	13,481	10,100
Quality Measure	Fleet Greenhouse gas emissions (excluding Fire)	TBD	1,959 CO2e	1,960 CO2e	1,960 CO2e	Reduce
Cost Effectiveness Measure	Annual energy consumption	5% annual reduction	3% Reduction	8% Increase	5% Reduction	5% Reduction

2023 Objectives

- Continue distributing monthly idling reports to supervisors to help reduce idling times.
- Continue efforts in adjusting vehicle and equipment lease rates to ensure adequate fund balance.
- Continue to provide support in the development of a City fleet electrification plan.
- Finalize a Facilities Master Plan based on the 2019 Building Condition and ADA Assessments.
- Continue to utilize Asset Essentials, Facilities Maintenance's work order and capital planning system, to execute an aggressive preventative maintenance work plan to extend the life of our current assets.
- Continue to provide support in the transition effort to fully electrify City-owned facilities.
- Further Public Works Emergency Preparedness Initiative with training and conducting drills.
- Continue to identify injury trends and outline training needs to prevent further injuries.
- Maintain our high safety training and certification compliance rate by providing timely and relevant training, which will help maintain a low injured worker rate.
- Collaborate with the City Clerk's office to search out additional ways in which to further our efforts to implement a Diversity, Equity, and Inclusion (DEI) strategy with the goal to enhance our DEI efforts in procurement and contracting for goods and services Citywide.
- Continue efforts to enhance our use of e-Builder for bidding, contract management, and procurement to streamline our processes and ensure compliance with state and federal regulations.
- Partner with Engineering to update internal processes to meet changing requirements for local State agency and Federal funding updates for Public Works projects.
- Seek out opportunities to learn more about Job Order Contracting (JOC) and the potential to partner with other local agencies to develop a more efficient and equitable procurement program for City-wide and Public Works contracting.
- Partner with the City Clerk's office to pursue opportunities for an on line bidding management system to create efficiencies in obtaining goods and services.
- Continue to use data collected to determine areas of significant impact to focus clean-up efforts and how the Clean Team will respond.

Transportation

Description/Services Provided

There are four programs in Transportation – Traffic Operations, Street Operations, Engineering, and Planning. Together they build and maintain a multi-modal street network that support people walking, biking, driving or riding the bus.

Significant Proposed Budget Changes

- Increase in salaries and benefits due to required payroll adjustments.
- Increase in interfund payments from insurance and computers.
- Increase in interfund payments from fleet rates, especially due to new snow equipment and dump trucks.
- Increase in materials for paint striping.
- Increase in labor for paint striping due to increase in contract with County.
- Increase in labor for right-of-way landscape maintenance.
- Increase in labor and disposal fees for Transportation's share of citywide street sweeping.
- Increase in power costs from PSE, assumed 2 percent.
- Increase in project revenue by \$50,000 for Transportation staff.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	1,363,661	1,329,025	1,113,354	(215,671)
Charges for Goods and Services	472,178	387,524	379,695	(7,829)
Miscellaneous Revenues	174,585	214,868	185,000	(29,868)
General Fund Contribution	3,568,122	3,164,697	4,915,000	1,750,303
Total Funding	\$5,578,546	\$5,096,113	\$6,593,049	\$1,496,936

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$3,139,500	\$3,006,937	\$3,821,581	\$814,644
Supplies	338,955	338,017	515,609	177,592
Services	627,610	592,798	679,059	86,261
Capital Outlay	0	0	0	0
Intergovernmental	556,903	254,933	417,349	162,416
Interfund Payments for Services	915,579	903,428	1,159,451	256,023
Total Expenditures	\$5,578,546	\$5,096,113	\$6,593,049	\$1,496,936

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Associate Planner	1.00	1.00	1.00	0.00
Deputy Public Worker Director	1.00	1.00	1.00	0.00
Program & Planning Supervisor	1.00	1.00	1.00	0.00
Program Assistant	1.00	1.00	1.00	0.00
Program Specialist	1.00	1.00	1.00	0.00
Project Engineer I	1.00	1.00	1.00	0.00
Project Engineer II	1.00	1.00	1.00	0.00
Transportation Data Coord	1.00	1.00	1.00	0.00
Transportation Engring Supvisr	1.00	1.00	1.00	0.00
Data Control Specialist-AFSCME	0.50	0.50	0.50	0.00
Lead Worker - AFSCME	1.00	1.00	1.00	0.00
Sign Technician-AFSCME	3.00	3.00	3.00	0.00
Data Control Specialist-AFSCME	0.50	0.50	0.50	0.00
Field Crew Leader-AFSCME	1.00	1.00	1.00	0.00
Lead Worker - AFSCME	1.00	1.00	1.00	0.00
Maintenance Worker II-AFSCME	9.00	8.00	8.00	0.00
Operations Supervisor - IUOE	1.00	1.00	1.00	0.00
Operations Supervisor - IUOE	1.00	1.00	1.00	0.00
Senior Traffic Signal Technicn	1.00	1.00	1.00	0.00
Traffic Signal Technician	2.00	2.00	2.00	0.00
Total	30.00	29.00	29.00	0.00

Budget Overview

The 2023 budget maintains current levels of service with no new programs.

Trends, Challenges, and Opportunities

- Transportation's expense budget will likely need to increase in the future as materials and service costs continue to rise with inflation, economic and population growth.
- The Transportation Master Plan (TMP) articulates how much work can be done to improve our streets in the next 20 years and highlights funding shortfalls. Long term funding of the TMP will be discussed with the City Council in 2023.
- Transportation staff continue to develop asset management programs for maintaining our infrastructure and improving the condition of our transportation system.
- All program areas are collaborating to respond to community member requests in a timely manner with more meaningful information. We are using a software system that improves the efficiency of our response and allows us to summarize and learn more about the nature of transportation-related requests from the community
- We are increasing our use of the City's website and social media accounts to share information with the public. We share information about street improvement projects as well as timely information about snow and ice events.
- We worked with land use planning staff on two important projects that integrate land use and transportation: The Capital Mall Triangle project and the Neighborhood Centers project. Both projects implement the Comprehensive Plan.
- We continue to update the Engineering Design and Development Standards (EDDS) to integrate new best practices in street design. One example is the addition of design standards for protected bike lanes. These standards were added in 2022.

2022 Accomplishments

- Staff were successful in securing a total of \$4.4 million in grant funds for transportation projects as of July 2021.
- We began scoping of the Mottman Road improvement project, a grant funded project that will improve multi-modal access along that street.
- Operations crews continue to complete critical infrastructure maintenance and repairs while being short-handed due to staffing vacancies.
- Operations crews supported the work of the Housing and Homelessness Program with several efforts related to safety in the public right of way.
- Construction started on the State Avenue and East Bay Drive/Plum Street safety project. This project improves the intersection for all modes of travel, but particularly addresses bike and pedestrian safety. The project will be complete in early 2023.

Performance Measures: Transportation

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Quality Measure	Sidewalk and Bike Lane (Percent of major streets have sidewalk one side and	100%	46%	46%	47%	47%
Quality Measure	# of cycling and pedestrian collisions	Reduction	69	50	TBD	Reduce
Cost Effectiveness Measure	Pavement Condition Rating	75	67	67	68	Increase

2023 Objectives

- Update the Street Safety Plan. This evaluation of collisions helps us to identify improvements to our streets and other measures to increase safety for all users.
- Seek grant funds for planned capital projects as identified in the Transportation Master Plan.
- Continue the update of the Comprehensive Plan, a multi-year process required by state law.
- Complete a major update of the Pavement Management System including rating the condition of all our streets and updating the list of prioritized projects.
- Continue to implement traffic signal priority for transit on Martin Way and Pacific Avenue.
- Explore policy options related to sidewalk repair and maintenance.
- Complete the Martin Way Study, a multi-jurisdictional land use and transportation study.
- Complete an annual report on the Americans with Disabilities Act (ADA) Transition Plan, capturing progress in implementing the plan through physical and programmatic improvements across all City departments.

Water Resources

Mission

We provide our customers with safe, reliable, and cost-effective services.

Vision

We are customer-focused, innovative, proactive, and environmentally responsible in sustaining and continuously improving our services.

Description

The Water Resources Line of Business includes Olympia's Wastewater and Storm and Surface Water utilities. Through a management structure focused on a long-term holistic view of water, we provide services in a comprehensive and integrated way. Protection of both environmental and human health is an important outcome of our work.

Key services include operations and maintenance of infrastructure, long-term planning, technical assistance, capital facility development, habitat restoration, inspections of public and private facilities, public involvement, and education. Residents, businesses, and institutions provide funding through monthly or bi-monthly utility rates.

The following sections provide more detail on the budgets, trends, 2022 accomplishments, performance measurements and 2023 objectives for each utility.

Water Resources: Storm and Surface Water Utility

Description/Services Provided

The Storm and Surface Water Utility's mission is to provide services that minimize flooding, improve water quality and protect or enhance aquatic habitat.

In its 30-year history, the utility has played an important role in helping the City understand and reduce its impact on the local environment and advance its sustainability goals. Utility activities include operation and maintenance of pipe, pond and treatment facility infrastructure; long-term planning, infrastructure analysis, capital facility development, and technical assistance and restoration activities to protect and improve water quality and aquatic habitats. The 2018 Storm and Surface Water Plan guides the activities of the Storm and Surface Water utility.

Staff has shifted to implementing the new Plan, with an increased focus on protecting and improving water quality, as well as aquatic habitats. Evaluating the condition of aging pipe systems and investing capital funds on necessary replacement projects is also underway. Public education and outreach for local environmental concerns continues on a daily basis. Over the past several years, implementation of an aquatic habitat enhancement and protection strategy has shifted some resources within the utility.

Significant Proposed Budget Changes

- Storm and Surface Water utility programs and core services will remain essentially unchanged in 2023.
- Staffing levels remain essentially the same as 2022. The 2023 budget includes modest increased expenses related to salaries, and other inflationary and overhead costs.
- Depreciation funding will continue to be an increasing need and challenge for the utility. Depreciation funding is proposed to be increased by \$35,568 (9 percent) in 2023.
- Indirect costs (City Administration, Public Works Administration, Information Services, Utility Billing, rent and fleet) have increased \$378,400 (27.2 percent).
- Street sweeping waste transportation and disposal costs have increased \$82,900 (225 percent).

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$1,075,759	\$141,512	\$49,595	\$(91,917)
Charges for Goods and Services	6,346,298	6,543,215	7,022,000	478,785
Miscellaneous Revenues	(1,198,739)	10,681	12,500	1,819
Net Use/(Gain) of Fund Balance	(876,840)	(489,706)	254,810	744,516
Total Funding	\$6,295,228	\$6,205,702	\$7,338,905	\$1,133,203

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$2,626,113	\$2,544,114	\$3,064,481	\$520,367
Supplies	164,327	191,513	270,909	79,396
Services	395,157	363,583	475,718	112,136
Intergovernmental Payments	1,753,289	1,499,557	1,589,547	89,990
Capital Outlay	0	41,911	0	(41,911)
Interfund Payments	1,356,344	1,565,025	1,938,250	373,225
Total Expenditures	\$6,295,228	\$6,205,702	\$7,338,905	\$1,133,203

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Data Control Specialist-AFSCME	0.38	0.38	0.00	(0.38)
Inventory Control Specialist II	0.00	0.00	0.50	0.50
Lead Worker - AFSCME	1.00	1.00	1.00	0.00
Maintenance Worker I - AFSCME	1.00	1.00	1.00	0.00
Maintenance Worker II-AFSCME	4.50	4.50	3.50	(1.00)
Operations Supervisor - IUOE	0.50	0.50	0.50	0.00
Associate Planner	2.00	2.00	2.00	0.00
Engineering & Planning Supervisor	0.33	0.33	0.33	0.00
GIS Analyst	0.50	0.00	0.00	0.00
GIS Specialist	0.00	0.50	0.50	0.00
Line of Business Director	0.24	0.24	0.50	0.26
Maintenance Worker II-AFSCME	2.00	2.00	2.00	0.00
Operations Supervisor Vegetation Mgmt. IUOE	1.00	1.00	1.00	0.00
Program & Planning Supervisor	1.00	1.00	1.00	0.00
Program Assistant	0.48	0.48	0.00	(0.48)
Administrative Specialist - AFSCME	0.00	0.00	0.50	0.50
Program Specialist	2.00	2.00	0.00	(2.00)
Project Engineer I	0.50	0.50	1.50	1.00
Project Engineer II	1.00	1.00	1.00	0.00
Senior Program Specialist	3.00	3.00	5.00	2.00
Total	21.43	21.43	21.83	0.40

Budget Overview

Storm and Surface Water utility programs and core services will remain essentially unchanged in 2023. Staffing levels remain essentially the same as 2022. The 2023 budget includes modest increased expenses related to salaries, and other inflationary and overhead costs. Depreciation funding will continue to be an increasing need and challenge for the utility. Depreciation funding is proposed to be increased by \$35,568 in 2023.

Trends, Challenges, and Opportunities

- The Utility implemented a new rate structure in 2022 for commercial customers. The rate structure is designed to be revenue neutral.
- We expect the Storm and Surface Water utility to remain stable and predictable in the years to come. Its needs are and will likely stay modest.
- Depreciation funding will continue to be an increasing need and challenge for the utility. Depreciation funding is proposed to be \$486,000. Our financial consultants suggest that we should provide at least \$1.4 million in cash funding. Without an increase in funding, planned future work will need to be deferred.
- We face challenges in managing stream and wetland health due to increasing urbanization. While acknowledging these impacts, stream quality in Olympia is relatively good for an urban area. Stormwater management planning over the next few years will direct future work efforts to better protect water quality in local streams, wetlands, and Budd Inlet.
- State and Federal mandates through the new 2019-24 National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit for storm and surface water management continue to increase. Additional funding will not be necessary in 2023, but required studies, increased inspections, and educational outreach may have funding implications in future years. The utility also regularly takes on new and emerging environmental issues for the City. We are lending natural resource technical assistance to various other departments including CP&D, Parks, and Executive.
- Work to enhance high-priority aquatic habitats is underway and focuses on better land stewardship in collaboration with Parks, community groups, and private community members.
- Rapid urban growth in Olympia is pushing development into areas with challenging stormwater and environmental constraints. Careful analysis and regulation are needed to minimize impacts.
- State and regional efforts to improve water quality in the Salish Sea and Budd Inlet are underway with the Storm and Surface Water utility playing an important role.
- Recent Total Maximum Daily Load water quality improvement plans from the Department of Ecology and Environmental Protection Agency may require additional work, monitoring, and analysis to improve degraded conditions in local waters.
- Pipe and maintenance hole condition rating of the stormwater pipe system indicates that many minor structural repairs are needed, but the overall integrity of the system is good. Approximately 80 percent of the publicly owned pipe system has been televised.

- The Utility anticipates expanding the number of small Public Works projects to be constructed in house. In-house construction is far more cost-effective than contracted work. We anticipate this will help CIP funding but may have potential budgetary implications (additional seasonal staff) in future years.
- The Vegetation and Habitat Management work section was created within the Utility in 2021. The Utility is evaluating playing a greater role in vegetation management throughout the City. Budget implications are planned to be kept neutral for the utility, but potentially funded through interfund transfers.

2022 Accomplishments

- Achieved all NPDES Municipal Stormwater Permit requirements.
- Creation of the Vegetation and Habitat Management work section within the Utility in 2021 has been successful adding the capability to support other city work groups.
- The Utility has maintained compliance with the Municipal Stormwater Permit, meeting or exceeding all mandated requirements.
- Implemented the dumpster behavior change strategy and plan.
- In collaboration with the University of Washington Tacoma, completed an analysis of outreach programs.
- Continued implementation of the habitat and stewardship program. Planted 3,000 native trees and shrubs on City property in collaboration with Parks Stewardship, local schools and other community groups.
- Updated the Drainage Design and Erosion Control Manual (DDECM) to be equivalent to the Western Washington Stormwater Manual.
- Responded to record high tides in late December.
- Developed and delivered robust education and public outreach programming.
 - The program was adapted to web-based/ virtual educational structure with information provided on plankton sampling, salmon migration, marine creatures (underwater videos), purple martins, bats, and climate conversations lectures.
 - Developed social marketing strategies and plans for business dumpster and restaurant grease behavior change campaigns.

Performance Measures: Storm & Surface Water Utility

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Percent of private stormwater facilities in compliance (2005 and newer)	80%	100%	100%	95%	95%
Output Measure	Number of catch basins inspected	3,500	3,500	3,500	3,500	3,500
Output Measure	Number of participants attending educ./outreach events	3,500	3,500	3,500	>3500	3,500
Output Measure	Number of private storm systems inspected	150	140	150	150	150
Output Measure	Acres of vegetation managed	150	150	150	300	300
Output Measure	Acres in Habitat Stewardship Program	300	350	350	350	350
Quality Measure	Tons of pollutant-laden sediment prevented from reaching surface water bodies	1,000	1,000	1,000	1,100	1,600
Quality Measure	Flood problems resolved in a timely manner	90% (minor - 1 year; major - 3 years)	100%	95%	95%	95%

2023 Objectives

- Complete all scheduled preventative maintenance.
- Fulfill all NPDES Municipal Stormwater Permit requirements
- Implement a new pollution prevention inspection program.
- Refine and implement the habitat and stewardship program and continue collaborating with Parks and other community groups.
- Continue planning work to implement the 2018 Storm and Surface Water Plan strategies across utility programs.
- Develop and deliver robust education and public outreach programming.
- Complete the stormwater management action basin planning process.
- Televis and condition rate at least 60,000 linear feet of storm drainage pipe.
- Start operation of a second street sweeper using Department of Ecology grant-funding.
- Apply for and receive grant funding from the Department of Ecology for an additional water quality retrofit project.

- Fully implement the Cityworks software work order, inventory and asset management systems in Operations.

Water Resources: **Wastewater Utility**

Description/Services Provided

The Wastewater Utility's mission is to collect and convey wastewater to treatment facilities in a manner that protects the health of both the public and our environment.

All wastewater collected by the utility is conveyed downtown to LOTT Clean Water Alliance's (LOTT) Budd Inlet treatment facility. The City contracts with LOTT for this service. Olympia Wastewater utility activities include operation and maintenance of pipe and pumping infrastructure, long-term planning, infrastructure analysis, capital facility development, odor control, technical assistance and on-site sewage system (septic system) conversions to public sewer. The activities of the Wastewater utility are guided by the 2020-2025 Wastewater Management Plan which was adopted by the City Council in October 2020.

Significant Proposed Budget Changes

- Wastewater utility programs and core services will remain essentially unchanged in 2023. Staffing levels remain essentially the same as 2022.
- The 2023 budget includes modest increased expenses related to salaries, benefits, and other inflationary and overhead costs.
- Depreciation funding is proposed to be increased by \$66,717 (9 percent) in 2023.
- Indirect costs (City Administration, Public Works Administration, Information Services, Utility Billing, rent and fleet) have increased \$413,100 (36.7 percent).

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$3,133,440	\$13,096	\$0	\$(13,096)
Intergovernmental Revenues	3,065,763	0	0	0
Charges for Goods and Services	20,915,781	22,182,117	24,550,850	2,368,733
Miscellaneous Revenues	(9,934,632)	(51,124)	28,500	79,624
Net Use/(Gain) of Fund Balance	(199,453)	(72,762)	87,653	160,415
Total Funding	\$21,681,059	\$22,071,327	\$24,667,003	\$2,595,676

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,679,575	\$1,770,762	\$2,110,061	\$339,299
Supplies	220,976	202,133	370,580	168,447
Services	382,250	370,081	534,829	164,749
Intergovernmental Payments	4,334,155	5,230,554	4,425,630	(804,924)
LOTT Services	13,809,759	13,234,253	15,525,510	2,291,257
Capital Outlay	8,800	4,469	0	(4,469)
Interfund Payments	1,245,545	1,259,076	1,700,393	441,317
Total Expenditures	\$21,681,059	\$22,071,327	\$24,667,003	\$2,595,676

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Data Control Specialist - AFSCME	0.38	0.38	0.00	0.00
Inventory Control Specialist	0.25	0.25	0.00	0.00
Inventory Control Specialist II	0.00	0.00	0.50	0.00
Lead Worker - AFSCME	1.00	1.00	1.00	0.00
Maintenance Technician-AFSCME	2.00	2.00	2.00	0.00
Maintenance Worker I - AFSCME	1.50	1.50	1.50	0.00
Maintenance Worker II-AFSCME	5.50	4.50	4.50	(1.00)
Maintenance Worker III-AFSCME	0.00	1.00	2.00	1.00
Operations Sup- Drk Wtr- IUOE	0.50	0.50	0.50	0.00
Operations Supervisor - IUOE	0.50	0.50	0.50	0.00
Remote Systems Technician	0.75	0.75	0.75	0.00
Engineering & Planning Supervisor	0.33	0.33	0.50	0.17
GIS Analyst	0.25	0.00	0.00	0.00
GIS Specialist	0.00	0.25	0.25	0.25
Line of Business Director	0.24	0.24	0.50	0.00

Program Assistant	0.48	0.48	0.00	(0.48)
Administrative Specialist - AFSCME	0.00	0.00	0.50	0.50
Project Engineer I	0.50	0.50	0.50	0.00
Project Engineer II	1.00	1.00	1.00	0.00
Total	15.180	15.180	16.50	0.44

Budget Overview

Wastewater utility programs and core services will remain essentially unchanged in 2023. Staffing levels remain essentially the same as 2021. The 2023 budget includes modest increased expenses related to salaries, benefits, and other inflationary and overhead costs. Refinancing bonds decreased debt service costs.

Trends, Challenges, and Opportunities

- We expect the Wastewater utility to remain stable and predictable in the years to come. Its needs are and will likely stay modest.
- The Wastewater Utility continues to work on sewer system cleaning and operations, condition rating, preventive maintenance, long range planning, and capital improvements—with few changes in the last several years.
- The Wastewater utility will implement refinements outlined in the 2020-2025 Wastewater Management Plan. Goals of the Plan support various community wide efforts including reconstruction of aging pipe systems, pump station retrofits, capacity improvements, system extensions, and on-site sewage system (OSS) conversions.
- Condition rating of sewer pipe and maintenance holes is complete and highlights the need for numerous repairs and replacements. 32 percent of the utility infrastructure was installed prior to 1960. Repairs are being completed in a timely manner before acute pipe failures occur.
- Depreciation funding will continue to be an increasing need and challenge for the utility. Depreciation funding is \$800,000 in 2022. Our financial consultants suggest that we should provide \$2.55 million in cash funding. Without an increase in funding, planned future work will need to be deferred.
- In response to needed pipe repairs, the City is maximizing the use of new trenchless repair technologies to line existing pipes without costly excavation of the street.
- Approximately 4,150 on-site sewage systems (OSS) are in use within the City limits and UGA. OSS are being linked to water quality impacts in Budd and Henderson Inlets and other sensitive areas in the City and its Urban Growth Area (UGA). Importantly, the City's Neighborhood Sewer Extension Program prioritizes areas of the City known for water quality problems and helps homeowners convert from OSS to the City sewer.
- The number of sewer spills and overflows associated with clogged pipes continues to decline due to increased preventative maintenance by City crews and increased attention to the Fats, Oils, and Grease (FOG) prevention program.
- The Utility anticipates expanding the number of small Public Works projects to be constructed in house. In-house construction is far more cost-effective than contracted work. We anticipate this will help CIP funding but may have potential budgetary implications (additional seasonal staff) in future years.

2022 Accomplishments

- Throughout the coronavirus public health emergency, the utility has maintained workflow. Field staff have modified their schedules and operations in order to maintain 100 percent work capacity.
- Continued implementation of the 2022 Wastewater Management Plan.
- Completed all scheduled preventative maintenance.
- Completed year five of the six-year residential STEP retrofit project.
- Wastewater Operations and Engineering and Planning staff addressed flooding in the Ken Lake neighborhood including conducting smoke testing.
- Twenty-one on-site sewage system (OSS conversions).
- Continued refinement using the CityWorks asset management software.
- Made significant progress on the following Wastewater capital projects:
 - Completed the Miller and Central Lift Station upgrade.
 - Completed the Water Street Lift Station generator replacement.
 - Constructed a new access road to the Ken Lake lift station with an in-house construction crew.

Performance Measures: Wastewater Utility

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Number of on-site sewage systems (OSS) converted to City sewer	20	59	23	28	20
Quality Measure	Sewer pipes rated in fair or better condition	90%	94%	94%	95%	95%
Quality Measure	City and Urban Growth Area (UGA) residents with gravity sewer service (excludes OSS and STEP systems)	100%	71%	71%	72%	72%

2023 Objectives

- Implement the updated Wastewater Management Plan.
- Complete all scheduled preventative maintenance.
- Complete year six of the six-year residential STEP retrofit project.
- Continue televising our pipes to confirm that our system continues to be in good shape.

- To facilitate the conversion of OSS to public sewer service, select and construct two neighborhood sewer extension projects based on environmental priorities.
- Completely replace the Old Port I sewer lift station.
- Continue to implement Cityworks software work order, inventory and asset management systems in Operations.

Mission

Lead and inspire our community toward a waste-free future. The strategic role of the utility is to create opportunities to eliminate waste.

Description/Services Provided

Waste ReSources accomplishes their mission by providing municipally operated solid waste collection, disposal and diversion services including education and outreach to residents, businesses and visitors.

The Utility has two main programs: the Collections Program and the Waste Prevention and Reduction Programs.

Significant Proposed Budget Changes

The Waste Utility programs, and core services will remain largely unchanged in 2023. The 2023 budget includes increased expenses related to salaries and benefits due to cost-of-living adjustments and inflation. Other inflationary increases are related to fuel, materials and supply costs, and recycle hauling/processing contracts tied to Consumer Price Index (CPI). Overall, the Utility revenue is not pacing with expense budgets which is why rate increases were recommended and adopted by City Council in three of our four solid waste programs. That includes:

- 4 percent Drop Box
- 4 percent Residential
- 4 percent Commercial
- No increase in Organics

Additionally, the Utility recommended adding a Refuse Collector to support staffing level needs within our operations program. This request is a direct result of increased collection in Commercial, Residential, and Drop Box Collection programs over the last 10 years. The last time a Refuse Collector position was added happened in 2010. According to the Thurston County Planning Commission, since 2010 the overall population of Olympia has increased by 21 percent. Other key factors for the position request include but are not limited to:

- Residential Organics customers have increased by 32 percent since 2010.
- Through annexations, infill and general growth, residential customers have increased by 17 percent since 2010.
- Growth in multi-family and mixed-use buildings has added to drop box hauls, additional garbage and cardboard dumpsters, and multi-family recycle collection.

