HISTORY
For the past decade, City Council has evaluated the need for additional public safety staff throughout multiple budget processes and public safety presentations.

The City’s 2016 Comprehensive Plan and strategic plans for the Fire and Police Departments have also recommended higher levels of service, which require additional staff to implement. The City Council identified a levy lid as the optimum way to increase revenue to add public safety staffing.

At Anacortes City Council’s regular council meeting on December 5, 2022, Council adopted Resolution No. 3103, which places a levy lid on the April 25, 2023 special election ballot.

If approved by Anacortes voters, Proposition 1 titled "Public Safety Staffing" would add eight firefighters and five police officers.

WHAT IS A LEVY?
Property tax systems can be either rate-based or levy-based.

Washington State is one of two states that use a levy-based property tax system as opposed to rate-based system. Under Washington’s levy-based system, state law allows a taxing district to collect a specified total dollar amount (the levy) per year, as opposed to a rate-based system which charges a tax rate on assessed value.

The county assessor calculates the tax rate by dividing the levy amount by the total value of all property within the jurisdiction.

The tax is expressed in dollars per $1,000 of assessed value (called the millage rate). So, with a levy-based system when the total value of property within a jurisdiction falls, the rates increase to raise the same amount of money, and when property values increase, then the rate would decrease to collect the same amount of money.
WHAT DOES LEVY LID LIFT MEAN?

Washington’s property tax is a levy-based property tax system, which means state law allows a taxing district like the City to collect a specified total dollar amount (the levy) per year.

The City is just one of several taxing districts that have taxing authority within the City of Anacortes. State law limits levy increases to 1% per year for each separate taxing district.

The exception to this rule is the levy lid lift, which allows taxing jurisdictions to ask the voters to approve increasing the levy rate (lid lift) to an amount equal to or less than the statutory maximum tax rate which is $3.375 per $1000 of assessed value for Anacortes.

WHY IS THE CITY SEEKING A LEVY LID LIFT?

State law requires the City to balance its budget each year. It must address any gaps by increasing revenues or reducing costs. The City has never asked the voters for a levy lift since the 1% property tax limit was enacted in 2002. The cost of City services is increasing faster than available revenue sources, especially property tax.

The City’s single largest source of revenue for operations is property tax. State law limits the amount the City can collect in property tax to a 1% increase per year. Over the past ten years, (2013-2022) the consumer price index (CPI), which measures inflation, has increased an average of 2.5% each year. The CPI for all Urban Consumers in December 2022 was 6.5%. Some major City expenses often increase at rates even higher than CPI. The City is required to pass a balanced budget and must absorb any cost increases.

If there is no levy lid lift and property tax increases remain at the statutory limit of 1%, the City’s public safety budget for police, fire, and emergency medical services will not be adequate to hire additional staff. If Proposition 1 passes, the City will use the additional property tax revenue to increase the current levels of service of our public safety departments.

WHAT HAPPENS IF THE LEVY LID LIFT FAILS?

If Proposition 1 does not pass, the City’s public safety budget for police, fire, and emergency medical services will not be adequate to hire additional staff.
Chapter 296-305 of the Washington Administrative Code requires four fire personnel on scene before firefighters can enter a burning structure to search for victims or extinguish the fire. Firefighters must know with certainty that a victim is inside a structure fire to enter with a minimum of three personnel on scene and no entry may be made to rescue victims with less than three firefighters on the scene.

Anacortes currently has two fire personnel at each fire station. This means that no rescue can be attempted at a structure fire until a second unit from another station arrives, which causes an average delay of 7-12 minutes. The increased staffing levels will allow firefighters to immediately enter a structure fire to control the fire and rescue victims.

Since 2013 the Anacortes Fire Department call volume has increased by 60%, from 2694 to 4317 in 2022. The rate of calls frequently means that the department is responding to multiple calls at the same time. A delay in response can occur when there are multiple calls because a unit must respond from an outlying station.

There were 899 overlapping calls in 2022 and 275 times when all units were responding to calls with no backup available to respond to additional calls. Hiring eight additional firefighters will provide an additional response team at Station #1, where nearly 60% of calls occur. This additional unit will reduce response times and increase staffing to respond to emergencies.

Recent Washington State law updates have increased requirements for public safety officers responding to emergencies. The Anacortes Police Department embraces the use of de-escalation tactics, which require additional time and staff resources when responding to calls involving suspects and individuals in crisis. Washington state ranks last in the country in its ratio of public safety officers to residents. The Anacortes Police Department operates 24 hours a day, seven days a week, 365 days a year, and many shifts are staffed with only two patrol officers.

An increased presence of police officers decreases the number of crimes committed in a community by proactively deterring criminal activity. Anacortes has seen a significant increase in criminal activity since 2021 with a decreasing proportion of those cases being resolved.

The addition of five new officers will provide more staff time to resolve increasing caseloads, allow responders to take the time they need to safely de-escalate and resolve emergencies, and will allow the department to schedule more patrol time for crime prevention and traffic enforcement.
HOW MUCH OF MY PROPERTY TAX GOES TO THE CITY?

In 2023, a typical homeowner will pay 13% of their total property tax bill to the City of Anacortes, with the other 87% going to other taxing districts, as illustrated below.

WHERE WILL THE MONEY GO?

Property taxes collected by the City go into the City’s general fund, which supports all day-to-day services provided by the City other than utilities.

If approved by Anacortes voters, Proposition 1 would provide funding to increase staffing for police, fire and emergency medical services.

WHAT IS THE CITY’S FINANCIAL POSITION?

The City maintains a Moody's Aa3 bond rating and a Standard & Poor's (S&P) financial management rating of AA-.

WHAT ABOUT SENIORS ON A FIXED INCOME OR THOSE WITH DISABILITIES?

Senior citizens or persons with disabilities may qualify for tax exemptions or tax deferrals.

For more information about these options, please contact the Skagit County Assessor’s Office at (360) 416-1780 or visit: https://www.skagitcounty.net/Departments/assessor/main.htm
WHAT WILL THIS COST ME?

The ballot will ask voters to approve a property tax increase of .36 cents per $1,000.

A homeowner with a home value of $650,000 would pay $234 more per year, or $19.50 per month.