Over the last ten years, the Utility has experienced increases in material volumes, increases in vehicular traffic, and an increase in customers

In 2010, the Utility had 18 FTE's to collect waste, recycling, and organics. In order to adapt to changing needs, one collector position was made into a much-needed maintenance worker, to manage cart and container deliveries and maintenance. A second collector was permanently reclassified as a dispatch coordinator to meet the growing need for a dispatcher. Today the Utility has only 16 FTE's to collect recycling, organics, and garbage. As a result, the FTE compliment has increased to 17 collectors.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Intergovernmental Revenues	\$22,312	\$32,348	\$0	\$(32,348)
Charges for Goods and Services	13,429,965	14,157,134	14,194,566	37,432
Miscellaneous Revenues	317,234	391,317	491,628	100,311
Net Use/(Gain) of Fund Balance	(445,223)	(933,137)	688,344	1,621,480
Total Funding	\$13,324,287	\$13,647,662	\$15,374,538	\$1,726,876

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$3,054,590	\$3,265,632	\$3,547,350	\$281,718
Supplies	303,706	444,095	474,321	30,226
Services	4,663,132	4,526,541	5,031,177	504,636
Intergovernmental Payments	2,640,864	2,670,630	2,718,535	47,905
Capital Outlay	96,367	82,449	80,000	(2,449)
Interfund Payments	2,565,627	2,658,315	3,523,155	864,840
Total Expenditures	\$13,324,287	\$13,647,662	\$15,374,538	\$1,726,876

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Associate Line of Business Director	1.00	1.00	1.00	0.00
Billing Specialist	1.00	1.00	1.00	0.00
Dispatch Service Coordinator	0.00	0.00	1.00	1.00
Lead Worker - AFSCME	2.00	2.00	2.00	0.00
Maintenance Worker I - AFSCME	2.00	2.00	2.00	0.00
Maintenance Worker II - AFSCME	1.00	1.00	1.00	0.00
Operations Supervisor - IUOE	1.00	1.00	1.00	0.00
Program Assistant	1.00	1.00	0.00	-1.00
Program Assistant - AFSCME	0.00	0.00	1.00	1.00
Refuse Collector - AFSCME	17.00	17.00	17.00	0.00
Senior Program Specialist	2.00	2.00	2.00	0.00
Senior Planner	1.00	1.00	1.00	0.00
Total	29.00	29.00	30.00	1.00

Budget Overview

The top four expenditure categories in the Collections Program are:

- Labor (wages, salaries and benefits)
- Disposal (per ton cost of disposing) for garbage, recycling and organic materials
- Taxes (Business & Occupation Municipal Utility Tax, Liability Insurance)
- Equipment (maintenance, fuel, replacement)

The Prevention and Reduction Program's main expenses are:

- Salaries and benefits

Trends, Challenges and Opportunities

Recycling markets continue to be unsettled and at times, volatile. The extreme low values experienced with China's import ban and Covid-19 began recovering in 2021. In the last half of 2022 market values dipped dramatically again. We continue to process less tons with glass removed from commingled, however the fluctuating market values along with high inflation impacts the cost of recycling. With the Waste ReSources Management Plan nearing adoption in early 2023, staff will begin working on the planned strategies and actions.

The following trends are major focus areas for the Collections Program:

- Reducing recycling contamination remains a priority, as contamination impacts material quality and adds to the total cost of recycle. Through electronic routing, Collection staff continues to identify and log when and where that contamination is taking place, so Planning staff can provide necessary outreach to resolve the issues. Future innovations may include automatic customer notifications to further expedite the outreach process.
- Collecting every other week, along with our practice of one-side road collection, still proves to be leading edge in collection efficiencies. We collect all three streams of materials (garbage, recycle, and organics) with the same truck and driver in every-other-week collection (four routes, four trucks, and four drivers.) However, we've seen increased traffic volumes throughout Olympia. Due to heavy traffic, certain areas require more time to navigate for collection. Through electronic routing, Waste ReSources is continually changing their routes to accommodate peak traffic times in order to collect when traffic is lighter.
- We are continually working with customers, that have existing service collected by two-person routes, to find new placement for their containers that can be serviced by one-person routes. This will, inherently, drive down cost of service by servicing with less collectors.
- Growth in multi-family and mixed-use housing in the downtown requires working closely with the Community Planning and Development Department and developers to design efficient and effective waste collection areas.
- Growth in the commercial sector is pushing the capacity limits for the commercial front-load collection trucks.

- Commercial organics tons collected rose for the first time in two years due to an easing of the pandemic restrictions. We expect tonnage and customers to gradually increase. Businesses are slowly expanding hours and seating. Increased building will lead to an increase in food related businesses and organics collection.
- An aging inventory of roll carts (garbage, recycle and organics) is resulting in increased cart failures. Most carts that break are out of warranty and replacements need to be purchased.
- Growth in the residential sector continues to range in the one to three percent range, while commercial is remaining relatively flat when looking at the number of containers serviced.

The following trends are major focus areas for the Prevention and Reduction Program:

- The Waste ReSources Management Plan is expected to be adopted by the first quarter of 2023. Strategies and actions include expanding waste prevention messaging, translating and transcribing outreach materials to reach more customers, and a focus on improving recycling capture and multi-family and mixed-use, to include further refinement of the engineering design and developments standards for solid waste.
- Recycling markets rebounded in 2021 and early 2022, but fell dramatically again in latter 2022 and remain unsettled. The amount of glass collected at drop-off sites is leveling off and is in more of a maintenance phase. The transload/hauling, and recycle processing contracts were renewed for three years in early 2022. Recycle processing and transloading contracts are tied to CPI, so the cost will continue to increase over time, and will need to be monitored against recycle market values.
- Steps to further reduce contamination in the recycling stream began in 2019 with a grant awarded by the Department of Ecology (i.e. Local Solid Waste Financial Assistance) with a 25 percent match. The Utility expanded its “lid lift” inspection program to improve data collection, educate the public and improve the recycle stream. The impacts of COVID-19 in 2020 put a pause on using interns and some of the more direct in-person outreach. However, information gained from the original program has resulted in a coordinated and effective approach of working with operations staff to record contamination, and then contacting customers directly. This includes cart tags, in-person or phone conversations, and letters. Reduced contamination makes recycling materials more marketable and saves money in both hauling and processing costs. Contamination reduction, including further reducing glass in recycle will continue to be an emphasis in 2023 and beyond.
- COVID-19 has impacted the way in which certain education programs are delivered. Staff is adapting how to bring waste reduction and recycling education to customers in a safe and effective manner. Currently, staff works with direct mail and phone to inform residents of contamination issues and to conduct waste assessments, with in-person meetings left to those times when absolutely necessary.
- Staff encourages and helps permitted and non-permitted events reduce their waste by recycling and composting more. Due to the easing of pandemic restrictions the number of events is back up to approximately half pre-pandemic levels. We expect the number and assistance needed to continue to increase.

- The Commercial Organics program customer base has fluctuated over the past few years, due to changes in acceptable items list and COVID-19. However, most businesses that stopped organics collection during the pandemic, and did not close, have restarted collection. Staff has been working to increase organics customers and volume of businesses, who may not have a lot of food waste, but have clean wood and yard waste. Printed materials have been updated to improve outreach and education and increase customer base.

2022 Accomplishments

- Work continued on the Waste ReSources Management Plan and a draft plan was presented to UAC in December 2022, staff published the public draft and prepared SEPA. The Plan honors prior commitments and expands on opportunities with strategies and actions around three main themes; climate and environmental goals, diversity, equity and inclusion, and operational safety and financial sustainability.
- Since the beginning of the COVID-19 pandemic, staff continues to provide paper packets for the 3rd grade Waste Prevention and Reduction Education Program. Topics include the 3 R's - reduce, reuse, recycle, natural resources, and worm composting. There are over 700 3rd grade students in the 2021-2022 school year.
- As a requirement of the 2020 Dirt Works Composting and Garden Demonstration Site Lease Agreement, the Utility replaced the main gazebo roof.
- Following the removal of glass from the City's recycle acceptance list in 2020, the amount of glass found in comingled recycle continues to go down, reduced from 22 percent pre-change, to 7.4 percent in 2020, and 6.8 percent in 2021 and 2022.
- Increased commercial waste assessments to near pre-pandemic numbers.
- Collection staff is now required to be trained on each style of collection vehicle for a minimum of 80 hours before being signed off by the Supervisor to drive alone.
- Reduced risk of injury and improved collection efficiency by changing eight commercial customers' containers from manual manipulation ("pull out") to stationary.
- Improved routing efficiency with an updated GIS Data Collector App for Residential and Commercial Programs, and created a more user friendly experience.
- Developed new tablet interface to include streamlined driver logging procedures, improving customer education and outreach following each logged incident.
- Staff continues to track and analyze the Lid Lift/Cart Tagging program in residential recycling streams to reduce contamination.
- Through continued monitoring and outreach with businesses, the Utility has achieved very good quality of commercial organic and recyclable materials, collected with minimal contamination and no compliance issues with Thurston County Solid Waste.
- Work continued on the design and development of Carpenter Road property for Waste ReSources.
- The Utility continues to improve customer communication using Recycle Coach Web App. Currently serving 6,200 subscribers.

Performance Measures: Waste ReSources Utility

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Residential single-family recycling rate.	70%	55%	46%	49%	50%
Efficiency Measure	Tons of solid waste going to landfill (lbs/capita/day)	3.83	3.23	3.10	3.04	3.14

2023 Objectives

The Collections Program will focus on the following objectives:

- Review and develop ancillary charges for extra services (i.e. Saturday services, emergency services, late customer cancellations, etc.) Review existing ancillary charges (i.e. extra bags, locks/access, late set outs.)
- Continue to maximize our cart inventory by refurbishing repairable used garbage, recycle and organics carts, to be redelivered to customers. This will result in cost savings on new cart orders as well as reduce waste.
- Review driver training programs and identify a program that best suits our needs while reducing accidents and increasing collection efficiency.
- Continue to review existing operational processes and develop Standard Operating Procedures (SOP's) to identify ways to improve efficiencies.
- Expand GIS Data Collector App for Residential and Commercial routing purposes, including adding Commercial Organics routes and the ability for drivers to enter organics information on dedicated iPads versus paper forms.
- Continue development of new routes in Commercial Collection and identify two-person rear-load collection that can be changed to a more efficient one-person front-load collection route.

The Prevention and Reduction Program will be focusing on the following objectives:

- We are continuing work on updating the Waste ReSources Master Plan and prepare for Council adoption in early 2023 following UAC and LUEC in February.
- Continue to design for a future maintenance facility on the City's Carpenter Road Property.
- Begin project scoping to update Chapter 13.12 Municipal Code to match our current work program to date. Last update was in 1988 and is past due. Edits, other language considerations include but are not limited to:
 - Language regarding one-side of road collection.
 - Consider shared compactor mandatory use and evaluate rate requirements.

- Consider development of commercial recycling rates.
- Continue to provide site plan review for private development with special attention toward the increased number of multi-family and mixed-use projects in the downtown core with limited collection vehicle access.
- Staff will continue to monitor recycle markets and associated impacts to include; monitoring of recycling program and source separated glass collection at drop-off sites; maintain open communication with its processor regarding our recyclables and recycle market forces; educate the public on rates and contamination reduction; continue “Lid Lift” cart tagging program and collect data in order to reduce contamination; and continue to work on issues with multi-family recycling contamination.
- Commercial Program staff will continue to coordinate with City of Olympia Facilities Maintenance to explore new opportunities in recycling and composting in each City department.
- Continue to monitor/manage the shared compactors and grow customer base beyond initial blocks.
- Continue to provide over 30 waste assessments per year to businesses with goals of improved and increased recycle and compost activities for the businesses.
- Continue to increase the number of commercial organics customers and volume of organics collected by expanding business types beyond traditional food waste producers, (i.e. restaurants, grocery stores and schools), to include landscapers, and houses of worship with large properties to maintain.
- Increase number of businesses we haul commercial recycling in roll-off containers or compactors.

Public Health & Safety



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Section Overview

Mission

Working together to make a difference

Vision

Protect the health and safety of all community members with compassion, integrity and effectiveness

Description

The 2023 Budget seeks to better align our public health and safety functions by bringing our Police, Fire and Housing and Homelessness budgets into one chapter. We believe that these functions form the core of our public health and safety response and are critical to meeting the basic needs for safety, health and shelter particularly for our most vulnerable populations. We also recognize that they do not represent the entire spectrum of public safety services provided by the City. Departments, programs and functions such as our Municipal Court, Public Works, Building Inspection, Code Enforcement, Parking and even some aspects of Parks, Arts and Recreation contribute to and are part of our public safety system. These services may be added to this section as additional clarity around the full meaning of public safety in our community emerges.

As the City has engaged in the process of reimagining its public safety system through the Ad Hoc Public Safety Committee during 2021 the Police Department, Fire Department and the Housing and Homelessness Services Program have emerged as the primary way in which public safety is considered and addressed in our community. It also became clear that there is a tremendous amount of overlap between these departments and programs and that improved coordination and collaboration will be necessary to meet the changing public safety needs of our community. They also are the most impacted by our homelessness crisis.

The Police Department provides a wide variety of services ranging from patrol to detective services. More recently the Police Department has begun to evolve its mission to add new services responding to people in crisis through the addition of mental health responders and peer counselors. Initially the City contracted for these services, however, in 2020 the majority of the crisis response services were brought in house. The 2021 budget proposes expanding those services to offer nearly round the clock crisis response coverage.

The Fire Department also provides a wide variety of services including fire prevention, fire suppression and medical first responder services. The Fire Department's role in the community continues to evolve and grow in response to the needs of community members. The Fire Department recognizes the need to respond to these changes and is exploring creating a new program that would be known as OFD CARES. This program focuses on providing emergency room diversion and support for community members who are experiencing mental and behavioral health issues.

Access to safe and affordable housing is a critical component of public health and safety and is the work of Housing and Homelessness Services Program. This program works across department and program boundaries to find immediate solutions to community impacts of unsheltered homelessness and to create opportunities to expand access to affordable and supportive housing.

Housing and Homelessness



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Department Overview

Description

The Housing and Homelessness programs are located in three places within the City's budget based on their funding source. There is a General Fund supported Homeless Response program as well as a Homeless Response program supported by the City's Home Fund. Low Income Support Services are funded by Community Development Block Grant (CDBG) from the Department of Housing and Urban Development (HUD). Below are the primary Home Fund revenue sources. The Home Fund has also been very successful in being awarded a variety of State and Federal Grants.

Home Fund 1/10 of 1 Percent Sales Tax Resource

As permitted by RCW.82.14.530, in 2017, Olympia voters approved a measure to impose an additional sales tax of 0.1 percent. The proceeds are committed for the Olympia Home Fund to construct affordable and supportive house and housing-related purposes, including mental and behavioral health-related facilities, and costs for operations, maintenance delivery, and evaluation of mental health programs and services, or housing-related services. In 2023, the sales tax is projected to generate \$3.1 million; 65 percent of Home Fund dollars are dedicated to construction of affordable housing and shelter (Home Fund Capital Fund). The remaining 35 percent supports operations of homeless and housing programs (Home Fund Operating Fund).

Municipal Utility Tax

Starting in 2019, the Olympia City Council imposed an additional utility tax on the City's municipal utilities; Drinking Water, Wastewater, Storm & Surface Water, and Waste Resources. For 2023, this tax is projected to generate \$302,500.

Home Fund Sales Tax – House Bill 1406

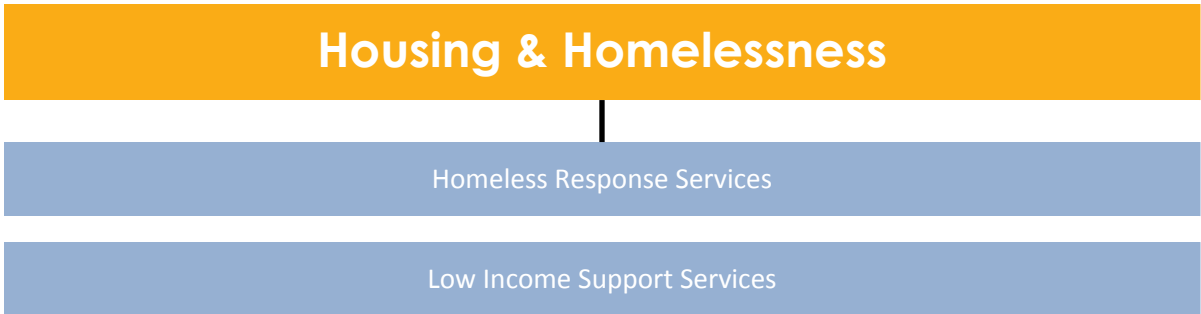
In 2019, the Washington State Legislature passed House Bill 1406; a sales tax revenue sharing program allowing cities and counties to access a portion of State sales tax to make local investments in affordable house. No new taxes are being assessed on Washington residents. For Olympia, the new tax was expected to generate approximately \$330,000 per year over the next 20 years.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Taxes	\$1,647,664	\$1,663,428	\$1,661,991	\$-1,437
Intergovernmental Revenues	1,704,671	3,184,198	2,859,684	(324,514)
Miscellaneous Revenues	149,765	228,562	300,000	71,438
General Fund Contribution	713,087	(708,120)	823,056	1,531,176
Total Funding	\$4,215,186	\$4,368,067	\$5,644,731	\$1,276,664

Department Recap	2021 Budget	2022 Budget	2023 Budget	Change
Homeless Response	\$2,964,104	\$3,459,609	\$4,682,786	\$1,223,178
CDBG Program	1,251,082	908,459	961,945	53,486
Total Expenditures	\$4,215,186	\$4,368,067	\$5,644,731	\$1,276,664

Recap of Expenditures	2021 Budget	2022 Budget	2023 Budget	Change
Personnel Services	\$1,018,834	\$860,593	\$1,331,497	\$470,904
Supplies	33,892	13,162	13,791	629
Services	3,071,042	3,103,354	4,258,403	1,155,049
Intergovernmental Payments	63,562	0	0	0
Interfund Payments	27,857	390,959	41,040	(349,919)
Total Expenditures	\$4,215,186	\$4,368,067	\$5,644,731	\$1,276,664

Organizational Chart - Housing & Homelessness



Homeless Response Services

Description/Services Provided

Homeless Response comprises staff who work in the community on immediate homeless response efforts and oversee the city's implementation of the One Community Plan: Healthy, Safe & Housed. Program areas include the Scattered Site Team, Faith Partnerships, managing city-hosted emergency shelters, the Department of Commerce's rights-of-way project, Tiny Home Villages and the city's participation in the national Point in Time Homeless Census.

Homeless response staff also receive and respond to multiple community concerns each day related to unsheltered homelessness and make contact with people who are homeless downtown, in neighborhoods and in encampments. They help coordinate other city departments and work to support and grow the success of nonprofit and faith based social services and work with police and others to ensure safety and compliance with laws.

The Homeless Response Coordinator leads this work and is the city's primary contact on homeless services that are coordinated through Thurston County's Homeless Crisis Response Plan.

Significant Proposed Budget Changes

- In June 2022, Olympia City Council approved an Interlocal Agreement with the Washington State Department of Commerce to establish a tiny home village on the Franz-Anderson site purchased jointly with the Thurston County in early 2022. Commerce is paying for site development, right-of-way improvements, along with three years of site operations and administrative costs totaling \$6.2 million.
- In July 2022, Olympia City Council approved an Interlocal Agreement with the Washington State Department of Transportation to address state-owned rights-of-way encampments along I-5. The agreement covers costs associated with cleans, homeless response team outreach, and supplies totaling \$340,000 until December 2023.
- In September 2022, the downtown Mitigation Site was relocated to the newly created Quince Street Village – a new, significantly improved tiny home village managed by Catholic Community Services under a contract with the City. Quince Street Village expands services and capacity supporting up to 100 residents. The yearly operating cost at \$1.2 million will be covered by one time ARPA funding from the City and the County along with Home Fund operating funds.
- The Scattered Site program, which included portable toilets and garbage costs at several encampments throughout the city, had been funded by Thurston County's COVID response funding. That grant has been expended and those costs are now the responsibility of the city and average \$20,000 per month.

- The Homeless Response team consists of four team members: Homeless Response Coordinator, Homeless Response Specialist, and two Homeless Response Outreach members. The Coordinator is currently funded with CDBG CV funds which will be expended by the end of 2022 and then funded by the general fund. The Specialist is a permanent, general funded position as well. The two Outreach positions are project positions funded through the agreement with Department of Commerce.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$327,663	\$461,278	\$963,986	\$502,708
Supplies	17,443	11,072	12,391	1,319
Services	2,531,635	2,598,573	3,669,803	1,071,230
Intergovernmental	63,562	0	0	0
Interfund Payments for Services	23,801	388,686	36,606	(352,080)
Total Expenditures	\$2,964,104	\$3,459,609	\$4,682,786	\$1,223,178

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Home Fund Program Manager	0.00	1.00	1.00	0.00
Homeless Response Coordinator	1.00	1.00	1.00	0.00
Director of Housing and Homelessness Programs	0.00	0.00	1.00	1.00
Program Aide	0.00	1.00	0.00	-1.00
Program Aide - Project	0.00	1.00	2.00	1.00
Program Assistant	0.00	0.50	0.00	-0.50
Program Specialist	0.00	0.00	2.00	2.00
Senior Program Specialist	0.00	1.00	0.00	-1.00
Total	1.00	5.50	7.00	1.50

Budget Overview

In January 2019, Olympia City Council approved the authority for the Homeless Response to use an interfund loan not to exceed \$1,485,000 to augment program funding. The authority extended for three years, through 2021. Some of the contracts for homeless response staff, Mitigation operations and other investments will be covered with General Fund in 2023.

Starting in 2019, the Olympia City Council imposed an additional Municipal Utility Tax on the City's municipal utilities; Drinking Water, Wastewater, Storm & Surface Water, and Waste Resources. For 2023 the tax is projected to generate \$302,500.

Home Fund Levy sales tax revenue is also used for Homeless Response efforts including operations of Plum Street Village and Quince Street Village.

Trends, Challenges and Opportunities

- Funding for future homeless response efforts are uncertain. The largest revenue source for these activities for the last three years has been an Interfund Loan approved by council in 2018. That resource is now exhausted. The City is now relying on the Home Fund to support ongoing homeless response efforts. However, the 30 percent set-aside allowed by the funding ordinance does not cover the full need and will be remitted to the County in three years to support a fully integrated county-wide Home Fund.
- The Homeless Response outreach staff are temporary project employees. The lack of permanency is a cause of concern for the current staff. The ARPA funding for the positions was exhausted in 2022 and the two positions are currently being funded by the right-of-way contract with the Department of Commerce. Permanent general funding will be requested for these positions in 2024.
- The number of individuals camping in cars and in unsanctioned encampments has continued to grow rapidly in the last three years and requires a regional response and regional resources to address RV camping and liveboards throughout the City.
- The more homelessness increases in our community, the more we spend on immediate response efforts like encampment garbage and sanitation, and response to neighbor conflicts. Those immediate needs draw staff time and funding away from investments in long-term solutions (affordable and supportive housing, wrap around services, planning for future sites, etc.).

2022 Accomplishments

- Our Housing and Homeless Response program successfully relocated the downtown mitigation site to Quince Street Village – a new, significantly upgraded 100-unit tiny home village launched in the fall of 2022. The site was drastically improved including improved site layout to increase security and visibility, adding hygiene facilities, and added case management offices and other facilities to support 24-hour services
- The program also conducted a compassionate clearing of RV Parking on Ensign Road, addressing a significant public safety concern and offering housing to those residing there. Of the 75 people residing on Ensign Road, 53 chose to move to Quince Street Village.
- The City and neighboring jurisdictions developed an agreement with the State of Washington to develop and offer housing to those residing in state right-of-way areas, particularly along I-5. This initiative is funding the creation and 3 years of operation for new shelter housing in Thurston County, along with funding to support homeless outreach services. These resources are funding a compassionate approach to the ultimate removal of large encampments on state property.
- The City and Thurston County reached agreement on the creation of a Countywide Home Fund to support low income and affordable housing across our region. Since its inception, the City's Home Fund has dedicated approximately \$10 million to permanent supportive housing and homeless response in Olympia. Olympia's Home Fund Capital dollars will now be pooled in a Countywide Home Fund that together will generate \$5-7 million annually for low-income housing development.

- Staff continue to work closely with Thurston County to align City program outcomes with the County 5-Year Plan to End Homelessness.

Performance Measures: Homeless Response Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Shelter households exiting to housing (Plum/Mitigation)	50%	N/A	57%/18%	57%/18%	50%

2023 Objectives

- Collaborate with Thurston County and other nonprofit partners to reduce safety and other impacts of unsheltered homelessness through efforts like the Right of Way Initiative with the Department of Commerce.
- Communicate with the public and city staff about our progress in implementing the One Community Plan, including the launch of the One Community Strategic Plan that outlines the accomplishments of the response effort so far and future goals for the community.
- Contract with Washington State Department of Transportation to support their interest to clean up and close encampments along Wheeler Road. Ensure fair notice to campers and communication with case management partners like OlyMAP.
- Continue to work to build permanent supportive housing to serve our most vulnerable community members. This includes a request for proposals (RFP) process for a permanent supportive housing project on City property on Franz Anderson Road, providing financial support for Unity Commons Phase II, and other vital housing projects.
- Continue to partner with the State of Washington and regional jurisdictions to develop shelter and housing options for those residing in state right-of-way areas. This includes completion of a new 50-unit tiny home village on Franz Anderson Road.
- Implement the findings from the Multi-Family Tax Exemption study including rezoning needs and program updates to make the program more effective and enticing to developers. And start the Phase 2 study, examining low-income homeownership opportunities to more holistically address the housing crisis.

Low Income Support Services: Community Development Block Grant

Description/Services Provided

Olympia’s Community Development Block Grant Program (CDBG) funds social services, economic development and affordable housing for efforts benefiting low and moderate-income households in Olympia. Historically CDBG has focused primarily on downtown Olympia because it is the lowest income census area in the City according to the American Community Survey (Tract 101, Block 1). The CDBG program is also focusing on affordable housing preservation and funding a critical home repair program to offer health and safety repair grants to low-income residents.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$691,171	\$399,315	\$367,511	\$(31,804)
Supplies	16,449	2,090	1,400	(690)
Services	539,407	504,781	588,600	83,819
Interfund Payments	4,056	2,273	4,434	2,161
Total Expenditures	\$1,251,083	\$908,459	\$961,945	\$53,486

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Program Specialist	0.00	1.50	1.50	0.00
Total	0.00	1.50	1.50	0.00

Budget Overview

- Olympia receives a direct CDBG entitlement from the U.S. Department of Housing and Urban Development (HUD) that Council has generally dedicated to affordable housing and economic development.
- In 2020 and 2021 HUD provided additional COVID relief funds to Olympia, as of 2023 96 percent of this funding has been expended.
- The CDBG program has also received additional COVID relief funds from the Department of Commerce (CV-2).
- The CDBG program will have reduced staffing for the PY 2023 starting in September 2023. The budget will reflect 1.0 FTE in the 2024 calendar year.

Trends, Challenges and Opportunities

- The City has a challenge this program year with HUD timeliness and spend down of entitlement funds. The City has approximately \$500,000 of entitlement funds that are required to be spent down by July 3, 2023 in order to remain compliant with timeliness requirements.
- City CDBG staff are participating in multiple live training courses to ensure compliance with federal regulations.

- The City effectively spent down nearly its entire CDBG-CV award and will be compliant with HUD timeliness for the CV award.
- In 2022 staff participated in a national conference lead by the National Community Development Association, which gave the opportunity for City staff to form connections with other entitlement communities and to adopt best practices for program implementation.
- The City has closed one of the findings found in the PY 2021 audit, and one remains open with the opportunity for staff to demonstrate a national objective being met for the activity that received the finding. Staff is working with the nonprofit to ensure the national objective is met.

2022 Accomplishments

- The City funded a unique project with CDBG funds, the solar installation at Quixote Village. 30 tiny homes that house formerly homeless individuals in our community received solar power, making massive energy efficiency improvements and reduced utility cost for the nonprofit that provides the permanent supportive housing.
- The City designed and is in the implementation process of the heat pump and energy efficiency campaign with Habitat For Humanity, which will provide energy efficient heat pump installation and weatherization improvements that are fully subsidized for low income families in our community.
- CDBG also continued to fund part of the Downtown Ambassadors program which provides support to businesses and conducts street outreach and hospitality services to people downtown. That program also supports downtown business owners and supports visitors in the Downtown core.
- Provided critical monies to Rebuilding Together Thurston County, the sub-recipient that provides critical home repair to low income homeowners in Olympia. With the City’s CDBG funding, Rebuilding Together was able to double the amount of properties they provide rehabilitation services to.
- Secured a Commerce CDBG grant that will provide monies to maintain the Homeless Response Coordinator and the Homeless Response Program Aide for 2022, as well as two new public service activities to support services for homeless adults in Olympia.

Performance Measures: Low Income

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Units Rehabilitated	N/A	0	0	65	20

2023 Objectives

- Transition the CDBG program away from Coronavirus response back to affordable housing production to ensure it is back on track with the City's Five Year Consolidated Plan required by HUD.
- Investing in affordable housing preservation to support low-income residents living in safe and healthy homes.
- Reinstate the Revolving Loan Fund to address federal timeliness spend down and offer incentives to increase affordable housing opportunities.
- Continue to support homelessness response by funding the Homeless Response Coordinator and Downtown Ambassadors positions.

Fire



Included in this Section

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Click on sub-section or page number for a direct link.

Department Overview

Mission

Respond rapidly, with highly trained professionals to mitigate emergencies for our community. We are dedicated to reducing risk through prevention, fire and medical education and disaster preparedness.

Vision

- To be good stewards of the resources entrusted to us
- To continually invest in safety and long term well-being of our Firefighters
- To provide vital information, education and training
- To leverage equipment and technology for increased efficiency
- To critically review and improve our service delivery

Description

The City of Olympia earned a Class 2 Fire Protection (insurance) rating as evaluated by the Washington Survey and Rating Bureau (WSRB). This superior rating allows Olympia to join Bellevue, the City of Spokane Valley and Federal Way as one of the best-protected communities in the state.

Planning and Process Improvement

The Regional Fire and Emergency Services study officially began at the end of 2018 and was completed in August 2019. The study included several area fire agencies and developed recommendations that included consideration of forming a Regional Fire Authority (RFA). The cities of Tumwater and Olympia chose to move forward with the planning process. Through this process, both City Councils have approved the plan and moved the issue to go before the voters of the proposed Olympia-Tumwater Fire Authority on April 25, 2023. If approved, the Authority would be legally formed on October 1, 2023, and would launch operationally on January 1, 2024. Even after the RFA is formed, there will be several years of work to stand up the new organization and develop plans and direction to address the growing needs.

Olympia Fire Department's Strategic Plan expired at the end of 2022. The Department will await the result of the special election to determine if our Department becomes an RFA or remains a Municipal Fire Department. In either case, a new Strategic Plan will be developed for the organization.

Serving a Community During Crisis

The Olympia Fire Department's (OFD) mission is to serve the people in their time of need. The Fire Department is called upon for assistance in a variety of emergency and non-emergency situations. When someone's life is in danger due to fire or acute medical concerns, they call the Fire Department. Such 911 calls are responded to with compassion and professionalism.

Even when the emergency is determined not to be life-threatening, Fire Department members continue providing care and reassurance to help the community member.

Along with hiring and retaining talented and dedicated members, several other factors are critical when our members respond to community members in distress. Quality training and reliable equipment are two vital elements in a successful outcome for all emergency events.

Quality Training

Training for Firefighters and Fire Officers is critical as they operate in complex, dangerous, dynamic, and emotionally charged environments. The Mark Noble Regional Fire Training Center (MNRFTC) prepares our Firefighters for the hazards of the job. Proper training makes the difference between life and death during emergency operations.

Olympia Fire Department's MNRFTC is situated on an eight-acre parcel of land located in the southeast area of the City. This training facility is a state-of-the-art training complex that features technological advancements and innovative design to better address the needs of the fire service. More than 25 fire agencies have been trained over the last several years and we anticipate continued growth.

Reliable Equipment

The Department maintains and replaces equipment as needed to support our mission to prevent harm to people and property. For apparatus or "rolling stock," the Department has the following fleet replacement scheduled: fire engines are 30 years, 15 years in frontline, and 15 years in reserve and ladder trucks are 25 years, 15 years frontline, and 10 years reserve.

Fleet maintenance is the key to reliability and longevity in our fleet. The Fire Department's Fleet Program has become a model for our fire service and emergency response neighbors. The Fleet Maintenance Team is comprised of one Chief Fire Master Mechanic and five Master Mechanics, along with one Inventory Control Specialist. All six mechanics are certified in repairing fire apparatus and emergency vehicles. Fire and emergency medical response vehicles must perform at a very high level of reliability with complex electrical and mechanical systems working together. Certified Emergency Vehicle Technicians (EVTs) are the only level of mechanics that can provide this level of expertise. This specialized team of highly skilled mechanics has given us the ability to perform apparatus repairs for regional fire service customers while collecting adequate revenue to provide full-time mechanics, rent a building capable of working on multiple fire apparatuses simultaneously and generate additional revenue to pay for increasing Department fleet maintenance expenses.

2023 Objectives

- A new RFA will be determined by Olympia and Tumwater voters on April 25, 2023's special election.
- The primary objective of the Olympia Fire Department is to continue exemplary emergency service delivery, reduce risk and develop system efficiencies.
- In partnership with the community, the Olympia Fire Department will continue to adopt code changes that reduce community risk and promote safer buildings.

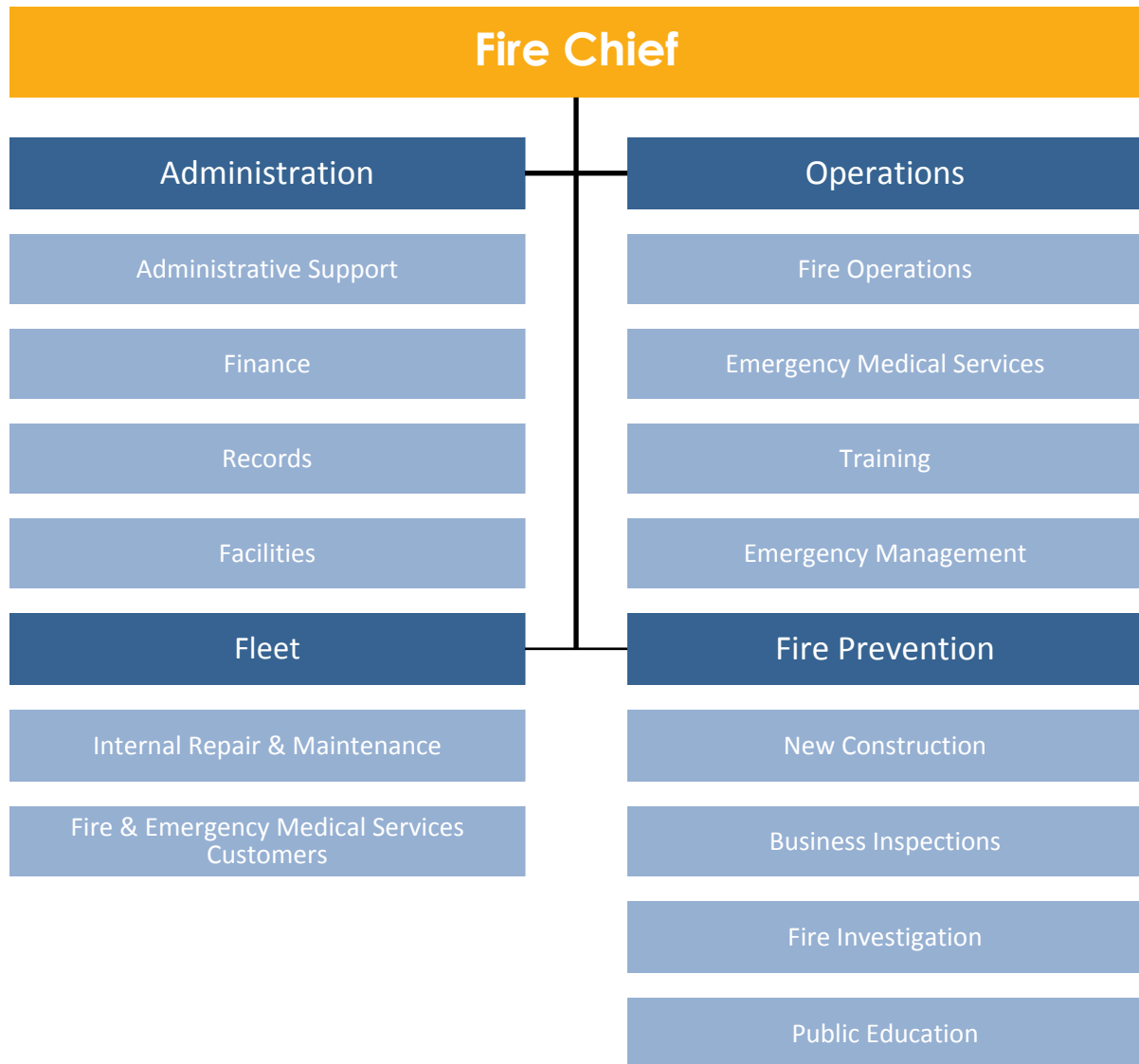
- Develop and implement Basic Life Support (BLS) Ambulance Transport and FD CARES (Fire Department's Community Assistance, Referrals, and Education Services) Programs to increase services and capabilities.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$104,974	\$135,740	\$125,000	\$-10,740
Intergovernmental Revenues	32,528	30,603	33,463	2,860
Charges for Goods and Services	4,763,494	5,085,538	4,603,392	(482,146)
Miscellaneous Revenues	389,241	330,304	193,830	(136,474)
General Fund Contribution	13,643,159	15,033,308	15,155,149	121,841
Total Funding	\$18,933,395	\$20,615,494	\$20,110,834	\$(504,660)

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Administration	\$985,791	\$873,905	\$956,026	\$82,121
Fleet	1,474,886	1,574,135	1,804,759	230,624
Operations	15,558,357	15,513,569	16,325,990	812,420
Fire Prevention	914,360	767,595	1,024,059	256,464
Total Expenditures	\$18,933,395	\$18,729,205	\$20,110,834	\$1,381,629

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$16,666,618	\$16,105,019	\$17,541,550	\$1,436,531
Supplies	879,340	1,017,035	804,075	(212,960)
Services	767,092	862,447	743,875	(118,572)
Capital Outlay	18,268	40,194	79,311	39,117
Intergovernmental Payments	12,547	4,561	9,400	4,839
Interfund Payments	589,530	699,950	932,623	232,673
Total Expenditures	\$18,933,395	\$18,729,205	\$20,110,834	\$1,381,629

Organizational Chart - Fire



Administration

The Administration Program of the Olympia Fire Department (OFD) provides all the administrative and support functions for the Department. This Program is responsible for the coordination and management of the budget, project management, records management, public records requests, and billing services for Medic One and the Mark Noble Regional Fire Training Center (MNRFTC).

The major areas of responsibility managed by the Administration include:

- **Fiscal Systems:** Extends the City’s fiscal accounting and reporting system to the Fire Department and coordinates billing for Medic One, State Fire Projection Contract, Fire Fleet, Fire Prevention, and the rental of the MNRFTC. Revenues billed total over \$6,000,000.
- **Business Administration Systems:** Provides personnel, records, public records requests, and technology management services to Department members, the community, and other City Departments.
- **Facilities Systems:** Provides and/or coordinates maintenance to all the Fire Department buildings, grounds, and systems to maintain a safe and healthy working environment for members and the community.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$625,664	\$623,240	\$684,986	\$61,746
Supplies	37,394	31,124	37,262	6,138
Services	296,223	230,124	190,008	(40,116)
Capital Outlay	1,099	1,635	1,400	(235)
Interfund Payments	25,411	48,644	42,370	(6,274)
Total Expenditures	\$985,791	\$934,768	\$956,026	\$21,258

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Administrative Secretary	2.00	2.00	1.00	-1.00
Fire Captain	0.50	0.00	0.00	0.00
Fire Chief	1.00	1.00	1.00	0.00
Business Operations Specialist	0.00	0.50	1.00	0.50
Supervisor III	1.00	1.00	1.00	0.00
Total	4.50	4.50	4.00	-0.50

Budget Overview

The 2023 budget reflects an increase in the cost of labor and benefits, as well as increases in utility charges and repair services for the fire station facilities. A newly reclassified Business Operations Specialist position is included in the 2023 budget and will share work duties with the Fire Prevention Division.

Trends, Challenges and Opportunities

- Expanding requests for service not only impacts apparatus and members, but places additional demands on the Fire Department Administration systems and structures that support the response. Requests for financial data and public records continue to increase for our limited administrative staff, as well as additional requests from Department management for more data analytics and geographic information system (GIS) mapping.
- Maintaining the fire station facilities is a challenge every year without a dedicated Maintenance Worker and limited budget capacity (parts and supplies) for scheduled maintenance, repairs, and upgrades. The Fire Department continues to partner with the Public Works Department and outside contractors to provide facility maintenance to the City's fire stations.
- The cost of supplies and services necessary to support the mission of the Department continues to increase due to higher demands and inflation. Additional budgetary support will be required to address the needs.
- Finding new revenue streams is challenging in today's economy. Any new revenue-producing endeavors must provide high-quality service, enhanced safety, and sustainability. The Administrative Program continues to look for opportunities to maximize the use of personnel and property in a way that generates funds for the City.

2022 Accomplishments

- The mission of the Department could not be achieved without strong Administrative support. When the Fire Operations or the Fire Prevention Program celebrate an accomplishment, the Administrative Program played a critical part in that accomplishment.
- The Department implemented new ESO software for Fire & EMS incident records. The new software expands capabilities in data collection and reporting.

Performance Measures: Administration

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of Public Records Requests	NA	178	208	149	130
Efficiency Measure	% of Records Requests Completed within 5 days	85%	89%	90%	88%	90%

2023 Objectives

- The Administrative Program intends to continue to provide the high level of service that our members and the community expect from their Fire Department.
- The Administrative Program will continue to manage and support the fiscal and personnel needs of the Department.
- If voters approve the Olympia Tumwater RFA ballot measure, this would significantly change our administrative structure.

Fleet

Description/Services Provided

The Olympia Fire Department Fleet Program maintains apparatus and vehicles for OFD, Thurston County Medic One, Tumwater Fire Department, Lacey Fire District 3, and six other Thurston and Mason County Fire Districts. The Fleet Program excels in providing maintenance and safe operations for the Departments' and County's emergency response apparatus, equipment, staff cars, medic units, and other major mechanical operating equipment.

- The Fleet Program mobilizes day or night to support response activities whenever there is a need, including greater alarm fires and disaster situations. Emergent apparatus repairs for OFD and our regional fleet maintenance customers are provided 24 hours a day, seven days a week, and 365 days per year.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$809,947	\$900,405	\$1,053,869	\$153,464
Supplies	491,922	630,851	483,800	(147,051)
Services	126,746	127,859	147,584	19,725
Intergovernmental Payments	10,724	5,490	79,311	73,821
Capital Outlay	4,340	176	5,000	4,824
Interfund Payments	31,206	41,998	35,195	(6,803)
Total Expenditures	\$1,474,886	\$1,706,778	\$1,804,759	\$97,981

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Inventory Control Specialist II	1.00	1.00	1.00	0.00
Master Mechanic - Fire Dept	4.00	4.00	5.00	1.00
Operations Supervisor - Fire	1.00	1.00	1.00	0.00
Total	6.00	6.00	7.00	1.00

Budget Overview

The 2023 budget reflects an increase in the cost of labor and benefits, as well as increases in the fleet management software contract and utility charges for the leased Vehicle Repair Facility (VRF) building. The 2023 budget includes a Master Mechanic position that is directly supported by customer fees for service.

Trends, Challenges and Opportunities

- Current Fleet fire agency customers continue to expand their programs to bring added service capacity to their communities. The increased services bring additional vehicles and equipment to the Fleet Program to maintain which increases the workload for the Fleet staff.
- Fleet continues to see additional requests for service by other fire agencies. There appears to be as much work available as the Fleet team chooses to take on and has the capacity to manage.
- Call volume continues to increase across all fire agencies. As a result, the VRF continues to see increased demand for services.
- The VRF continues to experience supply chain challenges for both parts and vehicles, which increases vehicle out-of-service times. As a result of limited supplies, the cost of parts and equipment continues to rise due to inflation.

2022 Accomplishments

- One new fire engine, one water tender and four command vehicles have been up-fitted and put into service by the Fleet Program this year for our external customers.
- Fleet Mechanics completed all training assignments in 2022, and one Mechanic achieved a Class A Commercial Driver's License certification.
- Fleet Mechanics continue to show their professionalism and dedication with continued education and acquisition of Emergency Vehicle Technician (EVT) certifications. All Mechanics have attained at least a level one certification and multiple Mechanics have achieved Master Certification in two or more specialty areas, which is the result of passing a minimum of twenty-one National certification tests.

Performance Measures: Fleet

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	Preventative Maintenance Services Completed	280	NA	268	273	300
Output Measure	Customer Location or Roadside Service Calls Completed	140	NA	132	137	150
Quality Measure	Mechanical Failures Requiring Another Unit to Respond	0	NA	1	0	0

2023 Objectives

- To accommodate the VRF's growing service needs, Thurston County Fire District 3 is constructing an additional building to lease to the Department. The VRF will realize increased efficiencies in service from this additional work space.
- In the next strategic planning process, the VRF will continue to refine and develop their key performance indicators.

Fire Prevention

Description/Services Provided

The Olympia Fire Department's Fire Prevention Division supports the Department's mission by leading community risk reduction through prevention, fire education and fire inspections.

- The Fire Prevention Division collaborates with other City Departments in conducting land use development plan review, new construction plan review, fire sprinkler and fire alarm construction permits, special permit inspections, fire investigation and hazardous materials compliance.
- The Fire Prevention Division conducts fire safety training through fire extinguisher training and evacuation planning for specific occupancy (assemblies, high rises, etc.). The Division also provides fire education classes for primary and secondary schools within the City of Olympia.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$853,747	\$776,889	\$914,197	\$137,308
Supplies	3,555	6,218	29,160	22,942
Services	26,664	24,637	33,456	8,819
Interfund Payments	30,394	38,437	47,246	8,809
Total Expenditures	\$914,360	\$846,182	\$1,024,059	\$177,877

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant Fire Chief	1.00	1.00	1.00	0.00
Business Operations Specialist	0.00	0.00	0.50	0.50
Fire Captain	1.00	1.00	1.00	0.00
Fire Prevention Officer	3.00	3.00	3.00	0.00
Total	5.00	5.00	5.50	0.50

Budget Overview

The 2023 budget reflects an increase in the cost of labor and benefits, but otherwise holds the line for other expenditures. A newly reclassified Business Operations Specialist position is included in the 2023 budget, and will share work duties with the Administration Division.

Trends, Challenges, and Opportunities

- As the Department awaits the result of the RFA's special election, the decision has been made to place an Interim Fire Chief, Interim Deputy Chief, and Interim Fire Marshal, and to operate without an Assistant Fire Marshal. This staffing model has limited the ability to accomplish all Fire Prevention Division needs.
- As COVID-19 becomes a reality in our day-to-day life, the Fire Prevention Division has improved its ability to provide fire safety education to our community. As the Department awaits the result of the RFA's special election, the decision has been made to place an Interim Fire Chief, Interim Deputy Chief, and Interim Fire Marshal, and to operate without an Assistant Fire Marshal. This staffing model has limited the ability to accomplish all Fire Prevention Division needs.
- The City continues to receive a high demand for new construction permits, associated plan reviews, and follow-up inspections. This workload continues to challenge the Interim Fire Marshal, who is responsible for these work functions without the assistance of the Assistant Fire Marshal.
- To support minimum staffing in the Operations Division, Fire Prevention Personnel were asked to split their time between Divisions to ensure staffing requirements were met. This reassignment affected the Division's ability to accomplish more fire safety inspections.

2022 Accomplishments

- Fire Prevention continues to support Operations by staffing an additional emergency response unit as needed.
- The Fire Prevention Officers inspect approximately 2,400 commercial properties annually. These efforts identify and mitigate hazards that would have resulted in multiple fires.
- The Fire Prevention Division continues to meet the demand of rising fire plan reviews associated with new construction.
- The Interim Fire Marshal successfully acquired the Certified Building Official credential. The Interim Fire Marshal now holds both the Certified Fire Marshal and Building Official credentials from International Code Council.

Performance Measures: Fire Prevention

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of Businesses Inspected to Ensure a Fire Safe Community	3300 inspections, 500 plan reviews	2,331 inspections, 710 plan reviews	2417 inspections, 709 plan reviews	2400 inspections, 729 plan reviews	3000 inspections, 600 plan reviews
Output Measure	# of Fire Prevention and Safety Community Outreach Events	100	5	9	24	50
Quality Measure	WSRB Fire Protection Rating	Class 2	Class 2	Class 2	Class 2	Class 2
Efficiency Measure	% of Total Assessed Value Lost to Fire	0%	0%	0.08%	0.02%	0%

2023 Objectives

- Continue to increase fire safety education in our public schools and community.
- Continue to support the Operations Division by further developing our ESO digital pre-incident planning system.
- Institute a hazard identification system to alert emergency responders of dangerous buildings or processes.

Operations

Description/Services Provided

The Fire Department's Mission is to respond rapidly, with highly trained professionals to mitigate emergencies for our community. We are dedicated to reducing risk through prevention, fire and medical education, and disaster preparedness.

Fire and Emergency Medical Services (EMS) Operations strive to provide the highest level of protection and patient care for the community. The emergency response includes fire suppression, EMS, hazardous materials, and technical rescue services.

- The Operations Division is responsible for all community interactions of the uniformed Fire Department members with the public in both emergency and non-emergency situations.
- The Training Program fulfills the important function of ensuring our members receive the training required to perform their duties safely and effectively.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$14,377,260	\$15,605,569	\$14,888,498	\$(717,071)
Supplies	346,469	425,245	253,853	(171,392)
Services	317,458	504,203	372,827	(131,376)
Intergovernmental Payments	7,543	7,532	0	(7,532)
Capital Outlay	7,108	3,000	3,000	0
Interfund Payments	502,519	582,217	807,812	225,595
Total Expenditures	\$15,558,357	\$17,127,765	\$16,325,990	\$(801,776)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Assistant Fire Chief	1.00	1.00	1.00	0.00
Battalion Chief	3.00	3.00	3.00	0.00
Deputy Fire Chief	1.00	1.00	1.00	0.00
Fire Lieutenant	21.00	21.00	21.00	0.00
Firefighter	37.00	37.00	37.00	0.00
Fire Captain-Medical Serv Offr	1.00	1.00	1.00	0.00
Fire Paramedic Lieutenant	3.00	3.00	3.00	0.00
Firefighter Paramedic	14.00	15.00	16.00	1.00
Senior Program Specialist	1.00	1.00	1.00	0.00
Battalion Chief-Day Shift	1.00	1.00	1.00	0.00
Business Operations Specialist	0.50	0.50	0.50	0.00
Fire Lieutenant-Day Shift	1.00	1.00	1.00	0.00
Total	84.50	85.50	86.50	1.00

Budget Overview

The 2023 budget reflects an increase in the cost of labor and benefits, as well as utility charges and repair service at the Mark Noble Regional Fire Training Center. An additional Firefighter Paramedic position has been added for 2023 with 80 percent of the position's cost being reimbursed by Thurston County Medic One.

Trends, Challenges, and Opportunities

- The Olympia Fire Department continues to experience a steep rise in 911 calls. This increased demand is increasing our response times and limiting our ability to complete hands-on training.
- The Department continues to experience extended on-scene wait times due to delayed or unavailable private ambulance transport resources.
- The Olympia Fire Department has been directly supported in the 2023 Budget to develop a Basic Life Support (BLS) ambulance transportation program. This enhancement also expands our current Fire Department Community Assistance Referrals and Education Services (FD CARES) program.
- The Department has been working without a Senior Program Specialist for Emergency Management Coordinator position for over a year. These duties have been transferred to the Interim Deputy Chief, however, competing Department demands have reduced the program's efficacy.

2022 Accomplishments

- The Fire Department achieved a Utstein CPR save rate of 50 percent average over the last 5 years.
- The FD CARES program continues to see success with a documented 78 percent decrease in 911 calls by persons contacted by the Care Coordinator. This program results in fewer 911 calls, further increasing our Department's emergency response capacity.
- The Fire Department maintained the WSRB Class 2 Fire Protection (insurance) rating; one of only five such departments in the State.
- Emergency Management completed the Comprehensive Emergency Management Plan (CEMP) update process.

Performance Measures: Fire Operations

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Output Measure	# of Emergency Preparedness community outreach events	25	0	5	0	0
Quality Measure	% of cardiac arrest patients resuscitated	> 65%	65%	50%	50%	> 65%
Efficiency Measure	Time to reach the scene of an emergency, 9 out of 10 times	6:00 or less	8:43 or less	8:57 or less	8:59 or less	6:00 or less

2023 Objectives

- Implement the new BLS Ambulance Transport program. This program will bring additional emergency response units to the system while increasing our ability to transport patients to medical facilities.
- The Department will be hiring, onboarding, and training 18 new Firefighters to fill the BLS Transport positions. This is a significant undertaking that will likely extend into 2024 and require assistance from the entire Department.
 - Implement the expanded FD CARES program. This program will help to reduce low acuity calls by connecting 911 callers to other more
 - In 2022 the Training Division began the initiative of achieving national standards for professional development for our response personnel. This initiative will continue into the future.

Police



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Department Overview

Mission

The mission of the Olympia Police Department is to consistently earn the trust of the residents and visitors in our community. We accomplish our mission through a team approach to proactive policing, corrections, community education and support services.

We are recognized as compassionate, respectful, highly-trained, innovative people who are dedicated to making a positive difference in the City of Olympia.

Vision

We are a professional law enforcement agency respected and trusted by our community. Our employees are empowered and challenged to solve problems at the lowest level in the organization. We honor and respect each other as valued members of the department. We are constantly learning through professional training and the opportunity to pursue a wide range of unique specialty assignments. We operate in a model of excellence, and our community shows pride in our efforts by providing the support and resources to deliver the best policing services to the City.

Description

The Olympia Police Department (OPD) is comprised of two lines of business - Operations and Administration. The Office of the Chief oversees the entire Department and is responsible for the Department's Professional Standards program. The OPD has two deputy chiefs, five lieutenants, 12 sergeants, and 58 commissioned officers.

The OPD is directed and led by the police chief who provides strategic priorities and future vision for the Department, ensuring staff upholds the values and mission of the Department to consistently earn the trust of the community. The police chief works closely with other City executives and the City Council to develop collaboration and shared goals City-wide. The OPD has two deputy chiefs who provide direction and leadership for day-to-day Department operations. The chief and deputy chiefs participate in a variety of community engagement and outreach events.

The department began operating with interim chiefs following Chief Roberts' retirement in December 2019. In 2022 the city manager officially promoted Rich Allen to police chief. This promotion created a vacancy at the deputy chief level and, thus, provided additional advancement opportunities throughout the ranks. By the end of 2022, the department's command structure was established.

Currently, OPD has 58 commissioned officers and 12 sergeants. Officers are divided into two patrol teams that work opposite days. Each team is given one day per month as a training day (see the Training Section for specific information). There are six patrol sergeants, three for each team, who provide leadership and direction for each shift. Patrol has four shifts - days, swings, late swings, and, graveyard. Patrol's primary responsibility is handling dispatched and on-viewed calls for service.

Patrol handled 52,127 calls for service in 2022 within Olympia city limits.

Four sergeants provide leadership and direction for specialty units such as Traffic, Walking Patrol, Detectives, and Neighborhood Police. One sergeant oversees administrative duties related to scheduling, equipment procurement and inventory, and one sergeant handles the operational demands of hiring and training.

There are five lieutenants. Two are assigned to the respective Patrol teams, one is assigned to Detectives, and one is assigned to Community Policing. Lieutenants function as a bridge between command staff and line-level employees. Lieutenants often work on projects outside the scope and time boundaries available to sergeants. One lieutenant is assigned to the office of professional standards and works closely, often daily, with the newly appointed police auditor. This lieutenant position is a direct report to the police chief.

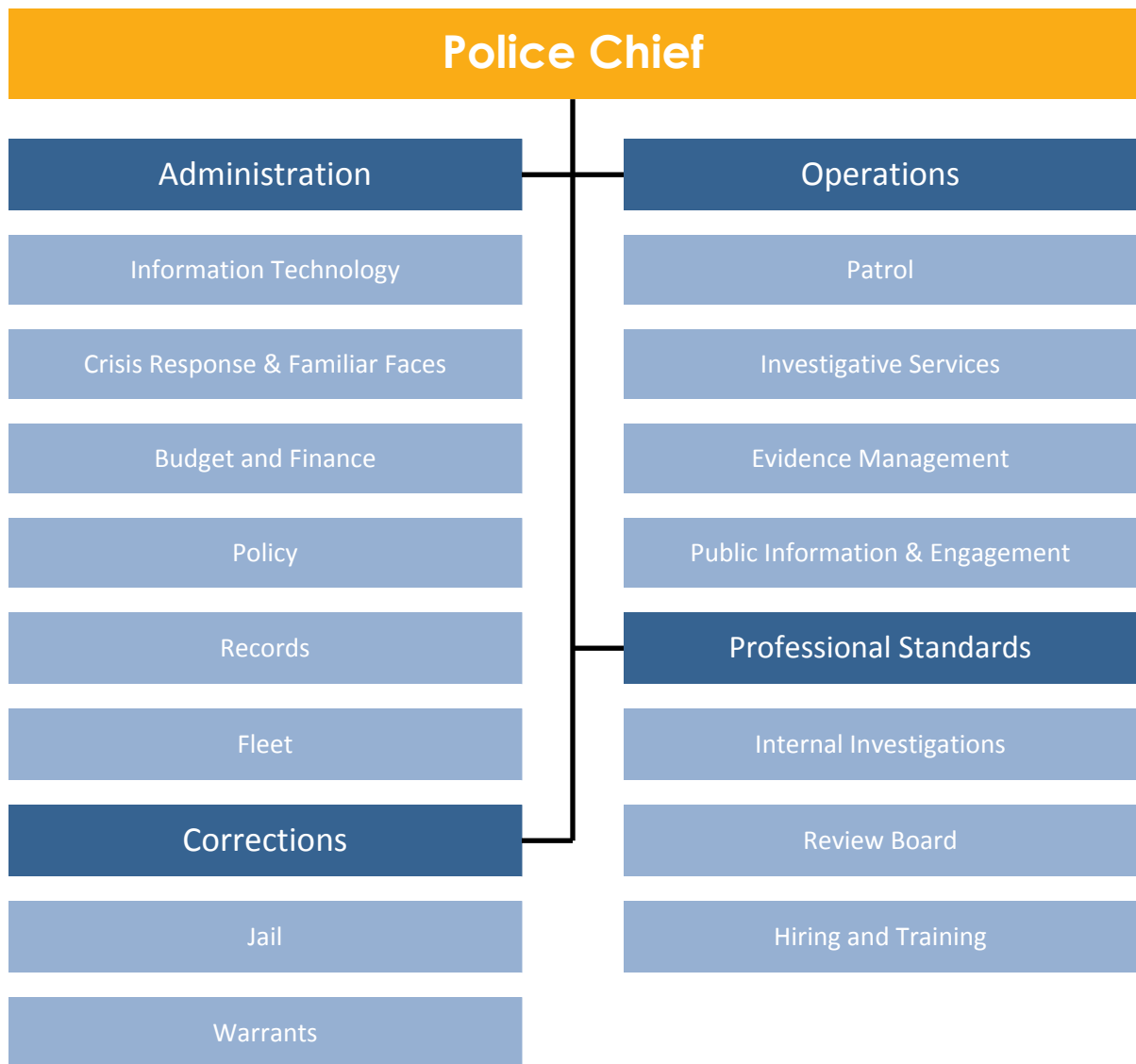
Additionally, OPD employs 10 corrections officers, two corrections sergeants, and one corrections lieutenant, as well as 28 civilian positions covering Records, Evidence, IT, support staff, the Crisis Response Unit, Familiar Faces, and volunteers.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Licenses and Permits	\$(11,109)	\$7,542	\$8,000	\$458
Intergovernmental Revenues	392,441	190,327	156,704	(33,623)
Charges for Goods and Services	301,699	138,130	86,500	-51,630
Miscellaneous Revenues	52,696	4,350	9,198	4,848
General Fund Contribution	19,851,602	20,766,189	25,929,292	5,163,103
Total Funding	\$20,587,330	\$21,106,538	\$26,189,694	\$5,083,155

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Administration	\$3,398,559	\$4,125,770	\$4,911,074	\$785,304
Corrections	2,371,652	2,391,589	3,015,234	623,645
Operations	14,283,590	14,062,657	17,549,699	3,487,042
Professional Standards	533,530	526,522	713,687	187,165
Total Expenditures	\$20,587,330	\$21,106,538	\$26,189,694	\$5,083,155

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$17,005,214	\$17,249,358	\$21,481,281	\$4,231,922
Supplies	716,726	785,271	503,129	(282,142)
Services	1,274,853	1,281,237	1,681,251	400,014
Intergovernmental Payments	78,830	0	0	0
Capital Outlay	289,774	321,147	483,562	162,415
Interfund Payments	1,221,932	1,469,526	2,040,471	570,945
Total Expenditures	\$20,587,330	\$21,106,538	\$26,189,694	\$5,083,155

Organizational Chart - Police



Administration

Description/Services Provided

The Administrative Services provides department leadership in creating a workplace that promotes productivity, accountability and transparency. Core services include command staff, customer service, evidence management, firearm transfers, records, budget and finance, policy coordination, fleet management, and information technology.

Significant Proposed Budget Changes

- The major components of the Administrative Services budget are staffing, contracts, operating supplies, and training.
- In 2023, the LERMS IT Manger position will be filled by an employee of one of the other LERMS agencies, so that reimbursement/revenue of salary and benefits will stop. Money previously allocated for the Budget and Policy Analyst position is being reallocated to the Police Administrative Manager position to cover the loss of LERMS contributions and to provide adequate compensation for the new classification.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,895,371	\$2,231,756	\$2,668,323	\$436,567
Supplies	142,850	92,143	63,260	(28,883)
Services	264,064	471,537	630,502	158,965
Intergovernmental Payments	0	0	0	0
Capital Outlay	234,844	302,656	177,802	(124,854)
Interfund Payments	861,430	1,027,679	1,371,187	343,508
Total Expenditures	\$3,398,559	\$4,125,770	\$4,911,074	\$785,304

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Administrative Secretary	1.00	1.00	1.00	0.00
Deputy Police Chief	0.00	1.00	2.00	1.00
Police Chief	1.00	1.00	1.00	0.00
Police Lieutenant	0.00	1.00	0.00	-1.00
Police Support Administrator	1.00	1.00	0.00	-1.00
Police Admin Manager	0.00	0.00	1.00	1.00
Program & Planning Supervisor	0.00	1.00	0.00	-1.00
Evidence Custodian (Teamster)	1.00	1.00	1.00	0.00
Police Records Supervisor-TMST	0.00	0.00	2.00	2.00
Lead Worker - Teamsters	1.00	1.00	0.00	-1.00
Program Assistant - Teamsters	5.00	8.00	6.00	-2.00
Program Specialist - Teamster	0.00	1.00	1.00	0.00
Secretary (Teamster)	0.00	0.00	1.00	1.00
Supervisor IV	1.00	1.00	0.00	-1.00
Total	11.00	18.00	17.00	-1.00

Budget Overview

- The major components of the Administrative Services budget are staffing, contracts, operating supplies, and training.
- Salary increases were negotiated in the labor agreements for 2023.

Trends, Challenges, and Opportunities

- OPD has the challenge of keeping up with the cost of changing technologies and equipment replacement to meet the evolving needs of the workforce and the community. Technology support is a challenge as the number and use of technology resources increase; the department is partnering with the City's Information Services to appropriately manage the implementation of technology services in OPD.
- An increase in the intake of evidence for criminal cases in the City of Olympia is resulting in an increased workload (intake, retrieval, return and destruction).
- New laws for firearms increased the workload for Records staff.
- Implementation of policy and training associated to new police reform legislation has been challenging for the Policy Review Team to execute due to exceeded time for implementation.
- Continue to participate in the Ad Hoc.
- Evaluate and implement suggestions made through the Reimagine Public Safety process.

2022 Accomplishments

- Staff continue to telework effectively and are transiting to a more modern work environment.
- OPD policy manual continues to be updated to reflect new legislative requirements.
- Implementing body-worn cameras and public records request workflow related to the associated footage.

2023 Objectives

- Continue to seek grant funding opportunities.
- Develop Department's strategic plan to establish current and future goals.
- Continue growing community awareness of new programs.

Operations

Description/Services Provided

The Operations Line of Business structure consists of the Community Policing, Patrol, Detectives, Hiring and Training, and specialty units such as Walking Patrol, Neighborhood Program, K9, and the Traffic section.

Significant Proposed Budget Changes

- The major components of the Operations budget are staffing, training, operating supplies, and tools.
- With staffing increases, potential restaffing of the Metro Unit and fully staffing the Detective Unit.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$12,838,173	\$12,682,635	\$16,013,639	\$3,331,005
Supplies	438,000	595,486	300,539	(294,947)
Services	609,085	390,810	638,637	247,827
Intergovernmental Payments	78,830	0	0	0
Interfund Payments	319,502	393,727	596,884	203,157
Total Expenditures	\$14,283,590	\$14,062,657	\$17,549,699	\$3,487,042

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Police Cadet	0.50	0.50	0.50	0.00
Commissioned Officers	74.00	73.00	73.00	0.00
Secretary - Teamsters	2.00	2.00	2.00	0.00
Program Assistant - Teamsters	2.00	3.00	3.00	0.00
Senior Prgrm Splst - Teamsters	1.00	1.00	1.00	0.00
Total	79.50	79.50	79.50	0.00

Budget Overview

- The major components of the Operations budget are staffing, training, operating supplies, and tools.
- Attrition – large number of officers in training program.
- Enhanced de-escalation and contemporary training.

Trends, Challenges, and Opportunities

- Variety of options for those experiencing homelessness, mental illness, and addiction. OPD works with a variety of social service providers to serve vulnerable and at-risk populations.
- Rapid changes in technology, state law, and national policing standards are impacting service delivery and tools used in policing.
- Significant delay in police academy enrollment for new recruit officers hired to replace police officer vacancies.
- Generational employment trends and changes in policing have significantly reduced the number of people pursuing the police profession. The department continues to find innovative and creative ways to recruit and hire a diverse pool of applicants.
- Response to, and planning and staffing for, unplanned events in Olympia, especially in the downtown core, impacts regular staffing levels, overtime expenses, employee wellness, and the overall relationship with the community.
- The national public health crisis related to fentanyl usage and overdose is placing significant pressures on emergency response systems, to include police and fire.
- Legislative changes and expectations resulting in rapid updates with department technologies.
- The Department struggles with aging and inadequate facilities including the jail; the building continues to experience physical deficiencies and requires regular repairs impacting the City's Facilities staff. The City jail also lacks sufficient individual cells for offenders who need to be separated from the general population to ensure safety and proper short-term care. The City needs to address the critical issue of how it will meet its obligation to house misdemeanor prisoners in coming years.
- Office of Independent Investigation (O.I.I.) – The addition of state resources to investigate uses of deadly force by officers.

2022 Accomplishments

- Officer Kory Pierce received the Department's Officer of the Year and was nominated for the Department of Justice National Officer of the Year Award (the recipient has not yet been selected).
- Continued policy updates guided by best practices and state law.

2023 Objectives

- Create new strategic plan that addresses our current and future goals.
- Continue growing awareness of new programs.
- Strategic priorities set that support the Department's mission and the City's Comprehensive Plan.
- Contemporary training continues to be a focus and includes de-escalation, crisis response and leadership skills.
- Continue implementing contemporary Hiring & Recruiting strategies.
- Integrate in-house crisis response resources into delivery of police services.

Crisis Response Unit

Description/Services Provided

The Crisis Response Unit (CRU) is one of three "community responder" programs in the country, alongside Eugene, OR, and Denver, CO. Olympia's CRU is paid by the 2017 public safety levy and has been responding to calls for service in Olympia since April 1, 2019. It is made up of 10 civilian first responders that reply to calls for service within City limits. Employees work in pairs, seven days per week, 365 days per year.

Significant Proposed Budget Changes

- No proposed changes for 2023.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$461,720	\$557,066	\$1,297,897	\$740,831
Supplies	36,715	34,134	0	(34,134)
Services	16,013	40,098	100,000	59,902
Interfund Payments for Services	9,895	16,896	15,086	(1,810)
Total Expenditures	\$524,343	\$648,194	\$1,412,983	\$764,789

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Program Manager	1.00	1.00	1.00	0.00
Crisis Response Lead Worker	1.00	2.00	2.00	0.00
Crisis Response Specialist	5.00	9.00	9.00	0.00
Program Assistant - Teamsters	1.00	1.00	0.00	-1.00
Program Specialist - Teamster	1.00	1.00	1.00	0.00
Total	9.00	14.00	13.00	-1.00

Budget Overview

The major components of the CRU budget are staffing, operating supplies, and training. CRU has had level funding for the last two years.

Trends, Challenges and Opportunities

- Changes in State legislation surrounding substance use (Blake Bill) and other police accountability initiatives (HB1310) will impact the workload of the CRU team. Removing traditional first responders from calls for service that typically required or requested a law enforcement response may now be transitioned over to the CRU team. City partners in the fire department are also seeing an upward trend in calls for service regarding behavioral health, poverty, and substance use.
- The national public health crisis related to fentanyl usage and overdose is placing significant pressures on emergency response systems including crisis response, police, and fire.

2022 Accomplishments

- The Crisis Response Unit (CRU) team has been operating as an unarmed civilian alternative first response in Olympia since April 1, 2019.
- Four-year anniversary of CRU working in Olympia, making it the longest-lasting civilian responder program in the nation, after CAHOOTS.
- National and statewide recognition as being a community responder model to replicate. Highlighted in the Marshal Project, Vera Institute of Justice, Law Enforcement Action Partnership, CIT International, National Co-Responder Conference, Access to Justice Conference, Washington Behavioral Health Conference, and many more.
- Six new CRU staff were hired in 2022 increasing staff stability.
- The CRU team has responded to thousands of crises calls due to behavioral health, poverty, and substance use. In 2022, the CRU team responded to 1,699 calls for service, transported 435 individuals to services or shelter, and made 399 referrals to community and city partners.

2023 Objectives

- The ability of City staff to easily communicate and coordinate with the CRU team has led to better coordination between CP&D, Public Works, and OFD, especially responding to the City's houseless population.
- By Spring of 2023, CRU will have increased hours of operation from 6:20 am to 3:00 pm, seven days a week.
- COVID and the lack of access to mental health, medical care and substance use resources created an environment where community members in crisis became more acutely ill due to a breakdown in consistent and in-person care. The CRU team saw an uptick in more acutely mentally ill individuals that were a danger to themselves, others, or gravely disabled. Using this data, OPD partnered with Olympic Health and Recovery Services to embed a Designated Crisis Responder (DCR) within the police department 40 hours per week. In 2022, the DCR responded to a total of 442 engagements (166 Involuntary Treatment Assessments (ITA) and 60 detentions).

Familiar Faces

Description/Services Provided

In 2018 OPD and Catholic Community Services (CCS) of Olympia collaborated on Washington Association of Sheriff and Police Chiefs Mental Health Field Response grant proposal for the Familiar Faces (FF) program. Launching in November 2018, the FF program was awarded the Association of Cities Municipal Excellence Award and demonstrated success in the lives of Olympia’s most vulnerable. The OPD and CCS expanded this successful program in 2020 by adding five additional peer navigators, one mental health professional and a program manager to the team. Clients are referred to FF primarily by OPD officers and CRU team members.

By engaging a smaller number of individuals with intensive, intentional, coordinated wrap-around care, OPD and CCS have made noticeable impacts on the lives of community members and have helped create a downtown and city environment that is safe, healthy and vibrant for all who live, visit and work in Olympia. Peer navigators share their lived experience with individuals to create supportive relationships based on trust and respect in an effort to increase empowerment and hope, improve personal success, provide opportunity for integration into the community, build linkages to needed community resources and begin to establish natural community support.

Significant Proposed Budget Changes

- Two of the Outreach Specialists are employed by the City, while the others are funded through a grant partnership with Catholic Community Services.
- No proposed changes for 2023.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$92,995	\$191,325	\$211,185	\$19,860
Supplies	1,190	12,127	60,000	47,873
Services	2,016	4,891	40,000	35,109
Interfund Payments for Services	833	2,550	6,032	3,482
Total Expenditures	\$97,033	\$210,893	\$317,217	\$106,324

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Outreach Specialist	2.00	2.00	2.00	0.00
Total	2.00	2.00	2.00	0.00

Budget Overview

This program was previously supported by grant funds and services were contracted. The program is now managed by the city.

Trends, Challenges and Opportunities

- Changes in State Legislation around substance use (Blake Bill) and the requirement that individuals be connected to Treatment Navigators may provide a future grant funding opportunity for Familiar Faces.
- The lack of housing and safety services will result in more “high utilizers” of emergency services.
- The national public health crisis related to fentanyl usage and overdose is placing significant pressures on emergency response systems including crisis response, police, and fire.

2022 Accomplishments

- Familiar Face Outreach Specialist Keith Whiteman was named Employee of the Year for his outstanding dedication and service to his clients. Familiar Face Peer Support Specialist Melissa McKee received a commendation award for her dedication and service to the community.
- Familiar Face Outreach Specialists Keith and Melissa presented at the International Co-Responder Conference in North Carolina about Olympia’s Familiar Face program.
- Assisted over 75 community members obtain state identification cards and so they can access vital services.

2023 Objectives

- Working in collaboration with OPD officers, Familiar Faces staff are able to address specific and complex needs to the City of Olympia’s “highest utilizers” of emergency services, and provide concrete supports (housing, employment, primary health care or legal services); connections to information or referrals to community resources, and connections to recovery supports, activities and events.
- Recruit and onboard an Outreach Service Coordinator
- Identify additional funding sources through available grants for possible program expansion.

Corrections

Description/Services Provided

The City of Olympia Jail, under the general supervision of the deputy chief of operations and corrections lieutenant, oversee a full-service, 28-bed facility. The facility employees two sergeants, 10 corrections officers, one secretary and one program assistant who oversees all the municipal court warrants. Corrections officers are directly responsible for the care, custody, and safety of incarcerated adult offenders being charged with a misdemeanor crime, and those with a sentence up to a year. Their duties include booking and classification, movement of offenders between jail and courts, transportation to and from alternate holding facilities, supervision of laundry, meal preparation, monitoring visitations, accounting of offender property and funds, and tracking time served.

Significant Proposed Budget Changes

- Shift funds historically allocated to the Yakima County Jail contract to the Nisqually Jail contract and add an additional 5 percent.
- Contractual increase for Lewis County 5 percent.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$1,877,771	\$2,007,419	\$2,235,853	\$228,434
Supplies	117,386	81,939	94,280	12,341
Services	282,738	237,796	306,941	69,145
Intergovernmental Payments	0	0	0	0
Capital Outlay	52,756	16,315	305,760	289,445
Interfund Payments	41,000	48,120	72,400	24,280
Total Expenditures	\$2,371,652	\$2,391,589	\$3,015,234	\$623,645

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Corrections Lieutenant	1.00	1.00	1.00	0.00
Corrections Officer (Teamster)	10.00	9.00	9.00	0.00
Jail Sergeant (Teamster)	2.00	3.00	3.00	0.00
Program Assistant - Teamsters	1.00	1.00	1.00	0.00
Secretary (Teamster)	1.00	1.00	1.00	0.00
Total	15.00	15.00	15.00	0.00

Budget Overview

- No proposed changes for 2023.

Trends, Challenges and Opportunities

- The Jail has contract beds with the Nisqually Jail and Lewis County Jails for additional bed space for individuals with sentences longer than 30 days.
- Enhancement of our community-based crisis response programs to meet the individual needs of our unique community.
- Aging and inadequate facilities, including the jail. The City Jail continues to experience physical deficiencies and requires regular repair, which impacts Facilities staff. The City Jail also lacks sufficient individual cells for offenders who need to be separated from general population to ensure safety and proper short-term care. The City needs to address the critical issue of how it will meet its obligation to house misdemeanor prisoners in coming years.

2022 Accomplishments

- Continued involvement in Familiar Faces and partnering with City departments to enhance community re-entry.
- Partnered with Catholic Community Services, Arrest and Jail Alternatives program, to assist with reentry and other services as needed.
- Jail Lieutenant attended the National Conference on Correctional Health Care.
- Continued implementation of industry standard hygiene practices and reduced population to ensure a COVID-free facility.
- Officer Nielsen received Corrections Officer of the Year.
- Services have been reinstated after COVID restrictions following CDC guidelines such as A.A. and Church services.

2023 Objectives

- We will continue to focus on strategic priorities that support the Department's mission and the City's comprehensive plan.
- Contemporary training continues to be a focus and includes de-escalation, crisis response, and leadership skills.
- Integration of in-house crisis response resources into delivery of police services.
- Mental health services to respond to the needs of the population and enhance offender re-entry into the community.

Professional Standards

Description/Services Provided

The Professional Standards Unit is comprised of one Lieutenant who reports directly to the Chief of Police. The Lieutenant is tasked with investigating complaints of alleged misconduct, as well as monitoring our members' use of force incidents. The Lieutenant works directly with the police auditor, who is employed by the City Council.

Significant Proposed Budget Changes

- No proposed change in 2023.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$393,899	\$327,549	\$563,466	\$235,917
Supplies	18,490	15,703	45,050	29,347
Services	118,966	181,095	105,171	(75,924)
Capital Outlay	2,175	2,175	0	(2,175)
Total Expenditures	\$533,530	\$526,522	\$713,687	\$187,165

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
CRIME ANALYST (TEAMSTERS)	1.00	1.00	1.00	0.00
POLICE LIEUTENANT	1.00	1.00	2.00	1.00
POLICE OFFICER	6.00	6.00	6.00	0.00
POLICE SERGEANT	2.00	2.00	2.00	0.00
PROGRAM ASSISTANT - TEAMSTERS	1.00	1.00	1.00	0.00
SECRETARY (TEAMSTER)	1.00	1.00	1.00	0.00
Total	13.00	12.00	13.00	1.00

Budget Overview

- Level funding for the past two years.

Trends, Challenges and Opportunities

- Rapid changes in technology and national policing standards are impacting service delivery and tools used in policing.
- The Department struggles with an aging and inadequate training facility and firing range.
- Generational employment trends and changes in policing have significantly reduced the number of people pursuing the police profession. The department continues to find innovative and creative ways to recruit a diverse pool of applicants to hire from.
- Response to unplanned events in Olympia, especially in the downtown core, impacts regular staffing levels, overtime expenses, employee wellness, and the overall relationship with the community.
- Responding to community concerns and complaints impacted by the changing perception of policing nation-wide.
- Adequate staffing to fulfill enhanced transparency and accountability requirements.

2022 Accomplishments

- Training completed:
 - De-escalation and minimizing use of force
 - Best practices in K9 encounters
 - Cultural awareness
 - Environmental crimes
 - Hate crimes training for law enforcement
 - Fair and impartial policing
 - Crowd control management
 - Excited delirium care
 - Patrol tactics and de-escalation
 - Naloxone (Narcan) administration

2023 Objectives

- Strategic priorities established to support the Department's mission and the City's comprehensive plan.
- Contemporary training continues to be a focus and includes de-escalation, crisis response, and leadership skills.
- Tracking electronic messages from the public and our response to those messages.

- Maintaining a strong, collaborative partnership with the police auditor.

Strategic Communications

City Manager's Office



Included in this Section

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Strategic Communications	341
Visual Design & Production	344

Click on sub-section or page number for a direct link.

Department Overview - Strategic Communications

Mission

Working together to make a difference

Vision

A vibrant, healthy, beautiful capital city

Description

Strategic Communications supports the City Council, Executive Team and City staff with messaging and communication strategies around significant issues facing the City. The department oversees citywide external and internal communications, disseminating timely information about city services and programs to the public, businesses, media, employees, and other stakeholders.

The Strategic Communications Director serves as the City's liaison to community events, coordinates advisory committee recruitment and appointments, and administers the City's cable television franchise..

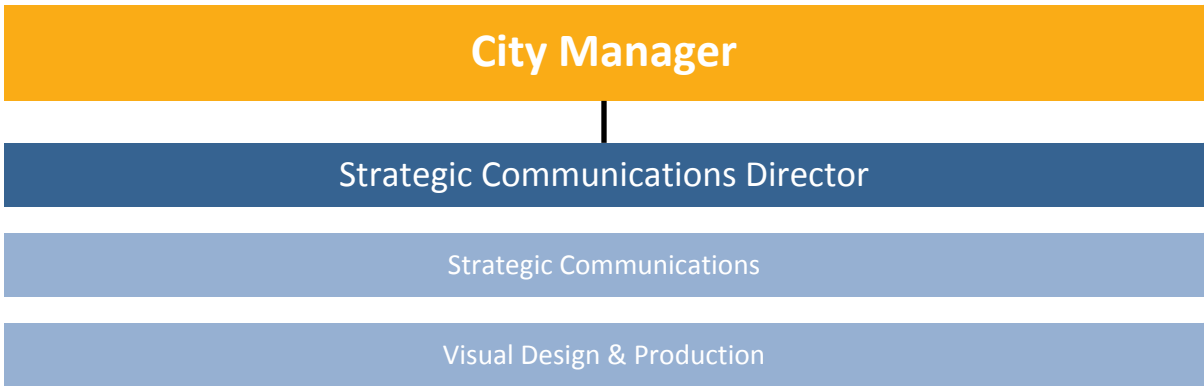
The Department provides strategic communications, media relations, digital communications and engagement services including website, social media, and communications/marketing strategies. The Department also include Visual Design and Production services including providing professional writing, graphic design, photography, and videography services.

Program Funding Summary	2021 Actual	2022 Actual	2023 Budget	Change
Charges for Goods and Services	\$0	\$0	\$355,265	\$355,265
General Fund Contribution	519,889	1,074,251	835,743	(238,508)
Total Funding	\$519,889	\$1,074,251	\$1,191,008	\$116,757

Department Recap	2021 Actual	2022 Actual	2023 Budget	Change
Strategic Communications	\$0	\$730,463	\$633,499	\$-96,965
Visual Design and Production	519,889	343,788	557,509	213,721
Total Expenditures	\$519,889	\$1,074,251	\$1,191,008	\$116,757

Recap of Expenditures	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	483,929	840,852	938,855	98,003
Supplies	4,124	7,286	0	(7,286)
Services	31,836	220,222	212,230	(7,992)
Interfund Payments	0	5,892	39,923	34,031
Total Expenditures	\$519,889	\$1,074,251	\$1,191,008	\$116,757

Organizational Chart - Strategic Communications



Strategic Communications

Description/Services Provided

The Strategic Communications Department (StratComm) is charged with leading the City of Olympia's external and internal communications. This enables the city's strategic communications leadership to both lead communication strategy and deliver content and advisory services for the organization.

In this work, Strategic Communications focuses on eight main areas, with the goal of the City supporting and managing its own narrative at the center.

- **Narrative building:** this work entails activities such as making use of our virtual town hall model to do more engaging with and listening to the community on important issues and creating a blog.
- **Media Relations:** this includes proactive media handling, reactive media handling, press relationship management, content creation, and media monitoring and analysis.
- **Website:** Strategic Communications manages and maintains the City's new, well received City website. StratComm staff develop and maintain website guidelines and train and support content editors.
- **Digital Engagement:** Strategic Communications manages and operates the City's online public engagement platform, Engage Olympia.
- **Crisis Communication:** StratComm leads citywide crisis communications and retains a crisis communication consulting firm to increase capacity to respond and seek advice and consultation during times of crisis at the City.
- **Social Media:** StratComm develops and amplifies the City's voice across a number of social media platforms and supports identified staff in select departments around department-level social media presence.
- **Public Engagement:** StratComm is a leader on engaging our community on City direction and policy. Public engagement opportunities help to shape and support the City's narrative and tell our story.
- **Employee Communications:** StratComm is building and will maintain the City's new employee communication program and the creation and implementation of an internal communication plan that aligns with our external communication efforts.

Significant Proposed Budget Changes

- An enhancement request to support the creation of a Citywide Wayfinding Master Plan
- Reclassification of the Program Specialist position to a Webmaster/Digital Engagement Specialist (unsure where that class will land in terms of budget)

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$0	\$554,580	\$556,990	\$2,410
Supplies	0	1,908	0	(1,908)
Services	0	169,558	54,250	(115,308)
Intergovernmental Payments	0	0	0	0
Interfund Payments	0	4,417	22,259	17,842
Total Expenditures	\$0	\$730,463	\$633,499	\$(96,965)

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Deputy Public Information Officer	0.00	1.00	1.00	0.00
Program Specialist	0.00	1.00	1.00	0.00
Social Media/Content Strategist	0.00	1.00	1.00	0.00
Strategic Communication Director	0.00	1.00	1.00	0.00
Total	0.00	4.00	4.00	0.00

Trends, Challenges and Opportunities

- The communication demands of the city and city government of Olympia are complex and often urgent, requiring the Strategic Communications Department to take on the following challenges and leverage the following opportunities:
 - Continuing to expanding and enhancing external communications for the City.
 - Continuing to building the City’s internal communications program.
 - Developing social media policies and procedures
 - Creating consistency and direction for the City’s public engagement practices.

2022 Accomplishments

- Established an Annual Editorial Calendar.
- Launched Actually Olympia: The Blog.
- Revisioning and launch of new Intranet site.
- Increased number of Social Media posts, impressions link clicks and engagements.

Performance Measures: Communication Services

Type	Performance Measure	Target	2020 Actual	2021 Actual	2022 Actual	2023 Goal
Quality Measure	Staff have a good understanding of City priority	TBD	NA	NA	NA	Majority of staff agree or strongly agree on internal survey
Quality Measure	Residents feel the City listens to the feedback it receives from them.	TBD	NA	NA	NA	25 percent of residents agree or strongly agree on community survey
Quality Measure	Residents see the City as open and transparent	TBD	NA	NA	NA	40 percent of residents agree or strongly agree on community survey

2023 Objectives

- Launch a City Manager podcast
- Formalize best practices and guidelines for engagement
- Launch Phase 2 of Internet upgrades – creating standardized department-level pages

Visual Design & Production

Description/Services Provided

The Visual Design and Production (VDP) Team collaborates and coordinates with all City departments to develop, design, and deliver communication materials/collateral that support City initiatives. This team is comprised of three full-time FTEs who provide professional writing, graphic design, photography, and videography services.

The team is led by the Visual Design and Production Manager/Senior Writer who oversees a Brand Manager/Senior Designer and Graphic Designer. VDP is also responsible for ensuring the quality and professionalism of the City's communications and brand alignment/stewardship across all departments.

Significant Proposed Budget Changes

There are no significant changes to the 2023 budget.

Program Cost Summary	2021 Actual	2022 Actual	2023 Budget	Change
Personnel Services	\$483,929	\$286,272	\$381,865	\$95,593
Supplies	\$4,124	\$5,377	\$0	\$(5,377)
Services	\$31,836	\$50,664	\$157,980	\$107,316
Intergovernmental Payments	\$0	\$0	\$0	\$0
Interfund Payments	\$0	\$1,475	\$17,664	\$16,189
Total Expenditures	\$519,889	\$343,788	\$557,509	\$213,721

Program Staffing	2021 Budget	2022 Budget	2023 Budget	Change
Brand Manager/Graphic Designer	0.00	1.00	0.00	(1.00)
Graphic Designer	0.00	1.00	1.00	0.00
Production Mgr & Senior Writer	0.00	1.00	0.00	(1.00)
Program Specialist	3.00	0.00	0.00	0.00
Senior Designer & Brand Manager	0.00	0.00	1.00	1.00
Visual Design & Production Manager	0.00	0.00	1.00	1.00
Total	3.00	3.00	3.00	0.00

Budget Overview

In late 2021, the City Manager created the Visual Design & Production Team within the Office of Strategic Initiatives. The budget includes three full-time FTEs. Two of the three FTEs were transferred from Strategic Communications. Council approved an additional FTE and funding for on-call contracts. The on-call contracts are included in General Professional Services and will be used for photography, videography, graphic design, and writing services.

In 2022, the entire Visual Design & Production Team (three full-time FTE's) were transferred to Strategic Communications.

Trends, Challenges and Opportunities

- Resourcing additional staff and funding to focus exclusively on design and production of communication materials and collateral will enhance the City's ability to provide consistent, high-quality materials.
- Access to on-call contractors allows the City to meet the communication demands while assessing whether it is more cost-efficient to bring additional resources in-house.

2022 Accomplishments

- Completed hiring of full Visual Design and Production Team
- Building more robust contractual relationships with diverse local videographers

Performance Measures: Visual Design & Production

Type	Performance Measure	Target	2019 Actual	2020 Actual	2021 Actual	2023 Goal
	Performance Measures Coming in 2023	TBD	NA	NA	NA	TBD

2023 Objectives

- Review and update brand standards
- Establish and document processes and procedures for in-taking and resourcing work

Non-Departmental



Included in this Section

General Fund Sub-Funds	348
Special Funds	351

Click on sub-section or page number above for a direct link.

Non-Departmental

General Fund Sub-Funds

The Governmental Accounting Standards Board (GASB), Statement 54, re-defined what funds qualify as Special Revenue Funds. The funds below were previously accounted for as Special Revenue Funds and are now categorized as General Fund Sub-Funds. For financial reporting purposes, these funds are reported as part of the General Fund. The City continues to account for these activities separately from the regular General Fund operations. For budget purposes, these Sub-Funds are presented separately from the regular operations of the General Fund. The Washington Center for the Performing Arts Sub-Fund is appropriated on an annual basis and its appropriations lapse at year end. The remaining Sub-Funds are project in nature and their appropriations do not lapse at year end.

	2023 BUDGET		
	EXPENSES	REVENUE	FUND EQUITY Use/(Gain)
Special Accounts Control Fund -- See Below for Detail	\$ 1,468,784	\$ 1,314,891	\$ 153,893
Development Fee Revenue Fund	8,180,437	8,180,437	0
Parking Fund	1,759,413	1,816,540	(57,127)
Post Employment Benefits, LEOFF 1 Retirees	1,020,000	1,020,000	0
Washington Center for Performing Arts - Endowment Fund	5,000	5,000	0
Washington Center for Performing Arts - Operating Fund	378,606	496,000	(117,394)
Municipal Arts Fund	161,600	60,660	100,940
Equipment and Facilities Replacement Fund	3,024,982	3,320,017	(295,035)
Public Works Equipment Rental Replacement Fund	5,279,933	2,695,957	2,583,976
Total General Fund - Sub Funds	\$ 15,998,822	\$ 16,213,545	\$ (214,723)

Special Accounts Control Fund -- Detail			
Economic Recovery Account	\$ 90,960	\$ 0	\$ 90,960
Shared Leave	0	0	0
Public Education and Government/Access Television	328,008	335,000	(6,992)
Health and Wellness Program	50,000	43,200	6,800
Wellness - IAFF	5,500	8,500	(3,000)
Derelict Vessels	15,000	15,000	0
Technology Plan Implementation and PC and PI Network Equipment	825,000	754,352	70,648
Building Demolition and Nuisance Abatement	7,316	0	7,316
Tree Account	45,000	45,000	0
Historic Preservation	0	0	0
Housing and Community Development	50,000	50,000	0
HUD and Rental Rehab	30,000	30,000	0
Seizure and Forfeiture	0	0	0
Recreation Scholarship	22,000	12,000	10,000
Arts Program	0	0	0
Aerial Mapping	0	21,839	(21,839)
Total Special Account Control Fund	\$ 1,468,784	\$ 1,314,891	\$ 153,893

All activities with fund balance are shown above regardless of whether they are budgeted.

Special Accounts Fund - Sub-Fund

Special Accounts Control Fund is used to account for special accounts the City has deemed necessary to be segregated from other department non-operating or operating funds. The funds are described in the table above.

Development Fee Revenue Fund - Sub-Fund

The Development Fee Revenue Fund is used to account for fees collected from various building-type permits, zoning and subdivision fees, inspection and plan check fees, fire and sprinkler permits and fees to review building plans. Fees collected in the Development Fee Revenue Fund along with General Fund support are used to fund the Community Planning & Development Department for managing development services. RCW 19.27 and OMC 4.04, 4.36 and 4.38

DEVELOPMENT RELATED FEES				
YEAR	BUILDING PERMITS*	FIRE PERMITS	DEVELOPMENT FEES*	ZONING & SUBDIVISIONS*
Est. 2023	3,011,034	125,000	1,157,859	289,232
2022	2,468,312	135,740	1,194,803	238,866
2021	2,349,937	104,974	803,018	196,835
2020	2,384,475	110,340	916,689	180,611
2019	2,625,803	91,229	1,158,976	224,929
2018	2,199,775	112,994	949,721	295,391
2017	2,379,338	138,417	954,172	192,658
2016	2,462,411	147,728	305,000	319,637
2015	2,542,172	127,641	498,214	236,198
2014	689,709	99,315	547,472	207,852
2013	2,556,924	61,572	477,611	196,542
2012	1,913,762	42,871	349,379	146,392
2011	2,663,268	75,479	339,483	275,598
2010	2,571,411	8,828	473,178	192,784

*See Statistical Information (pg 383) for more information relating to building permits.

Parking Fund - Sub-Fund

The Parking Fund is used to account for fees collected from various parking revenue such as street parking, permits and fines. Parking funds are used for the operations and management of the City's Parking Program.

Post Employee Benefits - LEOFF 1 Retiree Fund - Sub-Fund

The Post Employee Benefit Fund is used to account for funds used to pay benefits of the City Retirees of the Law Enforcement Officers' and Firefighters' Retirement System Plan 1 (LEOFF 1) as well as costs related to the actuarial analysis and administration of the fund.

Washington Center for the Performing Arts Funds - Sub-Funds

The City has two funds established for City-owned Washington Center for the Performing Arts (Center):

1. An endowment fund and
2. An operating fund.

The Endowment fund accounts for proceeds from the sale of various real estate parcels owned by the City. The real estate proceeds, and associated investment interest, are used for maintenance, operations, repair of the Center. The operating fund accounts for funds from the lodging tax fund and donations for the purpose of supporting the operations and manager of the Center.

Municipal Arts Fund - Sub-Fund

The Municipal Arts Fund accounts for funds used for the purpose of selecting, acquiring and installing art works in public places. The program is funded by the City's designation of one dollar per person and one percent of major City construction projects be set aside for public art.

Equipment & Facilities Replacement Fund - Sub-Fund

The Equipment & Facilities Replacement Fund accounts for funds reserved for the purpose of major replacement and/or repair of city equipment and facilities other than equipment and facilities accounted for in other funds.

Special Funds - Non-Operating

The City has established several Special Purpose Accounts and Funds which are not included in the operating budget. Appropriations of these accounts and funds do not lapse at year end, but continue.

2023 BUDGET			
SPECIAL FUNDS:NON-OPERATING	EXPENSES	REVENUE	FUND EQUITY Use/(Gain)
HUD Funds	\$460,197	\$695,684	\$(235,487)
Lodging Tax Fund	\$496,653	\$1,040,000	\$(543,347)
Parking Business Improvement Area Fund	\$150,065	\$97,700	\$52,365
Farmers Market Repair & Replacement Fund	\$0	\$0	\$0
Hands on Childrens Museum Fund	\$943,808	\$720,000	\$223,808
Transportation Benefit District	\$2,001,985	\$1,940,359	\$61,626
Olympia Metropolitan Parks District	\$5,296,573	\$5,383,916	\$(87,343)
Home Fund	\$4,009,070	\$4,125,991	\$(116,921)
Cultural Access Fund	\$2,997,325	\$2,945,000	\$52,325
Fire Equipment Reserve Fund	\$148,469	\$200,000	\$(51,531)
Capital Replacement Equipment Rental	\$5,279,933	\$2,695,957	\$2,583,976
Unemployment Compensation Fund	\$85,054	\$112,500	\$(27,446)
Insurance Trust Fund	\$3,812,671	\$3,776,311	\$36,360
Workers Compensation Fund	\$1,669,495	\$1,447,875	\$221,620
Total Special Funds: Non-Operating	\$27,351,298	\$25,181,293	\$2,170,005

HUD Fund - Non-Operating Fund

The HUD Fund accounts for funds received from the US Department of Housing and Urban Development and the loan repayments and interest associated with the City's program that supports: 1) economic development; 2) housing rehabilitation; 3) land acquisition; 4) public facility and improvements; 4) public services.

Lodging Tax Fund - Non-Operating

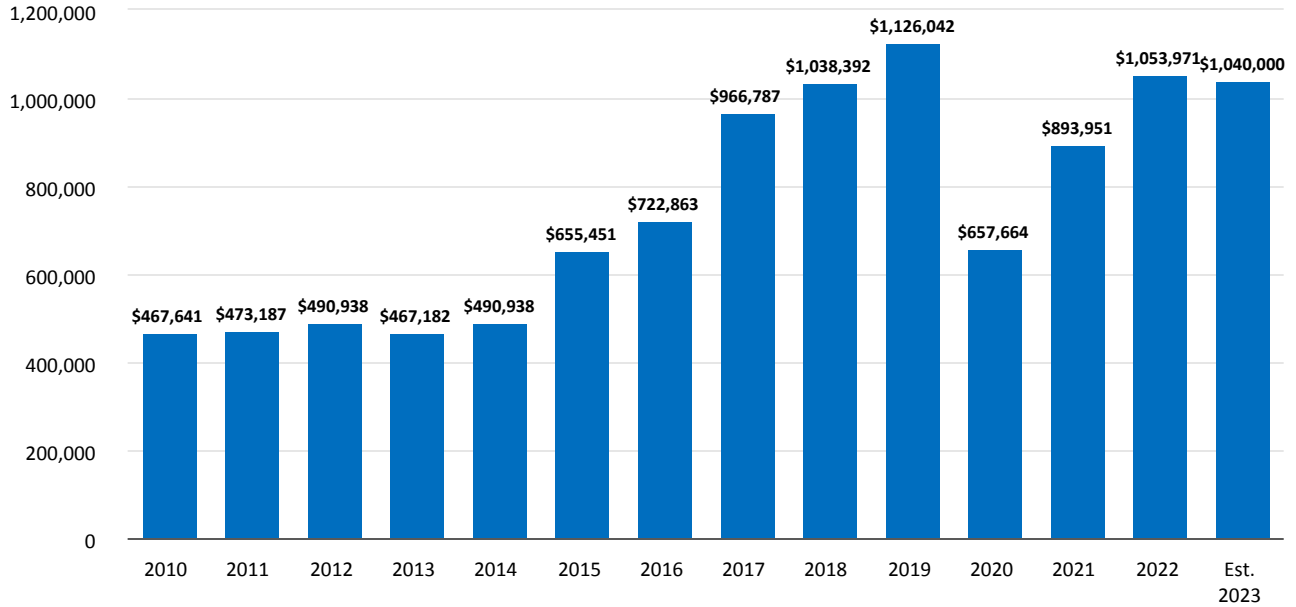
The Lodging Tax is an excise or sales tax authorized by State law in RCW 67.28 for Public Stadium, Convention, Arts, and Tourism facilities. In the City of Olympia, the total tax on lodging is 10.4 percent. Only a portion of the 10.4 percent comes to the City of Olympia. Olympia's share is equal to a 4 percent tax with 2 percent allocated to The Washington Center for the Performing Arts. Per RCW 67.28.1815, the Lodging Tax can only be used for specific purposes:

- Tourism promotion
- Acquisition of tourism-related facilities
- Operation of tourism-related facilities, events and festivals

Projected Recipients of Lodging Tax Funding*	2022 Budget	2023 Budget
Arbutus Folk School	\$10,000	\$18,000
American Lung Association	\$0	\$5,000
Capital Lakefair	\$25,000	\$0
City of Olympia	\$0	\$38,000
Experience Olympia and Beyond	\$0	\$148,676
Gateway Rotary Club	\$5,000	\$0
Hands on Children's Museum	\$73,991	\$79,814
Harbor Days	\$64,000	\$81,000
Harlequin Productions	\$50,000	\$50,000
Heritage Commission	\$0	\$23,000
Lake Run Organization	\$5,000	\$3,000
Miss Washington Scholarship	\$0	\$50,000
Olympia Downtown Association	\$57,500	\$52,500
Olympia Film Society	\$40,000	\$40,000
Olympia/Thurston, Visitor and Convention Bureau	\$100,000	\$0
Olympia & Beyond Sports Commission	\$15,000	\$0
Olympia Parks, Arts and Recreation	\$20,000	\$20,000
Olympia Soccer Foundation	\$0	\$22,000
Olympia Symphony Orchestra	\$25,000	\$20,000
Olympic Flight Museum	\$20,000	\$20,000
South Sound Reading Foundation	\$8,500	\$10,000
South Sound Block Party	\$45,000	\$0
Senior Games	\$20,000	\$0
Team Tomorrow	\$0	\$58,500
Thurston Climate Action Team	\$0	\$16,000
Thurston County Chamber	\$0	\$5,000
Washington State Senior Games	\$0	\$20,000
Washington State University Master Gardener Foundation	\$2,500	\$0
Total	\$586,491	\$780,490

LTAC Awards were approved after the 2023 budget was finalized and will be added with a 1st quarter budget amendment.

Lodging Tax Collections*



*The difference between what is collected in Lodging Taxes and what is allocated to programs, remains in the Lodging Tax account balance.

Parking & Business Improvement Area Fund - Non-Operating

The Parking & Business Improvement Area (PBIA) is a business improvement district in downtown Olympia with oversight by the PBIA Advisory Board. The PBIA Board is not an independent business association, instead it is a City of Olympia advisory committee with board members elected annually by the PBIA ratepayers. The purpose of the Advisory Board is to develop an annual recommendation for the City Council about how to invest PBIA funds collected from the Association members and to serve as a communication link between downtown businesses (ratepayers) and the City of Olympia government.

The mission of the PBIA is to assist in creating a vibrant, dynamic business environment and enhancing the reality and perception of downtown by visitors, residents and business owners. PBIA's activities fit within the six program areas:

- Clean and Safe
- Beautiful Streetscapes
- Downtown Marketing
- Parking
- Small Business Support and Resources

- Communications

Parking and Business Improvement Area (P.B.I.A.)	2022 Budget	2023 Budget
Administration	\$2,000	\$2,000
Clean and Safe	\$46,200	\$46,200
Streetscape Beautification	\$33,900	\$38,900
Marketing	\$13,000	\$58,000
Contingency	\$4,350	\$4,900
Total Parking and Business Improvement Area	\$99,450	\$150,000

Farmers Market Fund - Non-Operating

The Farmers Market Fund is used to account for major repairs and maintenance of the City-owned Farmers Market facility. Lease payments from the Market are used to help fund these repairs. This fund is not budgeted as part of the annual budget process. A budget amendment is made only if funds are received and payment is passed through to the Port of Olympia.

Hands on Children's Museum Fund - Non-Operating

The Hands on Children's Museum (HOCM) Fund is used to account for funds received from the Capital Area Regional Public Facilities District. Funds are used for purposes related to the City-owned HOCM; debt services, capital and certain operational costs.

Fire Equipment Reserve Fund - Non-Operating

The Fire Equipment Reserve Fund is used for the purchase of emergency response equipment by the Fire Department including certain vehicles and equipment and major repairs and improvements.

Capital Replacement Equipment Rental Fund - Non-Operating

The Capital Replacement Equipment Rental Fund is used to account for funds reserved for the replacement or major repairs to the City's future rolling vehicles and equipment, other than fire response vehicles and equipment.

Home Fund - Non-Operating

The Home Fund is used to account for funds received from a voter-approved sales tax, tax on municipal utilities, and property taxes received from the State over the next 20 years. Funds are used for the City's response to homelessness, i.e. operations, delivery and evaluation of mental and behavioral health treatment. Additional information about the Home Fund is located in the City Manager's section under the Office of Community Vitality. Additional information on the Housing Capital budget is included in the 2023 Capital Facilities Plan.

Olympia Metropolitan Parks Fund - Non-Operating

The Olympia Metropolitan Parks District Fund is used to account for the property tax funds received from the Olympia Metropolitan Parks District (OMPD), a separate taxing authority. For accounting purposes, OMPD is a blended component unit. Property taxes received by the OMPD are used to provide capital acquisition and development of City parks and their operations.

Transportation Improvement District Fund - Non-Operating

The Transportation Benefit District (TBD) Fund is used to account for the funds received from the Transportation Improvement District, a separate taxing authority. For accounting purposes, TBD is a blended component unit. Fund collected via a \$40 per vehicle registration fee are used to support the preservation, maintenance, capacity, safety and operation of the City streets.

Unemployment Compensation Fund - Non-Operating

The Unemployment Compensation Fund is used to account for funding the City's unemployment compensation. The City is on a reimbursable plan with the State of Washington. The State determines and pays the benefits, then is reimbursed by the City. The fund is supported by interest earnings and charges to City departments.

Insurance Trust Fund - Non-Operating

The Insurance Trust Fund is to pay for purchases of insurance related to the risk management plan, pay claims against the City or damage to City property that falls under major insurance policy deductibles or that are self-insured and for studies related to risk management and loss prevention.

Workers Compensation Fund - Non-Operating

The Workers Compensation Fund is to pay for worker's compensation claims, for obligations due to Washington State for workers compensation, for premiums for insurance or surety bonds, and to pay third party administer costs necessary to manage the program.

Debt



Included in this Section

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Debt Types Terminology	359
General Obligation Debt and Revenue Debt	361
Schedule of Debt Obligations	365

Click on sub-section or page number above for a direct link.

Debt Administration

As the demand for public sector investment and infrastructure continues to grow, the issuance of debt has become an increasingly important component of state and local government capital programs. While the issuance of debt is frequently an appropriate method of financing capital projects at the local level, it also entails careful monitoring of such issuances to ensure that an erosion of the government’s credit quality does not result. The City of Olympia currently has an “Aa2” rating for its general obligation debt and an “Aa3” rating for its revenue debt from Moody’s credit rating agency. From Standard & Poor’s and Fitch’s rating agencies the City has a consistent rating of AA for all debt.

The City’s bond ratings reflect the investment community’s faith in Olympia’s financial management and its ability to repay outstanding debt. Higher-rated bonds indicate less risk to prospective buyers, translating to lower interest costs to the City. The City’s credit for its general debt obligation was rated as a part of the 2019 refunding bond issue. The rating agency stated that the ratings reflect the City’s sustained stable general fund reserve level and good liquidity levels coupled with strong financial management, policies, and practices.

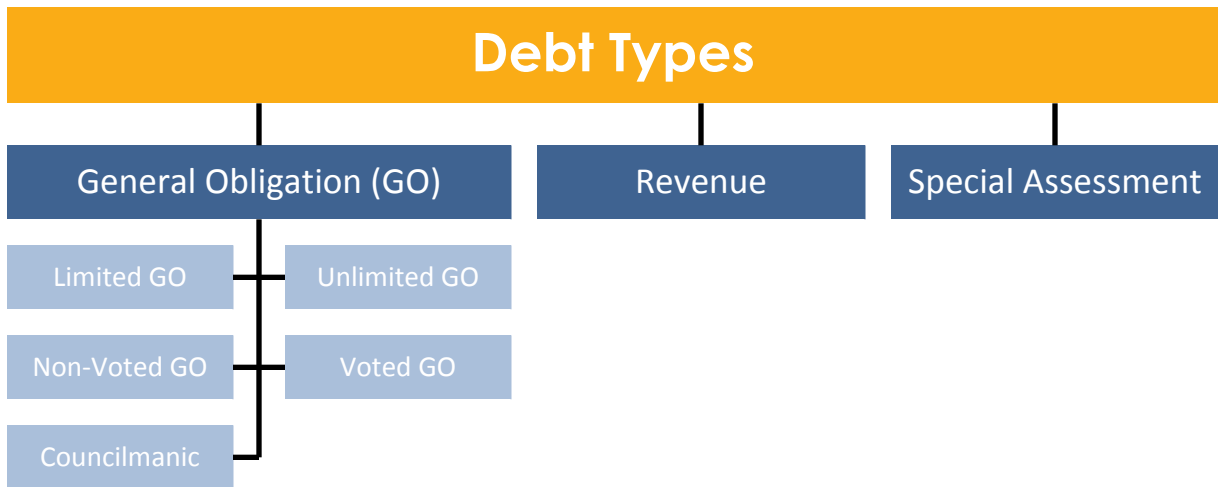
Two basic types of municipal debt are short-term and long-term debt. Short-term debt is generally used by municipalities to even out cash flows. Two basic forms of long-term debt are general obligation and revenue bonds. The difference between these two types of bonds is that general obligation issues are backed by the City’s full faith and credit; that is, for taxes of a municipality and for revenue bonds, the income of a specific utility or activity is pledged for repayment. Olympia has utilized both short and long-term types of debt in its operations as well as general obligation and revenue debt.

In addition to issuing bonds, the City has several general obligation and revenue loans through various State of Washington programs. The loans carry an interest rate lower than issuance of revenue bonds.

Credit Rating Scale			
Moody’s	S&P	Fitch	Rating Description
Aaa	AAA	AAA	Prime
Aa1	AA+	AA+	High Grade
Aa2	AA	AA	
Aa3	AA-	AA-	
A1	A+	A+	Upper Medium Grad
A2	A	A	
A3	A-	A-	
Baa1	BBB+	BBB+	Lower Medium Grade
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	
Ba1	BB+	BB+	Non-Investment Grade
Ba2	BB	BB	
Ba3	BB-	BB-	
B1	B+	B+	Highly Speculative
B2	B	B	
B3	B-	B-	
Caa1	CCC+	CCC+	Substantial Risks
Caa2	CCC	CCC	
Caa3	CCC-	CCC-	
Ca	CC	CC	Ext. Speculative
Ca	C	C	Default imminent
C	RD	DDD	In Default
—	SD	DD	
—	D	D	

Debt Types Terminology

Local governments have three distinct types of debt that can be issued to generate funding. The debt types are often referred to with different terms, which can lead to confusion. The chart below outlines the debt types. For the purposes of this document, the terms presented in dark blue will be used to describe the City's debt types.



1. **General obligation (GO) debt** is borrowing that is secured by the full faith and credit of the local government issuing the debt. The entity, unconditionally, pledges its tax revenues to pay debt service (interest and principal) on the debt as it matures. If the debt is in the form of a bond, the bond owners have a legal claim on all the general income of the entity if a default occurs. In Washington State, limitations on GO indebtedness are provided for in the state statutes; RCW 39.36 . There are two sub-categories of GO debt:
 - Limited tax general obligation (LTGO) debt (also called non-voted GO debt or “councilmanic” bonds) may be issued by a vote of the legislative body. Because the voters have not been asked to approve a tax increase to pay for the principal and interest on this non-voted type of debt, general revenues must be pledged to pay for its debt service. It is important to note that non-voted GO debt does not provide any additional revenue to fund the debt service payments, so instead must be paid from existing revenue sources.
 - Unlimited tax general obligation (UTGO) bonds (also called voted GO debt) must be approved by 60 percent of the voters, with a voter turnout equal to at least 40 percent of those who voted in the most recent general election. When the voters are being asked to approve the issuance of these bonds, they are simultaneously asked to approve an excess property tax levy which raises their property taxes to cover the debt service payments. Voted GO debt bonds can be used only for capital purposes and replacement of equipment is not a permitted use RCW 84.52.056.

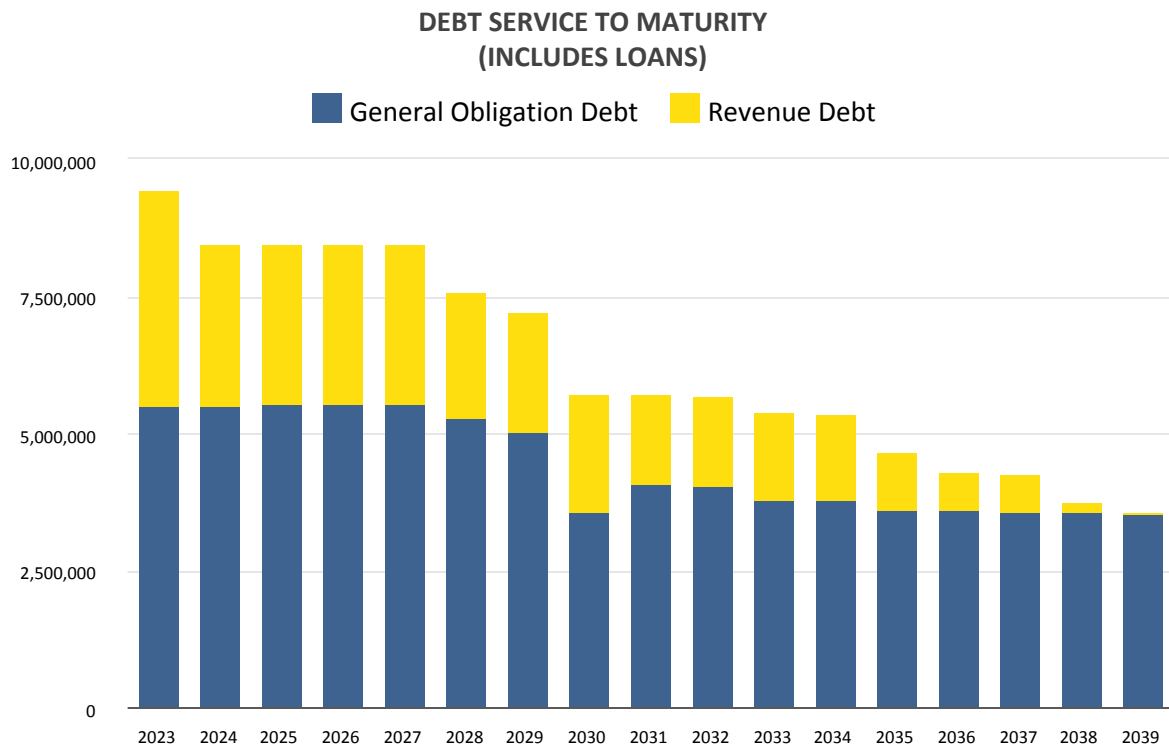
2. **Revenue debt** is different from GO debt in its method of repayment. Unlike GO debt, which relies on taxation, revenue debt is guaranteed by the specific revenues generated by the issuer. For example, the City's water utility can issue revenue debt using the revenues from customer water bills to guarantee the repayment of the debt. Currently Revenue debt consists of bonds as well as several loans types, including direct borrowings from banks to refund previously issued bonds, construction loans from state and federal agencies such as State of Washington Department of Commerce Public Works Trust Fund, Washington Department of Health Drinking Water State Revolving Fund, and State of Washington Department of Ecology.

3. **Special assessment debt** is debt repaid from assessments against those who directly benefit from the project the funds have been used to finance. For example, if a special assessment bond is issued to pay for sewer improvements that benefit a specific subset of the population, the City can develop an assessment roll for those properties benefiting from the improvement to repay the debt. An example of this would be a local sewer improvement district (LID). The City does not have any outstanding special assessment debt.

General Obligation Debt and Revenue Debt

The table below presents a summary of City debt, both principal and interest. It distinguishes between General Obligation debt and debt payable from City-operated utilities (revenue debt).

General Obligation and Revenue Debt



Future Debt Planning

The 2023-2027 Capital Facilities Plan (CFP) at this time is completed without requiring the issuance of debt. The City prepares the plan using sources such as charges for services, taxes, growth and grant funding first, before planning on issuing debt. In the future, debt planning may be needed if resources change or funding comes in lower than anticipated.

The 2023-2027 CFP provides for the following projects:

Program Sections	CFP Projects 2023-2027 (in millions)	Anticipated New Debt Funding (in millions)
Parks	\$25.34	\$0.00
Transportation	57.95	\$0.00
Fire	4.25	\$0.00
Gen. Capital Facilities	8.08	\$0.00
Drinking Water	32.57	\$0.00
Waste Water	25.08	\$0.00
Stormwater	23.7	\$0.00
Waste ReSources	37.65	\$0.00
Total	\$214.62	\$0.00

The CFP has been shifting to an increase in cash funding of projects rather than the issuance of debt, therefore the City is building higher cash reserves and a greater reliance on state and federal grant resources to fund projects.

Conclusions

Council and management have set policies to be sure the City meets its debt payments in a timely manner. The policies also state new debt will be issued only after careful consideration. Council incorporates these policies into the Financial and Management Policies. Briefly summarized, the policies include:

- Conservative revenue projections.
- Rate increases based on related cost of services provided and the impact of inflation on those services.
- Lease purchase of equipment and real property when practical and prudent.
- Accumulation of adequate reserves to protect the City from uncontrollable expenditures or unforeseen reductions in revenues.
- Issuance of debt only after rigorous review.

The City tries to communicate with other governmental entities to be sure their debt issues, as well as the City's, remain at conservative levels. This will help control the resulting overlapping debt that may become a burden on taxpayers.

The City's overall financial health is positive. The Council and management, through the financial and management policies, emphasize continued effort toward maintaining and improving the City's financial performance.

Debt Limitation

State law limits bonded debt to 2.5 percent of assessed value of taxable property. Of this limit, up to 1.5 percent of assessed value of taxable property may be non-voter approved debt (Councilmanic bonds). However, the amount of non-voted plus voter-approved may not exceed the 2.5 percent of assessed value limit.

Taxable Assessed Value (estimated)	\$11,823,228,971
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General Indebtedness without a vote of the people:	
Legal Limit, 1.5% of property value:	\$177,348,435
Outstanding non-voted debt	51,035,300
Remaining non-voted debt capacity	\$126,313,135

General Indebtedness with a vote of the people:	
Legal Limit, 2.5% of property value	\$295,580,724
Outstanding voted debt	6,070,000
Outstanding non-voted debt	51,035,300
Remaining voted debt capacity	\$238,475,424
Note: Source of estimated Taxable Assessed Value is Thurston County Assessor as of 12/31/2021.	

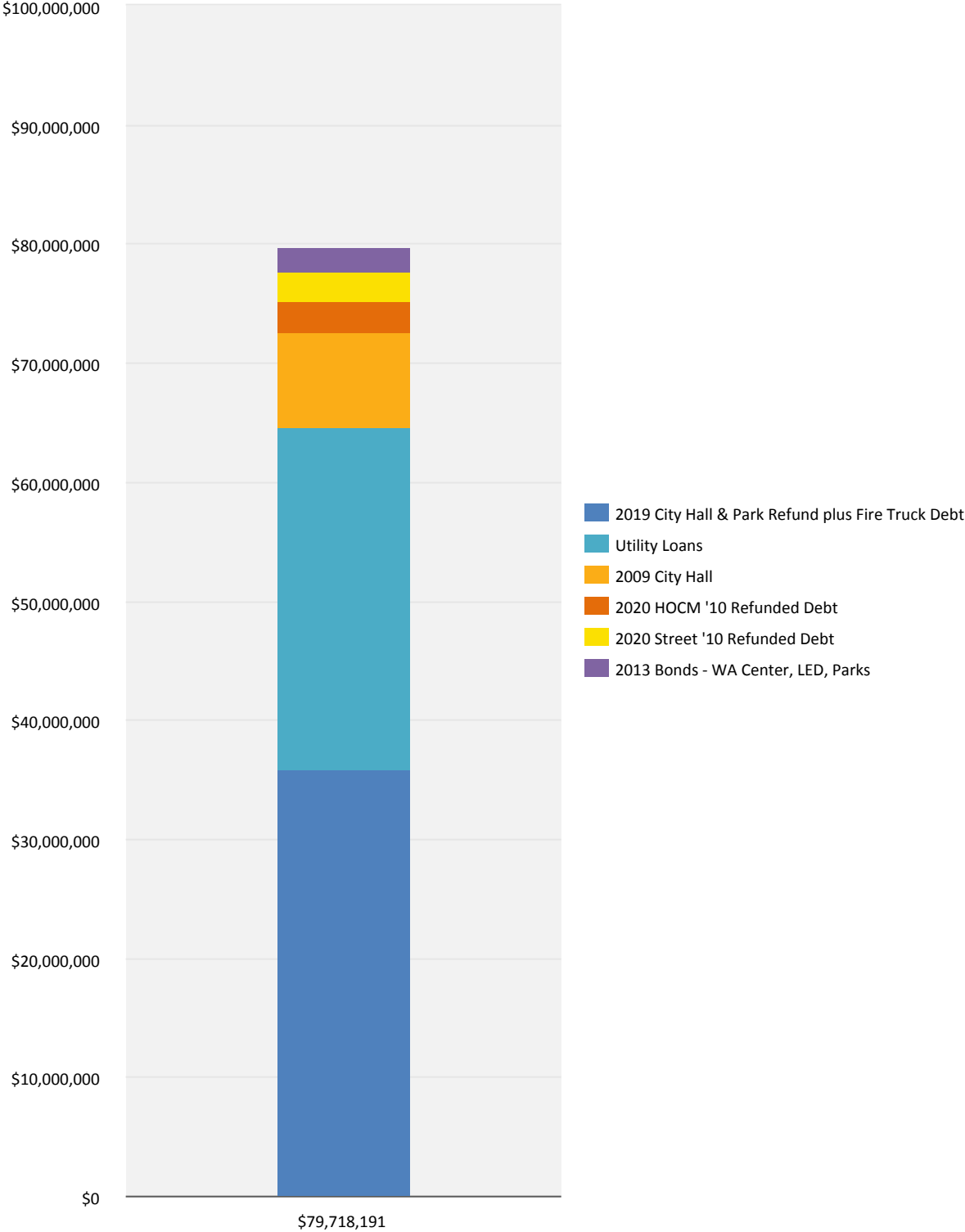
In addition to these limits, the City has debt authority with a vote of the people of 2.5 percent each for parks and utility purposes. Olympia has not used this authority.

The goal of Olympia's debt policy is to maintain the ability to provide high quality, essential City services in a cost effective manner. Council members weigh this goal against maintaining the ability to borrow at the lowest possible rates. The City uses the following guidelines before financing projects with long-term debt:

- Management, staff and elected officials conservatively project the revenue sources to pay off the debt.
- The financing of the improvement will not exceed its useful life.
- The benefits of the improvement must outweigh its costs including the interest costs of financing.

Olympia uses debt only to provide financing for essential and necessary capital projects. Through debt planning and the Capital Facilities Plan, the City integrates its capital projects. The services the City determines necessary to its residents and visitors form the basis for all capital projects.

Allocation of Outstanding Debt without Voter Approval (as of 12/31/2022)



Schedule of Debt Obligations

Ref #	General Obligations	Year Issued	Final Payment	Interest Rate	Total Issue	Outstanding 12-31-2022	Principal Payments 2023	Interest Payments 2023	Outstanding 12-31-2023
Bonds:									
(1)	2009 LTGO City Hall Construction (BaBs)	2009	2039	3.00%-6.423	32,810,000	8,000,000	—	491,440	8,000,000
(2)	2013 LTGO Bonds for WA Center, LED, and Percival Landing	2013	2032	3.00-5.00%	6,345,000	1,945,000	165,000	68,775	1,780,000
(1)	2019 LTGO Refunding Bond for City Hall and Fire Truck	2019	2039	2.00-5.00%	24,910,000	22,485,000	1,145,000	1,257,103	21,340,000
(1)	2019 LTGO Refunding Bond for Parks	2019	2039	2.00-5.00%	15,045,000	13,470,000	565,000	440,263	12,905,000
(3)	2019 UTGO Fire Station Refunding Bond	2019	2029	5.00%	8,110,000	6,070,000	745,000	303,500	5,325,000
Direct Borrowings:									
(5)	2020 Loan with Kitsap Bank to refund 2010 Streets Bond	2020	2029	1.56-2.20%	3,527,792	2,543,400	344,700	50,071	2,198,700
(6)	2020 Loan with Kitsap Bank refund 2010B HOCM Bond	2020	2029	1.56-2.02%	3,372,211	2,591,900	422,200	44,188	2,169,700
Total General Obligation						57,105,300	3,386,900	2,655,340	53,718,400
Utility Operations									
Combined Drinking Water & Waste Water:									
(7)	2013 Refunding Revenue Bond for WS Construction Bonds	2013	2023	4.1%	7,833,435	1,108,003	900,966	39,008	207,037
(8)	2020 PWTF Loan for Percival Creek Bridge Repair*	2020	2039	1.58%	429,987	242,047	35,010	4,370	207,037
Drinking Water:									
(9)	2011 DWSRF Loan McAllister Well Development	2011	2034	1.5%	10,500,907	3,413,560	284,463	51,203	3,129,097
(9)	2014 DWSRF Loan McAllister Well Pipeline	2014	2034	1.5%	4,551,413	2,886,984	240,582	43,305	2,646,402
(9)	2014 DWSRF Loan SE Olympia Reservoir Development	2014	2037	1.5%	9,385,804	6,992,441	466,163	104,887	6,526,278
(9)	2016 DWSRF Loan McAllister Corrosion Control Facility	2016	2038	1.5%	3,351,197	2,370,137	182,318	35,552	2,187,819
(9)	2016 DWSRF Loan Fones Road Booster Pump Station	2016	2038	1.5%	1,931,982	1,355,958	104,304	20,339	1,251,654
(9)	2018 DWSRF Loan Fir St Reservoir Seismic Retrofit	2018	2038	1.5%	1,676,476	1,521,363	95,085	22,820	1,426,278
(9)	2018 DWSRF Loan Elliot Ave Reservoir Seismic Retrofit	2018	2038	1.5%	1,515,000	1,354,279	84,642	20,314	1,269,637
(10)	2020 Kitsap Bank Loan to refund 2007 Water Bond	2020	2027	1.75-2.49%	4,060,045	2,639,800	499,700	27,153	2,140,100
Waste Water (Sewer) :									
(11)	2012 DOE Septic to Sewer Conversion	2012	2032	3.1%	100,725	57,418	5,280	1,751	52,138
(8)	2019 PWTF Sreater-Kinney Sewer Line	2019	2028	0.5%	1,085,025	551,678	91,946	2,758	459,732
(10)	2020 Kitsap Bank Loan to refund 2010 Sewer Bond	2020	2030	1.75-2.49%	4,042,075	3,022,000	351,300	33,054	2,670,700
Storm Water:									
(11)	2012 DOE Loan Yauger Park Retention Improvement	2012	2031	2.9%	1,219,756	561,318	67,373	15,889	493,945
(11)	2014 DOE Loan State Avenue Stormwater Retrofit	2014	2035	2.3%	626,081	451,264	30,131	10,256	421,133
Total Utility Operations						28,528,250	3,439,263	432,659	25,088,987
Total General Obligation & Revenue Indebtedness						85,633,550	6,826,163	3,087,999	78,807,387

- (1) Bonds issued to refund bonds originally issued in 2009 for construction of City Hall, to purchase a new fire pumper truck, and to refinance a bond anticipation note issued for the acquisition of park property. These bonds are paid with general levy property tax.
- (2) Bonds issued for improvements to the Washington Center for the Performing Arts, street light conversion to LED lighting, and redemption of bond anticipation notes (BANs) issued in 2011 for the Percival Landing Project. Final payment will be in 2021 for the Parks portion, 2022 for the LED street light conversion, and 2032 for the Washington Center portion. The Parks portion is repaid from voter-approved utility tax, the LED Streetlight portion from power savings within the General Fund, and the Washington Center portion from funds set aside for facilities major repair.
- (3) Bonds issued to refund bonds originally issued in 2009 to pay for construction of a fire station and fire training facility. These bonds are paid from voter approved excess property tax levy.
- (5) Bank loan obtained to refund bonds issued to pay for transportation system improvements. This debt service is paid from the following revenues sources, in order: transportation impact fees, state-shared gas tax revenue, and general levy property tax.
- (6) Bank loan obtained to refund bonds issued to pay for the construction of a museum which will be managed and operated by the Hands On Children's Museum non-profit organization. Debt service is paid from funds received from the Capital Area Regional Public Facilities District.
- (7) Bond issued in 2013 to refund Water and Sewer Construction Bonds. These bonds are paid with water and sewer utility revenues.
- (8) Loan issued by State of Washington Department of Commerce Public Works Trust Fund (PWTF) to fund the fund various utilities improvements projects. These projects are noted in the name of the loan. These loans are paid with water and sewer utility revenues.
- (9) Loan issued by State of Washington Department of Health Drinking Water State Revolving Fund (DWSRF) to fund various projects and improvements related to drinking water. These projects are noted in the name of the loan. These loans are paid with water and sewer utility revenues.
- (10) Promissory note issued in 2020 to refund 2007 Bonds issued to fund water improvements and refund 2010 Bonds for sewer improvement. Portion related to bonds issued in 2010 for sewer improvement will be fully paid in 2030. Portion related to bonds issued in 2013 to refund the 2001 issue and finance the conversion of water meters to automatic reads will be fully paid in 2023. The bonds are paid from water and sewer utility revenues.
- (11) Loan issued by State of Washington Department Ecology (DOE) to fund various projects and improvements related to stormwater improvements. These projects are noted in the name of the loan. These loans are paid with water and sewer utility revenues.

Supplementary Information



Included in this Section

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Supplementary Information

City Staffing

Labor and Benefits make up just over 75 percent of the General Fund budget. The talent of our City employees make it possible to deliver the high quality programs and services our community has come to expect.

City Managers Office	2021 Budget	2022 Budget	2023 Budget	Change
Legislative Office	7.00	7.00	7.00	0.00
Executive Office	2.00	3.00	3.00	0.00
Office of Community Vitality	7.65	7.65	11.65	4.00
Office of Strategic Initiatives	45.66	47.66	49.91	2.25
Strategic Communications	0.00	4.00	4.00	0.00
Total City Managers Office	62.31	65.31	71.56	6.25

Community Planning & Development	2021 Budget	2022 Budget	2023 Budget	Change
Administration	8.00	7.00	8.25	1.25
Community Planning Services	13.50	13.75	13.75	0.00
Customer Service	9.50	8.50	8.50	0.00
Development Permit Services	12.00	12.00	12.00	0.00
Parking Services	9.00	9.00	10.00	1.00
Strategic Projects	1.00	1.50	0.00	(1.50)
Total CPD	53.00	51.75	52.50	0.75

Finance Department	2021 Budget	2022 Budget	2023 Budget	Change
Billing and Collections	5.41	5.41	6.41	1.00
Accounting and Budget	14.84	16.84	16.84	0.00
Total Finance Department	20.25	22.25	23.25	1.00

Fire	2021 Budget	2022 Budget	2023 Budget	Change
Administrative	4.50	4.50	4.00	(0.50)
Fleet	6.00	6.00	7.00	1.00
Operations	84.50	85.50	86.50	1.00
Fire Prevention	5.00	5.00	5.50	0.50
Total Fire Department	100.00	101.00	103.00	2.00

Legal Department	2021 Budget	2022 Budget	2023 Budget	Change
Victim Assistance	1.00	1.00	1.00	0.00
General Counsel	5.00	5.00	5.00	0.00
Prosecution	5.00	5.00	5.00	0.00
Total Legal Department	10.00	10.00	10.00	10.00

Municipal Court	2021 Budget	2022 Budget	2023 Budget	Change
Court Services	8.00	8.00	8.00	0.00
Probation Services/Day Reporting Center	5.75	5.75	5.75	0.00
Total Municipal Court	13.75	13.75	13.75	0.00

Parks, Arts & Recreation	2021 Budget	2022 Budget	2023 Budget	Change
Administration	3.00	5.00	4.00	(1.00)
Arts & Events	1.75	2.00	4.00	2.00
Facility Operations	10.55	10.05	11.85	1.80
Parks Maintenance	24.00	25.00	25.00	0.00
Parks Planning & Design	4.75	5.75	5.50	(0.25)
Parks Stewardship	6.00	6.00	6.00	0.00
Recreation	8.02	8.53	8.95	0.42
Total Parks, Arts & Recreation	58.07	62.33	65.30	2.97

Police	2021 Budget	2022 Budget	2023 Budget	Change
Police Operations	79.50	79.50	79.50	0.00
Police Corrections	15.00	15.00	15.00	0.00
Police Professional Standards	13.00	12.00	13.00	1.00
Police Administration	11.00	18.00	17.00	(1.00)
Total Police Department	118.50	124.50	124.50	0.00

Public Works	2021 Budget	2022 Budget	2023 Budget	Change
Administration	4.00	4.00	4.00	0.00
Engineering	23.00	24.00	29.00	5.00
Facilities Operations	9.00	9.00	9.00	0.00
Fleet Operations	6.00	6.00	6.50	0.50
Transportation	29.00	29.00	29.00	0.00
Waste Resources	29.00	29.00	30.00	1.00
Water Resources	68.50	68.50	70.83	2.33
Clean Team	5.50	7.50	7.50	0.00
Total Public Works	168.50	169.50	178.33	8.83

City Total	616	644	664	20
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2023 Employee Classifications

The following represents 2023 employee classification at 2023 pay grade rates.

Position Title	Lowest Pay - Amount	Highest Pay - Amount	Employee Count Budget 2023
Accountant	\$80,303	\$88,544	6.00
Accountant, Senior	\$92,248	\$92,248	1.00
Accountant, Senior Project	\$92,248	\$92,248	1.00
Accounting Manager	\$107,670	\$124,653	4.00
Accounting Technician	\$68,717	\$72,116	3.00
Accounting Technician II	\$71,364	\$78,711	2.00
AMR Meter Technician	\$65,678	\$65,678	2.00
Assistant City Engineer	\$134,332	\$134,332	2.00
Assistant Prosecutor I	\$108,225	\$108,225	1.00
Assistant Prosecutor II	\$112,380	\$112,380	1.00
Assistant to the City Manager	\$101,687	\$101,687	1.00
Billing Specialist	\$85,287	\$85,287	2.00
Building and Energy Program Manager	\$95,197	\$95,197	1.00
Building Official	\$121,981	\$121,981	1.00
Business Operations Specialist	\$89,292	\$98,376	3.00
Captain, Medical Services Officer (Fire)	\$135,056	\$135,056	1.00
Chief Attorney, Deputy (Deputy City Attorney)	\$144,314	\$144,314	2.00
Chief Prosecutor	\$124,653	\$124,653	1.00
City Attorney	\$186,431	\$186,431	1.00
City Clerk	\$111,510	\$111,510	1.00
City Manager	\$225,000	\$225,000	1.00
City Manager, Assistant	\$193,011	\$193,011	1.00
City Manager, Assistant, Interim	\$193,011	\$193,011	1.00
City Surveyor	\$118,065	\$118,065	1.00
Clean Team Worker	\$51,197	\$59,275	6.00
Climate Program Manager	\$128,136	\$128,136	1.00
Code Enforcement Officer	\$88,897	\$88,897	2.00
Community and Economic Development Director	\$134,485	\$134,485	1.00
Community Court Case Manager	\$59,362	\$59,362	1.00
Community Court Case Manager, Project	\$35,418	\$35,418	1.00
Computer Support Specialist (Teamsters)	\$98,827	\$103,756	2.00
Computer Systems Technician	\$85,005	\$98,376	3.00
Construction Inspector	\$75,147	\$86,993	4.00
Corrections Lieutenant	\$138,257	\$138,257	1.00
Corrections Officer	\$79,035	\$87,173	8.00
Council Member	\$23,499	\$23,499	5.00
Court Operations Supervisor	\$92,743	\$92,743	1.00
Crime Analyst	\$98,816	\$98,816	1.00
Crisis Response Lead Worker	\$78,407	\$78,407	1.00
Crisis Response Specialist	\$63,625	\$66,792	8.00
Cross Connection Control Specialist	\$85,626	\$85,626	1.00
Cultural Access Program Manager	\$114,746	\$114,746	1.00
Data Control Specialist	\$72,462	\$72,462	1.00
Deputy Director Community Planning, and Development	\$148,081	\$148,081	1.00

Position Title	Lowest Pay - Amount	Highest Pay - Amount	Employee Count Budget 2023
Deputy Director of Public Works, Interim	\$185,710	\$185,710	1.00
Deputy Public Information Officer	\$124,961	\$124,961	1.00
Design and Construction Control Contract Specialist	\$81,251	\$85,287	2.00
Director of Parks Planning and Maintenance	\$141,030	\$141,030	1.00
Director of Recreation, Arts, and Facilities	\$141,030	\$141,030	1.00
Director, Community Planning and Development	\$176,311	\$176,311	1.00
Director, Parks, Arts, and Recreation	\$172,288	\$172,288	1.00
Dispatch Service Coordinator	\$79,041	\$79,041	1.00
Diversity, Equity and Inclusion Program Manager	\$124,961	\$124,961	1.00
Downtown Ambassador	\$65,685	\$72,462	2.00
Electrician	\$88,897	\$88,897	2.00
Engineering and Planning Supervisor	\$123,037	\$129,165	3.00
Engineering Project Manager	\$118,065	\$118,065	2.00
Engineering Technician II	\$81,251	\$85,287	2.00
Enterprise Application Administrator	\$93,501	\$93,501	1.00
Enterprise Application Manager	\$134,485	\$134,485	1.00
Enterprise Data Architect	\$118,065	\$118,065	1.00
Equity, Inclusion, and Belonging Specialist	\$102,542	\$102,542	1.00
Evidence Custodian	\$88,265	\$88,265	1.00
Executive Services Assistant	\$74,372	\$74,372	1.00
Facilities Maintenance Worker I	\$54,032	\$62,547	2.00
Facilities Systems Technician	\$88,897	\$88,897	1.00
Field Crew Leader	\$72,174	\$79,588	3.00
Finance and Policy Coordinator	\$95,140	\$95,140	1.00
Finance Director	\$175,157	\$175,157	1.00
Fire Captain	\$139,413	\$139,413	1.00
Fire Chief	\$185,928	\$185,928	1.00
Fire Chief, Assistant	\$163,601	\$163,601	2.00
Fire Chief, Battalion	\$135,056	\$139,414	3.00
Fire Chief, Battalion, Day Shift	\$148,126	\$148,126	1.00
Fire Lieutenant	\$120,730	\$122,886	20.00
Fire Lieutenant with Paramedic Certification	\$129,031	\$129,031	1.00
Fire Lieutenant, Day Shift	\$129,354	\$129,354	1.00
Fire Prevention Officer	\$118,575	\$118,575	3.00
Firefighter	\$91,625	\$107,795	29.00
Firefighter Recruit	\$71,864	\$75,457	8.00
Firefighter/Paramedic	\$107,795	\$118,575	12.00
Firefighter/Paramedic Recruit	\$86,236	\$86,236	3.00
Fleet Specialist, Project	\$49,188	\$49,188	1.00
Geographic Information System (GIS) Analyst	\$85,005	\$85,005	1.00
Geographic Information System (GIS) Coordinator	\$108,225	\$108,225	1.00
Geographic Information System (GIS) Specialist	\$63,965	\$63,965	1.00
GIS Manager, Project	\$104,081	\$104,081	1.00
Graphic Designer	\$74,372	\$74,372	1.00
Home Fund and Housing Program Manager	\$115,999	\$115,999	1.00
Homeless Response Coordinator	\$95,197	\$95,197	1.00
Human Resources Analyst	\$96,804	\$96,804	2.00
Human Resources Analyst, Senior	\$118,725	\$124,653	3.00
Human Resources Analyst, Project	\$92,188	\$92,188	1.00

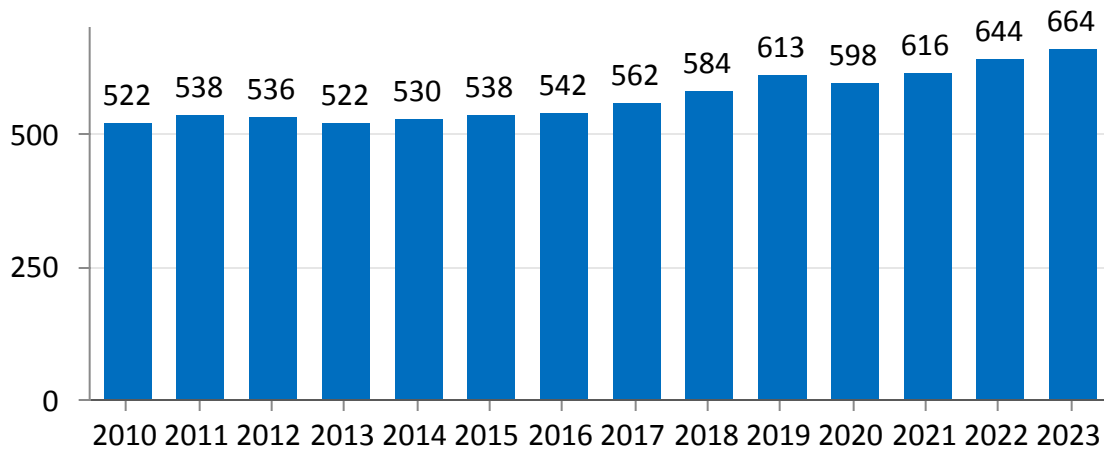
Position Title	Lowest Pay - Amount	Highest Pay - Amount	Employee Count Budget 2023
Human Resources Director	\$168,747	\$168,747	1.00
HVAC Technician	\$88,897	\$88,897	1.00
Information Specialist	\$78,133	\$81,999	2.00
Information Technology Asset Management Specialist	\$95,140	\$95,140	1.00
Information Technology Director	\$150,858	\$150,858	1.00
Information Technology Support Specialist	\$91,825	\$91,825	1.00
Infrastructure Manager	\$134,485	\$134,485	1.00
Inspector, Building	\$88,897	\$88,897	1.00
Inspector, Building II	\$87,233	\$87,233	1.00
Inspector/Plans Examiner, Electrical	\$96,152	\$96,152	1.00
Instructor	\$8,320	\$16,640	18.00
Intern	\$8,748	\$8,748	2.00
Inventory Control Specialist II	\$82,375	\$82,375	4.00
Jail Sergeant	\$113,325	\$113,325	2.00
Lead Code Enforcement Officer	\$93,343	\$93,343	1.00
Lead Recreation Specialist	\$21,606	\$21,606	1.00
Lead Worker (AFSCME)	\$60,006	\$88,897	14.00
Line of Business Director	\$127,886	\$141,030	2.00
Maintenance Technician	\$86,494	\$86,494	4.00
Maintenance Worker I	\$51,461	\$62,547	11.00
Maintenance Worker I (Olympia Center)	\$54,032	\$62,547	2.00
Maintenance Worker II	\$62,349	\$75,798	38.00
Maintenance Worker III	\$65,121	\$79,041	3.00
Mapping Coordinator	\$88,544	\$88,544	1.00
Master Mechanic (AFSCME)	\$99,999	\$99,999	2.00
Master Mechanic, Senior	\$103,999	\$103,999	1.00
Master Mechanic, Fire	\$82,953	\$100,831	5.00
Mayor	\$28,200	\$28,200	1.00
Mayor Pro-Tem	\$25,849	\$25,849	1.00
Municipal Court Judge	\$183,775	\$183,775	1.00
Municipal Court Judge Pro Tem	\$25,999	\$51,999	12.00
Network Analyst	\$111,510	\$111,510	3.00
Office Assistant, Temporary	\$16,404	\$16,404	1.00
Office Specialist I	\$12,140	\$12,140	1.00
Office Specialist II	\$26,992	\$32,799	2.00
Olympia Municipal Court Director	\$141,030	\$141,030	1.00
Operations Supervisor	\$104,601	\$115,345	6.00
Operations Supervisor (Drinking Water)	\$99,394	\$115,030	2.00
Operations Supervisor (Fire Fleet)	\$112,508	\$112,508	1.00
Operations Supervisor (Vegetation Management)	\$115,345	\$115,345	1.00
Operations Supervisor (Water Purveyor)	\$124,462	\$124,462	1.00
Outreach Specialist	\$69,711	\$73,159	2.00
Paralegal I	\$81,066	\$85,126	2.00
Paralegal II	\$95,140	\$95,140	1.00
Paramedic Lieutenant (Fire)	\$126,120	\$126,120	3.00
Park Ranger II	\$78,423	\$82,375	3.00
Parking Services Field Representative	\$54,164	\$56,903	4.00
Parking Services Field Representative II	\$75,798	\$75,798	1.00
Parks Operations and Maintenance Manager	\$107,670	\$107,670	1.00

Position Title	Lowest Pay - Amount	Highest Pay - Amount	Employee Count Budget 2023
Payroll Specialist	\$81,999	\$81,999	1.00
Performance Management Specialist	\$104,976	\$104,976	1.00
Permit Specialist (AFSCME)	\$78,423	\$82,375	2.00
Planner, Assistant	\$85,287	\$85,287	1.00
Planner, Associate	\$70,270	\$98,376	8.00
Planner, Principal	\$114,746	\$114,746	2.00
Planner, Senior	\$99,930	\$104,976	4.00
Plans Examiner I	\$84,721	\$84,721	1.00
Plans Examiner, Building	\$96,152	\$96,152	2.00
Plans Examiner, Engineering	\$95,140	\$95,140	1.00
Police Administrative Manager	\$141,030	\$141,030	1.00
Police Chief	\$215,250	\$215,250	1.00
Police Chief, Deputy	\$198,511	\$198,511	2.00
Police Lieutenant	\$172,618	\$172,618	5.00
Police Officer	\$83,200	\$105,070	49.00
Police Officer Recruit	\$76,377	\$76,377	4.00
Police Records Supervisor	\$82,323	\$90,770	2.00
Police Sergeant	\$135,557	\$135,557	11.00
Probation Officer II	\$81,975	\$95,140	2.00
Probation Work Crew Leader	\$72,116	\$72,116	1.00
Procurement and Contract Manager	\$95,197	\$95,197	1.00
Procurement and Contracts Program Administrator	\$86,347	\$86,347	1.00
Program Aide, Project	\$53,820	\$56,498	2.00
Program and Planning Supervisor	\$112,380	\$118,065	5.00
Program Assistant	\$60,342	\$75,427	6.00
Program Assistant (AFSCME)	\$62,349	\$82,375	7.00
Program Assistant (Teamsters)	\$63,625	\$77,324	8.00
Program Coordinator, Engineering	\$103,079	\$103,079	1.00
Program Manager	\$95,171	\$104,976	5.00
Program Specialist	\$78,133	\$81,999	9.00
Program Specialist, Senior	\$88,304	\$92,743	10.00
Program Specialist, Senior, RPN	\$23,186	\$23,186	1.00
Program Specialist, Senior-Teamster	\$95,051	\$95,051	1.00
Program Specialist, AFSCME	\$67,750	\$82,375	9.00
Project Engineer I	\$90,660	\$104,976	4.00
Project Engineer II	\$106,197	\$111,510	8.00
PT Clean Team Worker, part-time	\$14,819	\$14,819	1.00
PT Maintenance Worker I (Olympia Center), part-time	\$25,730	\$50,038	4.00
PT Program Specialist, part-time	\$61,499	\$61,499	1.00
PT Public Service Representative, part-time	\$35,623	\$37,856	2.00
Public Defense Coordinator	\$124,653	\$124,653	1.00
Public Service Representative	\$68,829	\$68,829	2.00
Public Works Administrative Specialist	\$67,720	\$82,375	4.00
Recreation Aide	\$17,540	\$18,418	3.00
Recreation Specialist	\$1,842	\$34,458	6.00
Recreation Specialist	\$9,913	\$18,418	3.00
Refuse/Recycle Collector	\$62,349	\$75,798	16.00
Remote Systems Technician	\$93,343	\$93,343	2.00
Safety and Emergency Preparedness Officer	\$84,269	\$84,269	1.00

Position Title	Lowest Pay - Amount	Highest Pay - Amount	Employee Count Budget 2023
Secretary (Teamsters)	\$69,711	\$84,729	3.00
Secretary, Administrative	\$67,437	\$81,999	2.00
Senior Billing Specialist	\$92,743	\$92,743	1.00
Senior Designer & Brand Manager	\$92,743	\$92,743	1.00
Senior Engineer	\$91,026	\$121,369	3.00
Senior Plans Examiner	\$94,330	\$94,330	1.00
Senior Plans Examiner, Engineering Plan Review	\$101,687	\$101,687	1.00
Service Desk Administrator	\$121,369	\$121,369	1.00
Sign Technician	\$79,041	\$79,041	3.00
Social Media and Content Strategist/Developer	\$84,170	\$84,170	1.00
Social Services Worker, Project Funded	\$16,324	\$16,324	1.00
Strategic Communications Director	\$148,078	\$148,078	1.00
Strategic Planning and Performance Manager	\$131,171	\$131,171	1.00
Supervisor I (Exempt)	\$85,287	\$85,287	2.00
Supervisor II	\$88,304	\$92,743	3.00
Supervisor III	\$104,976	\$104,976	4.00
Surveying Coordinator	\$88,544	\$88,544	1.00
Systems and Applications Specialist	\$108,225	\$108,225	3.00
Traffic Signal Technician	\$88,897	\$88,897	2.00
Traffic Signal Technician, Senior	\$93,343	\$93,343	1.00
Transportation Data Coordinator	\$88,544	\$88,544	1.00
Victim Assistance Coordinator	\$92,743	\$92,743	1.00
Visual Design & Production Manager/Senior Writer	\$93,693	\$93,693	1.00
Water Monitoring Assistant	\$72,462	\$72,462	1.00
Water Quality Specialist	\$88,897	\$88,897	1.00
			664.00

2023

**City Employee Full Time Equivalents (FTE)
2010 - 2023**



Budget Ordinance 7348

Ordinance No. 7348

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, ADOPTING THE CITY OF OLYMPIA'S 2023 OPERATING, SPECIAL, AND CAPITAL BUDGETS AND 2023-2028 CAPITAL FACILITIES PLAN; SETTING FORTH THE ESTIMATED REVENUES AND APPROPRIATIONS

WHEREAS, the tax estimates and budget for the City of Olympia, Washington, for the 2023 calendar year have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, the Olympia City Manager submitted to the City Council a recommended "Capital Facilities Plan", herein referred to as "CFP", for the fiscal years 2023 through 2028; and

WHEREAS, the preliminary budget was printed for distribution and notice published in the official paper of the City of Olympia, setting the time place for hearing on the budget and stating that all taxpayers requesting a copy from the City Clerk would be furnished a copy of the preliminary budget to review; and

WHEREAS, the CFP projects the proposed locations and capacities of expanded or new capital facilities needed to serve growth projected in the City's comprehensive plan, along with a six-year plan that will finance such capital facilities and the anticipated capital expenditures required to construct them for said period; and

WHEREAS, the Olympia City Council held public hearings on the preliminary budget on October 18, 2022 and November 15, 2022, as required by law, and has considered the public testimony presented; and

WHEREAS, the Olympia School District's Capital Facilities Plan and the North Thurston School District's Capital Facilities Plan are being incorporated as a component of the City's CFP to allow for the collection of school impact fees; and

WHEREAS, the CFP element of the Comprehensive Plan Goals and Policies is included in the CFP; and

WHEREAS, the City Council has held public hearings and reviewed the recommended CFP along with the CFP Goals and Policies and has made revisions thereto; and

WHEREAS, the revisions made by the City Council have been incorporated into the recommended CFP; and

WHEREAS, the CFP meets the requirements of the Washington State Growth Management Act, including RCW 36.70A070(3);

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. The 2023 Estimated Revenues and Appropriations for each Fund are as follows:

Operating Budget

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
General, Regular Operations	\$2,195,889	\$94,885,855	\$97,081,744	\$0
General, Special Sub-Funds				
Special Accounts	153,893	\$1,314,891	1,468,784	0
Development Fee Revenue	-	\$8,180,437	8,180,437	0
Parking	-	\$1,816,540	1,759,413	57,127
Post Employment Benefits	-	\$1,020,000	1,020,000	0
Washington Center Endowment	0	\$5,000	5,000	0
Washington Center Operating	0	\$496,000	378,606	117,394
Municipal Arts	100,940	\$60,660	161,600	0
Total General Fund	\$2,450,722	\$107,779,383	\$110,055,584	\$174,521
Non-Voted General Obligation Debt	0	4,463,551	4,457,299	\$6,252
Voted General Obligation Debt	0	1,055,984	1,055,984	0
Water Utility O&M	1,072,050	15,267,207	16,339,257	0
Sewer Utility O&M	87,653	24,579,350	24,667,003	0
Solid Waste Utility	688,344	14,686,194	15,374,538	0
Stormwater Utility	254,810	7,084,095	7,338,905	0
Water Rev Bond Redemption	0	3,222,806	3,222,806	0
Sewer Bond Redemption	0	525,470	525,470	0
Storm/Surface Water Debt	0	123,649	123,649	0
Equipment Rental	0	3,320,017	3,024,982	295,035
Facilities Internal Service	0	2,810,334	2,810,334	0
Subtotal Other Operating Funds	\$2,102,857	\$77,138,657	\$78,940,227	\$301,287
Total Operating Budget	\$4,553,579	\$184,918,040	\$188,995,811	\$475,808

Special Funds Budget

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
HUD Fund	\$0	\$695,684	\$460,197	\$235,487
Lodging Tax Fund	0	1,040,000	496,653	543,347
Parking Business Improvement Area	52365	97,700	150,065	0
Farmers Market Repair and	0	0	0	0
Hands On Children's Museum	223,808	720,000	943,808	0
Home Fund Operating Fund	0	4,125,991	4,009,070	116,921
Cultural Access Tax Fund	52,325	2,945,000	2,997,325	0
Fire Equipment Replacement Fund	0	200,000	148,469	51,531
Equipment Rental Replacement	2,583,976	2,695,957	5,279,933	0
Unemployment Compensation Fund	0	112,500	85,054	27,446
Insurance Trust Fund	36,360	3,776,311	3,812,671	0
Workers Compensation Fund	221,620	1,447,875	1,669,495	0
Total Special Funds Budget	\$3,170,454	\$17,857,018	\$20,052,740	\$974,732

Capital Budget

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
Impact Fee	\$4,844,197	\$0	\$4,844,197	\$0
SEPA Mitigation Fee Fund	112,680	0	112,680	0
Parks & Recreational Sidewalk, Utility	0	2,886,667	1,578,581	1,308,086
Real Estate Excise Tax Fund	3,698,002	3,104,507	6,802,509	0
Capital Improvement Fund	347,208	50,000	397,208	0
Olympia Home Fund Capital Fund	3,281,139	7,315,000	10,596,139	0
Transportation Capital Improvement	0	17,342,296	17,336,768	5,528
Facilities Capital Improvement Fund	336,286	1,611,185	1,947,471	0
Parks Capital Improvement Fund	0	8,793,648	8,590,000	203,648
Water CIP Fund	3,294,400	4,317,536	7,611,936	0
Sewer CIP Fund	0	908,284	908,284	0
Waste ReSources CIP Fund	1,497,000	613,000	2,110,000	0
Storm Water CIP Fund	470345	1,524,356	1,994,701	0
Total Capital Budget	\$17,881,257	\$48,466,479	\$64,830,474	\$1,517,262
Total City Budget	\$25,605,290	\$251,241,537	\$273,879,025	\$2,967,802

Section 2. BLS/CARES. The Olympia City Council resolves to implement the Basic Life Support and Crisis and Referral Entry Service (BLS/CARES) program within the Olympia Fire Department as soon as reasonably practicable. The Council recognizes that necessary expenditure authority for new Full-Time Equivalent positions (FTEs) and operating and other capital needs, as demonstrated in the attached Exhibit A, are not included in the 2023 Operating Budget as approved by Council. The Council hereby further resolves that the City Manager, Fire Chief, City Attorney, and City Finance Director are to take the appropriate steps to move forward with implementation of the BLS/CARES program in advance of formal funding for the program by the City Council. City staff are directed to bring an updated Exhibit A with the most recent available information including a funding mechanism, to include expenses and new positions hired for BLS/CARES program implementation incurred to date, as part of the first quarter budget adjustment Ordinance for Council’s consideration and approval of necessary 2023 program expenses.

Section 3. Administration. The City Manager shall administer the budgets and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1 above.

Section 4. Salaries and Compensation. The salaries and compensation for the City of Olympia employees for the calendar year 2023 shall be as set forth in the “Supplementary Information” section of the 2023 Adopted Budget document, or as the same may be amended by the City Manager as part of their administration of the budget pursuant to Section 2 above.

Section 5. Benefit Cost Sharing. The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on the employee’s start date with the City.

Section 6. Capital Facilities Plan. That certain document entitled the “Capital Facilities Plan”, covering the years 2023 through 2028, a copy of which will be on file with the Office of the Finance Director and available on the City’s web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

Section 7. City Manager Authorization. Upon appropriation by the City Council of funds therefore, the City Manager shall be authorized to prepare plans and specifications to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

Section 8. Change in Funding Source and Construction Schedule. It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A.130.

Section 9. Office of Finance Director Authorization. The Finance Director is hereby authorized to bring forward into fiscal year 2023 all appropriations and allocations not otherwise closed, completed, or deleted from the prior fiscal years’ Capital and Special Fund budgets.

Section 10. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 11. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 12. Effective Date. Following passage and publication, this Ordinance shall take effect January 1, 2023.

C. Selby _____

ATTEST:

Sean Krivos _____

APPROVED AS TO FORM:

Mark Barber _____

PASSED: December 13, 2022

APPROVED: December 13, 2022

PUBLISHED: December 16, 2022

Statistical Information About Olympia

The following statistical information has been compiled through a variety of sources such as the U.S. Census Bureau, Washington State Office of Financial Management, Thurston Regional Planning Council, Washington State Superintendent of Public Instruction, and City records. It provides the reader with more in-depth information about the City of Olympia and the community we serve.

Population

Year	Olympia	Olympia (% Increase)	Thurston County	Thurston County (% Increase)
2022	56,370	2.5%	300,500	1.7%
2021	55,010	1.6%	295,300	1.5%
2020	54,150	2.6%	291,000	1.8%
2019	52,770	0.5%	285,800	1.4%
2018	52,490	0.6%	281,700	1.7%
2017	52,160	1.1%	276,900	1.5%
2016	51,600	1.1%	272,690	1.9%
2015	51,020	2.7%	267,410	1.3%
2014	49,670	2.5%	264,000	1.5%
2013	48,480	2.1%	260,100	1.3%
2012	47,500	1.5%	256,800	1.1%

Source: TRPC's The Profile - Population, Housing & Employment Data Tables (2020 US Census)

Olympia Population by Race (2020)

Race	Population %	Population
White	74%	41,052
Black/African American	3%	1,759
American Indian & Alaska Native	1%	690
Asian	7%	3,745
Native Hawaiian & Pacific Islander	1%	367
Other Race	3%	1,762
Two or More Races	11%	6,230
Hispanic or Latin of Any Race	9%	5,059

Source: TRPC's The Profile - Population, Housing & Employment Data Tables (2020 US Census)

City of Olympia Population by Age

Age Group	2013-2017 Average		2018-2022 Estimate	
	Total	%	Total	%
Under 5 years	2,425	5%	2,823	5%
5 to 9 years	2,333	5%	2,598	5%
10 to 17 years	4,267	9%	4,713	9%
18 to 34 years	13,577	27%	14,175	26%
35 to 49 years	10,065	20%	11,445	21%
50 to 64 years	9,369	19%	8,881	16%
65 years and over	7,892	16%	9,944	18%
Totals	49,928		54,579	

Source: American Community Survey 5-Year Estimates

Average Household Size

	2000	2010	2020
Avg. Household Size (Olympia)	2.21	2.18	2.21

Source: TRPC's The Profile - Population, Housing & Employment Data Tables (2020 US Census)

Households by Family Type

	2017-2021 Average	
	Olympia %	Thurston County %
Married-Couple Families	37.4%	51.0%
One Parent Families	14.6%	15.1%
One-Person Families and Non-family Households	48.0%	33.9%

Source: TRPC's The Profile - Population, Housing & Employment Data Tables (2020 US Census)

Employment: Annual Average Thurston County

	2020	2021	2022
Civilian Labor Force	146,114	147,748	147,845
Employed Persons	132,893	143,056	140,800
Unemployed Persons	13,221	4,692	7,045

* Not Seasonally adjusted
 * As of November, 2022
 Source: WA State Employment Security Department, Labor Market Info, Labor area summaries.

Employment: Unemployment Rates

	2018	2019	2020	2021
Olympia	4.9%	4.8%	6.6%	3.6%
Thurston	4.9%	4.8%	8.3%	5.2%
WA State	4.5%	4.3%	8.4%	5.2%
United State	3.9%	3.7%	8.1%	5.3%

Source: U.S. Bureau of Labor Statistics: Local Area Unemployment Statistics

Median Household Income - Thurston County

	2018	2019	2020	2021
	\$69,757	\$77,890	\$79,769	\$81,693

Source: TRPC's The Profile - Median Household Income

Poverty Rate

	2007-2011 Avg	2012-2016 Avg	2017-2021 Avg
Thurston County	10.5%	12%	9.7%
Olympia	15.8%	17.1%	14%

Source: TRPC's The Profile - Thurston County Poverty Rate
 Source: US Bureau of Census, American Community Survey

2021 Average Yearly Wages (Thurston County)

Industry	2020 Avg Yearly Wages	2021 Avg Yearly Wages
Accommodation and food services	\$22,677	\$25,446
Administrative and waste services	\$43,816	\$49,284
Agriculture, forestry, fishing and hunting	\$41,150	\$45,161
Arts, entertainment, and recreation	\$22,121	\$24,150
Construction	\$65,745	\$69,938
Educational services	\$36,810	\$36,420
Finance and insurance	\$85,814	\$92,670
Government	\$69,820	\$73,132
Health care and social assistance	\$56,884	\$60,201
Information	\$89,369	\$103,509
Management of companies and enterprises	\$85,701	\$90,717
Manufacturing	\$60,489	\$59,901
Mining	\$53,564	\$42,641
Other services, except public administration	\$49,758	\$54,477
Professional and technical services	\$81,683	\$86,901
Rental and leasing services	\$46,404	\$48,610
Retail trade	\$36,783	\$40,242
Transportation and warehousing	\$49,078	\$52,808
Utilities	\$105,108	\$109,719
Wholesale trade	\$82,380	\$85,444

**Categorized by North American Industry Classification System (NAICS)
Source: TRPC's The Profile - Employment by Sector

Average Employment by Industry** (Thurston County - 2021)

Industry	Percentage
Government & Government Enterprises	26.1%
Health Care & Social Assistance	11.9%
Retail Trade	10.2%
Accommodation & Food Services	5.8%
Professional, Scientific, and Technical Services	6.2%
Remaining Industries	39.8%

**Categorized by North American Industry Classification System (NAICS)
Source: TRPC's The Profile - Employment by Sector

Home Ownership Olympia

	2015-2019 Avg	2017-2021 Avg
Own Home	47%	49%
Rent/Other	53%	52%

Source: TRPC's The Profile - Housing Ownership & Tenancy

Housing Average Sales Price

	2018	2019	2020	2021
Olympia	\$346,113	\$367,261	\$404,564	\$470,000
Thurston County	\$330,138	\$354,565	\$393,050	\$455,000

Source: U.S. Bureau of Labor Statistics: Local Area Unemployment Statistics

Apartment Rental Rates Thurston County

Year	1 Bedroom	2 Bedroom
2020	\$1,124	\$1,212
2021	\$1,210	\$1,288
2022	\$1,310	\$1,585

Source: Washington Center for Real Estate Research

Building Permits Issued (Olympia)

	2019	2020	2021	2022
Commercial	19	19	12	13
Commercial TI**	124	114	102	128
Multi Family	16	4	1	7
Single Family	29	43	121	27
ADU's	10	6	7	24
Totals	198	186	243	199

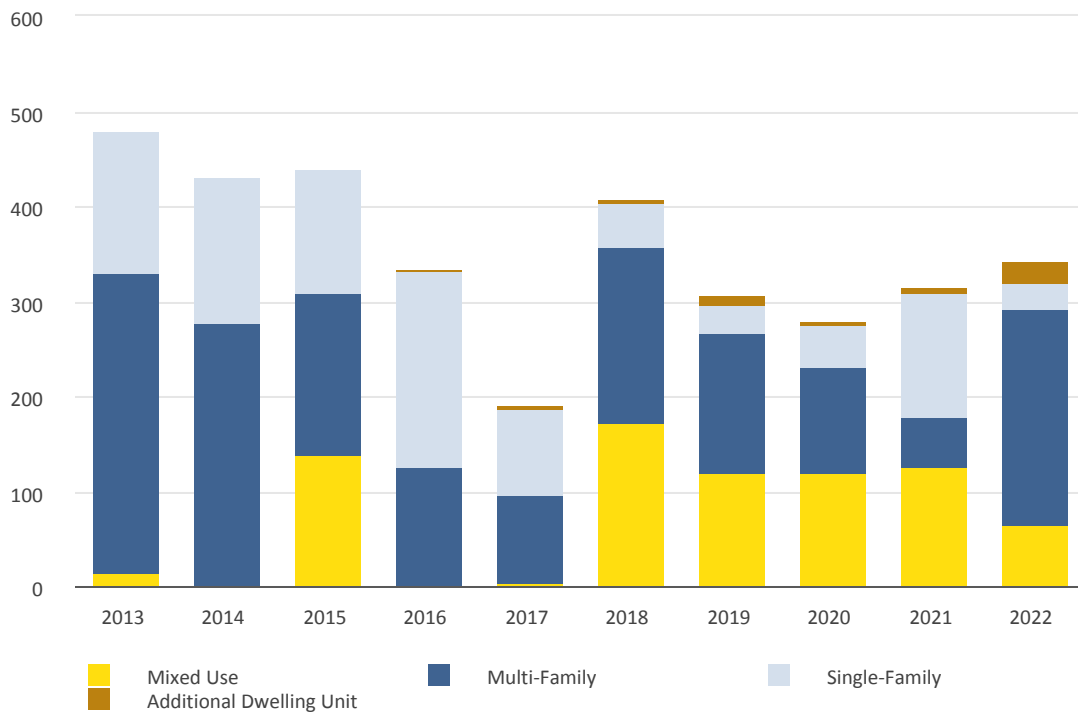
Source: City of Olympia Permit Center
 *Numbers are based on date of permit issuance (not submitted/created or finalized date)
 **Tenant Improvement

City of Olympia - Residential Building Permit Activity

Year	Mixed Use	Multi family	Single-Family	ADU's	Total
2022	65	228	27	24	344
2021	127	52	130	7	316
2020	121	110	44	6	281
2019	119	149	29	10	307
2018	172	185	47	4	408
2017	4	92	92	4	142
2016	3	124	206	1	334
2015	138	172	129	NA	439
2014	0	277	154	NA	431
2013	14	317	149	NA	480

Source: City of Olympia Permit Center - Report updated in 2021 budget document to reflect the various Residential Building Permit types
 *Numbers are based on date of permit issuance (not submitted/created or final date)

City of Olympia - Residential Building Permit Activity



Education Attainment 2017-2021

	High School Graduate or Higher	Bachelor's Degree or Higher
Olympia	95.1%	46.3%
Thurston County	94.2%	36.2%
Washington State	91.9%	37.3%
United State	88.9%	33.7%

Source: U.S. Census Bureau, Quick Facts

Thurston County College Enrollment

Year (Fall)	Head Count			Full Time Equivalent Student		
	SPSCC	SMU	ESC	SPSCC	SMU	ESC
2013	6,155	1,443	4,398	4,200	1,181	4,424
2014	6,158	1,437	4,219	4,162	1,124	4,216
2015	6,060	1,380	4,190	4,126	1,081	4,225
2016	6,041	1,355	4,089	4,199	1,163	4,094
2017	6,096	1,417	3,907	4,218	1,226	3,924
2018	5,997	1,487	3,327	4,254	1,323	3,339
2019	6,156	1,625	2,854	4,351	1,914	2,851
2020	5,296	1,644	2,281	3,979	1,917	2,209
2021	4,954	1,616	2,116	3,551	1,914	2,002
2022	4,244	1,607	2,126	3,217	1,877	2,035

SPSCC - South Sound Community College
 SMU - St Martin's University
 ESU - Evergreen State College

Source: TRPC's The Profile - Higher Education Enrollment

Top Property Taxpayers for Tax Year 2021

Taxpayer	Nature of Business	Assessed Value AV (1)	Percentage of Total AV (2)
Vine Street Investors	Financial	\$93,995,300	1.2%
Capital Mall	Retail	\$89,133,100	1.1%
Puget Sound Energy	Energy	\$80,494,959	1.0%
Multicare Health System	Healthcare	\$69,188,600	0.9%
Ocean Front-Cambridge LLC	Property	\$45,035,500	0.6%
Kaiser Foundation Health Plan of WA	Healthcare	\$41,779,500	0.5%
Black Lake Apartments	Property	\$36,242,949	0.5%
Breit ACG Mf Woodland LLC	Property	\$34,124,900	0.4%
HZ Apple Park LLC	Property	\$31,152,500	0.4%
Bellwether #215 LLC	Property	\$28,661,400	0.4%
Total		\$549,808,708	7.0%

(1) Based on assessed value for taxes payable in 2021.
(2) Totals may not foot due to rounding.
Source: Thurston County Assessor's Office.

Accrual Basis of Accounting

The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

American Federation of State, County, and Municipal Employees (AFSCME)

A bargaining unit covering Parks and Public Works maintenance employees and Parking Enforcement employees.

Agency Funds

A fund used to account for assets held by a government as an agent for individuals, private organizations, other governments, and/or other funds.

Allocation

To set aside or designate funds for specific purposes. An allocation does not authorize the expenditure of funds.

Appropriation

An authorization made by the legislative body of a government, which permits officials to incur obligations against, and to make expenditures of, governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Assessed Value (AV)

The fair market value of both real (land and building), and personal property as determined by the Thurston County Assessor's Office for the purpose of setting property taxes.

Assets

Property owned by a government, which has monetary value.

Audit

A systematic examination of resource utilization concluded in a written report. It is a test of management's internal accounting controls and is intended to: ascertain whether financial statements fairly present financial position and results of operations; test whether transactions have been legally performed; identify areas for possible improvements in accounting practices and procedures; ascertain whether transactions have been recorded accurately and consistently; and ascertain the stewardship of officials responsible for governmental resources.

Balanced Budget

A budget where the revenues are equal to expenditures. More generally, it refers to a budget that has no budget deficit, but could possibly have a budget surplus.

Baseline

The cost to repeat the current level of service. Baseline includes inflation costs. Baseline does not reflect an increased level of service.

Bond

A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date(s) along with periodic interest at a specified percentage of the principal (Interest rate).

Bond Anticipation Note (BAN)

Short-term interest bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

Budget (Operating)

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which a government and its departments operate.

Budget Calendar

The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Capital Budget

A plan of proposed major capital improvements, which are beyond the routine operation of the City, and the means of financing them. The capital budget is enacted as part of the complete annual budget including both operating and capital outlays. The capital budget is based on a Capital Facilities Plan (CFP).

Capital Facilities Plan

A six-year plan for capital expenditures that identifies the expected beginning and ending date for each project, the amount to be expended in each year on each project, and the method of financing those expenditures. Only expenditures and revenues proposed for the first year of a project are incorporated into the annual operating budget as the Capital Budget.

Capital Improvement

A project to create, expand or modify a capital facility. The project may include design, permitting, environmental analysis, land acquisition, construction, landscaping, site improvements, initial furnishings, and equipment. The project cost must exceed \$50,000.

Capital Improvement Plan (CIP) Fund

A fund used to pay for general municipal projects (excludes utilities). The money is derived from the real estate excise tax, interest, utility tax (1 percent) and the year-end cash surplus.

Capital Outlays (Expenditures)

Expenditures for the acquisition of, or addition to, fixed assets not included in the Capital Facilities Plan. The useful life of these expenditures must be two years or more with a value of at least \$5,000. Examples include: construction projects, land acquisition, major renovations or repairs to existing grounds of facilities, and equipment purchases.

Capital Projects

Projects which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land and/or the construction of a new building or facility, with a life expectancy of more than 10 years. It may also include major maintenance or renovation of a current asset.

Cash Basis

The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

Collective Bargaining Agreement

A legal contract between employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, benefits, and matters affecting health and safety of employees).

Constrained Prioritization

Budget-setting process where priority setting survey is used to categorize general fund services into four quadrants. The highest priority services are assigned to Quadrant Level 1, the next important services to Level 2, etc. Only a specific number of services can be assigned to each level, thus creating a constrained prioritization process. Then it is decided whether the general fund budget for the different quadrants should be increased, maintained at the current level, or reduced.

Consumer Price Index (CPI)

A statistical description of price levels provided by the United States Department of Labor. The index is used as a measure of change in the cost of living.

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost of Living Adjustment (COLA)

An increase in salaries to offset the adverse effect of inflation on compensation.

Council Priorities

Each year the Olympia City Council develops target issues which are a set of priority topics to be addressed by the Council and staff during the upcoming year. Target issues may extend beyond the current operating budget. Also referred to as Council Emphasis Areas or Target Issues.

Debt Service

Payment of interest and repayment of principal to holders of a government's debt instruments.

Deficit

- The excess of an entity's liabilities over its assets (see Fund Balance).
- The excess of expenditures or expenses over revenues during a single accounting period.

Depreciation

- Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.
- That portion of the cost of a capital asset, which is charged as an expense during a particular period.

Double Budgeting

The result of having funds or departments within a government purchase services from one another rather than from outside vendors. When internal purchasing occurs, both funds must budget the expenditures (one to buy the service and the other to add the resources to its budget so they have something to sell). This type of transaction results in inflated budget values because the same expenditure dollar is budgeted twice: once in each fund's budget. The revenue side of both funds is similarly inflated.

Enterprise Fund

Funds used for services provided to the public on a user charge basis, similar to the operation of a commercial enterprise. Water and wastewater utilities are common examples of government enterprises.

Equipment Rental

The Equipment Rental Fund operates as a self-sufficient motor and equipment pool. Customer departments pay for the equipment used through charges billed monthly. These charges include a form of depreciation, which is accumulated as a sinking fund for future asset replacement, a factor for maintenance of the equipment, and charges for fuel (if applicable).

Expendable Trust Fund

Fund where the money in the fund (principal) and the interest may be spent as designated by the donor.

Expenditures

Where accounts are kept on the accrual or modified basis of accounting, the cost of goods received or services rendered, whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when cash payments for the above purposes are made.

Fiduciary Funds

Funds used to report assets held in a trustee or agency capacity for others and when therefore cannot be used to support the government's own programs. This includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fiscal Year

A twelve-monthly period designated as the operating year by an entity. For Olympia, the fiscal year is the same as the calendar year (also called budget year).

Full Faith and Credit

A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

Fund

A self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.

Fund Balance

The excess of an entity's assets over its liabilities. The City's policy is to maintain a fund balance of at least 10 percent of the general operating revenues.

General Fund

This fund is used to pay the expenses and liabilities of the City's general services and programs for community members that are not separately accounted for in special revenue funds.

General Obligation Bonds

When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are General Obligation (GO) Bonds. Sometimes the term is used to refer to bonds, which are to be repaid from taxes and other general revenues.

Government Finance Officers Association (GFOA)

Association that enhances and promotes the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Governmental Funds

Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant

A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

Infrastructure

The underlying foundation, especially the basic installations and facilities, on which the continuance and growth of a jurisdiction depends (e.g., streets, roads, sewer, and water systems).

Insurance 1

Medical insurance plan offered to non-represented, AFSCME, IUOE, and Teamsters employees hired prior to January 1, 2013.

Insurance 2

Medical insurance plan offered to non-represented, AFSCME, IUOE, and Teamsters employees hired on or after January 1, 2013.

Interdepartmental Charges

A revenue similar to program revenues by paid by other units of the City of Olympia.

Interfund Services/Revenue

The term “Interfund” refers to transactions between individual Funds of the City of Olympia (rather than transactions between the City and private companies,) other receiver must budget and pay for service received. The service provider will budget for the cost of providing the service and receive a revenue in the form of a payment from the service receiver. Interfund revenues can be either payment for intracity services or contributions of revenue from on City organization to another. Prime examples would be equipment rental charges, self-insurance premiums, and contributions for debt service obligations. As can be seen from this description, Interfund activities inflate both expenditures and revenues; this causes what we refer to as “double budgeting.” (The term Interfund is also referred to as intracity).

Internal Control

A plan of organization for purchasing, accounting, and other financial activities, that include, but is not limited to:

- Employees’ duties are assigned so that no single employee handles a financial action from beginning to end.
- Proper authorizations from specific responsible officials are obtained before key steps in the processing of a transaction are completed.
- Records and procedures are arranged appropriately to facilitate effective control

Internal Service Fund

Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis.

Investment

Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

International Union of Operating Engineers (IUOE)

Union covering Public Works operating supervisors.

Lean

A production philosophy that considers the expenditure of resources in any aspect other than the direct creation of value for the end customer to be wasteful, and thus a target for elimination.

Liability

Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

LOTT Alliance

A nonprofit corporation established by an Interlocal cooperation agreement by the cities of Lacey, Olympia, Tumwater, and Thurston County. The Alliance is responsible for regional sewage treatment.

Major Fund

Funds would be classified as major if the following two conditions are met:

- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total of all funds of that category or of that type; AND
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the total for all governmental and enterprise funds combined.

Modified Accrual Basis

The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred, and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

Non-expendable Trust Funds

Funds where only the interest earned on the principal may be spent as designated by the donor.

Object of Expenditure

Expenditure classifications based upon the types or categories of goods and services purchased. Typically objects of expenditure include:

1. Personnel services (salaries and wages)
2. Contracted services (utilities, maintenance contracts, travel)
3. Supplies and materials
4. Capital outlays

Olympia Metropolitan Park District (OMPD)

A junior taxing district established by the voters in 2015 for the purpose of funding parks acquisition, maintenance, development and safety. The District may levy up to \$0.75 per \$1,000 of assessed property value.

Operating Budget

The annual appropriation to maintain the provision of City services to the public.

Operating Transfer In

Transfer (payment) from other funds, which are not related to rendering of services.

Optiview

The document management software used to image and organize the City's documents.

Permanent Fund

Permanent funds are required to be used to report resources that are legally restricted to the extent that only earnings (and not principal) may be used for purposes that support the reporting government programs.

Personnel Services

Includes total wages and benefits.

Program

A specific and distinguishable unit of work or service performed.

Program Enhancement

Programs, activities or personnel requested to improve or add to the current baseline services.

Program Revenue

These are revenues which are produced as a result of an activity of a program and are dependent upon the quantity of services provided to the public or governmental units (e.g., permits, charges for fire services, recreational activities), or revenues dedicated to a specific use (e.g., grants, taxes or debt funds).

Proprietary Funds

Recipients of goods or services pay directly to these funds. Revenues are recorded at the time services are provided, and all expenses incurred in earning the revenues are recorded in the same period.

Real Estate Excise Tax (REET)

A tax upon the sale of all residential and commercial property within the City of Olympia a rate of $\frac{1}{2}$ of 1 percent of the purchase price. This tax is restricted by state law to Transportation and Park capital projects.

Reclaimed Water

Recycled municipal wastewater that has been cleaned and treated in order to remove pollutants and contaminants so that the water can be safely reused for a variety of approved uses, such as irrigation.

Reserve

An account used to indicate that a portion of Fund Equity is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Revenue

The term designates an increase to a fund's assets that:

- Does not increase a liability (e.g., proceeds from a loan)
- Does not represent a repayment of an expenditure already made
- Does not represent a cancellation of certain liabilities
- Does not represent an increase in contributed capital (e.g., taxes, grants, fines)

Revenue Bonds

Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

Service Profiles

Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned). Also, a specific quantitative measure of results obtained through a program or activity (e.g., reduced incidents of vandalism due to new street lighting program). Also referred to as Service Measures.

Special Revenue Funds

Funds that are dedicated for a specific purpose (e.g., roads, surface water, etc.), require an additional level of accountability, are collected in a separate account, and are not part of the General Fund.

Step Sewer System

Sewage treatment effluent pump systems are an alternative to the traditionally gravity flow sewage system.

Supplies and Services

All supplies and services such as office supplies, professional services, and intergovernmental services.

Tax Anticipation Note (TANs)

Notes issued in anticipation of taxes that are retired, usually from taxes collected (typically used by school districts).

Tax Rate Limit

The maximum legal rate at which a municipality may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes.

Teamsters

Chauffeurs, Teamsters, and Helpers Union covers Police Support employees and jail corrections staff.

Transfers

Interfund activity with and among the three fund categories (governmental, proprietary, and fiduciary).

Transportation Benefit District (TBD)

This is a quasi-municipal corporation and independent taxing district created for the sole purpose of acquiring, constructing, improving and funding transportation improvement within the City.

Warrant

An order drawn by a municipal officer(s) directing the treasurer of the municipality to pay a specified amount to the bearer, either after the current date or some future date.

Acronyms	
ACFR	Annual Comprehensive Financial Report
AEGIS	City's Police Information System
AFSCME	American Federation of State, County & Municipal Employees
ARPA	American Rescue Plan Act
AWC	Association of Washington Cities
BARS	Budget & Accounting Reporting System
CAMP	Capital Asset Management Program
CAPCOM	Thurston County Communications
CDBG	Community Development Block Grant
CFP	Capital Facilities Plan
CIP	Capital Improvement Plan
CNA	Coalition of Neighborhood Associations
COLA	Cost of Living Adjustment
CPTED	Crime Prevention Through Environmental Design
DRC	Day Reporting Center
DRS	Department of Retirement Systems
DUI	Driving Under the Influence
EDC	Economic Development Council
EDDS	Engineering and Development Design Standards
EHM	Electronic Home Monitoring
EMS	Emergency Medical Services
EOC	Emergency Operations Center
ERU	Equivalent Residential Unit
FDCARES	Fire Department Community Assistance Referrals & Education Service
FEMA	Federal Emergency Management Act
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GFC	General Facility Charge

Acronyms	
GFOA	Government Finance Officers Association
GMA	Growth Management Act
GO	General Obligation
HUD	Housing and Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
ISP	Intensive Supervisor Training
IT	Information Technology
IUOE	International Union of Operating Engineers
LEED	Leadership in Energy and Environmental Design
LED	Light Emitting Diode
LEOFF	Law Enforcement Officers and Fire Fighters
LERMS	Law Enforcement Records Management System
LID	Local Improvement District
LID	Low Impact Development
LOB	Line of Business
LOS	Level of Service
LOTT	Lacey, Olympia, Tumwater and Thurston County
LTFS	Long Term Financial Strategy
LTGO	Long Term General Obligation
MRT	Moral Reconation Therapy
MNRFTE	Mark Nobel Regional Fire Training Center
MOU	Memorandum of Understanding
MUT	Municipal Utility Tax
MVET	Motor Vehicle Excise Tax
NLC	National League of Cities
NPDES	National Pollutant Discharge Elimination System
O&M	Operations and Maintenance
OCV	Office of Community Vitality
OFD	Olympia Fire Department

Acronyms	
OMC	Olympia Municipal Code
OMPD	Olympia Metropolitan Park District
OPD	Olympia Police Department
OSHA	Occupational Safety and Health Administration
OSI	Office of Strategic Initiatives
PARD	Parks, Arts, and Recreation Department
PBIA	Parking and Business Improvement Area
PFD	Public Facilities District
PRAC	Parks and Recreation Advisory Committee
PREA	Prison Rape Elimination Act
PSE	Plans, Specs and Estimates
PWTF	Public Works Trust Fund
RCW	Revised Code of Washington
SAAS	Software As A Service
SAFER	Staffing for Adequate Fire and Emergency Response
SCBA	Self-Contained Breathing Apparatus
SEPA	State Environmental Policy Act
SRP	School Resource Officer
STEP	Septic Tank Effluent Pump
TBD	Transportation Benefit District
TCTV	Thurston Community Television
TRPC	Thurston Regional Planning Council
UGA	Urban Growth Area
VAC	Victims' Assistance Coordinator
VCB	Visitor Convention Bureau
WAC	Washington Administrative Code
WARC	Waste and Recovery Center
WCIA	Washington Cities Insurance Authority
WSDOT	Washington State Department of Transportation

Capital Facilities Plan (CFP)

The 2023-2028 Adopted Capital Facilities Plan (CFP) can be found along with other budget documents at olympiawa.gov/budget. The CFP includes links to both the Olympia School District's and North Thurston Public Schools' Capital Facilities Plan.