

**On April 27, 2021, there will be an election asking voters if they approve the Town of Friday Harbor's annexation into San Juan County Fire District #3 (Fire District). This is an anticipated action, following the dissolution of the Town's fire department, in 2010.**

Town of Friday Harbor voters will be asked if they wish to annex into Fire District #3.

Fire District #3 voters will be asked if they will allow the Town of Friday Harbor to annex into the Fire District.

**Who is part of the San Juan County Fire District #3?**

The district includes all of San Juan Island; and all of Brown Island and Pearl Island. Residents of Henry, Johns, Spieden and Stuart Islands have now annexed into, and are part of the Fire District. The Town of Friday Harbor is the only area of San Juan Island that is not part of the Fire District.

**How are Fire District services paid for?**

Except for the Town, property owners on San Juan Island, Brown and Pearl Islands pay for service through an existing assessment. Starting in January 2022, property owners on Henry, Johns, Spieden and Stuart Islands will pay into the same assessment paid by existing Fire District property owners. The Town of Friday Harbor pays for Fire District service through a contract between the Town and the Fire District. That contract ends this year in December 2021.

**Doesn't the Town have its own fire department?**

The Town ceased operations of its fire department in 2010 due to rising costs and the inefficiencies of operating a stand-alone department. Combining the Town's fire operations with the Fire District has been a more efficient and affordable way to provide this core public safety service.

**Why is the Town requesting annexation now?**

When the Town closed its department, the Town Council and Fire District #3 Commissioners agreed to seek annexation of the Town at a later date. The Town's contract has been in effect for 10 years. If annexation is approved, town property owners will pay an equal share of costs for fire and rescue services through the existing assessment.

**What are the benefits to me of this annexation?**

For Town Voters: Town voters will have a direct vote on the governance and finances of the Fire District by voting for District Commissioners. Town property owners will pay an equal share of costs for fire and rescue services similar to the existing assessment paid by district taxpayers.

For Fire District Voters: Town annexation into Fire District #3 will have no financial impact on existing district taxpayers. If Town voters approve their measure, property owners will join District #3 property owners by paying the current property tax levy.

**Have other Cities and Towns annexed into Fire Districts in this manner?**

Yes, this is very common within our state and nationally. Cities, in Washington, including Port Townsend, Wenatchee, Leavenworth and Chelan have all annexed into neighboring fire districts.

### **How much will it cost me?**

The current Fire District contract with the Town calls for an annual payment of approximately \$300,000. Town property owners' approximate assessment cost would be 44.4 cents per thousand dollars of valuation. A home assessed at \$350,000 would result in an annual property tax assessment of approximately \$155.

Without annexing, the Town will need to negotiate a new contract with the district, as the current contract expires at the end of 2021. While it is unknown what the new cost to the Town for fire and rescue service will be, costs have significantly increased since the existing contract and the rate will be increased to match those costs.

To help reduce the overall impact for Town property owners, the Town Council committed reducing its general property tax levy by \$200,000 in 2022 and \$100,000 the second year of the annexation, in 2023.

### **What happens if the Town does not annex into the Fire District?**

Without annexing, the Town will need to negotiate a new contract with the district, as the current contract expires at the end of 2021. Contract costs have increased and will not be set at the existing rate. The Town is currently annexed into the EMS service district but not the fire district. Being a part of both EMS and Fire District #3 will aid in any proposed merger of these organizations by having the Town as a full funding partner.

### **What impact does this have on property owners outside of town on San Juan Island?**

There is no change to the cost of fire protection for those currently within the Fire District. Property owners outside of the Town are already voting members of Fire District #3 and currently pay the assessed property tax rate of \$0.444 per thousand dollars of valuation; therefore, Town annexation will not change this situation.

### **What will the Town do with savings from no longer having to pay for fire services through a contract?**

The Town anticipates a savings of approximately \$300,000 each year within the General Fund. The Town council will invest any costs savings from the general fund in building needed Town infrastructure. This obligation would run for a minimum period of five years, post annexation.

### **What improvements are we talking about?**

Over the last decade, the Town has steadily increased investment in necessary infrastructure improvements including roads, sidewalks, sewer, water, stormwater, and parks.

The Town's 2019/2020 Capital Facilities Plan projects a need for \$43 million in capital improvements to make critical infrastructure improvements over the next 15 years. Over \$5 million of this is needed within the next six years for transportation improvement projects. Savings in the general fund from eliminating contract fire services will help pay for transportation related projects, including road construction, repairs, and sidewalks.

### **Why does the Town need the money? Hasn't the Town received federal and state project grants?**

The Town will always seek federal and state funds for projects, but this is not money that can be counted on. Grant money is drying up, making grants harder and more competitive to obtain. Plus, if the Town does secure new grants, it still has to pay a significant amount of money in matching funds to qualify. Therefore, the Town must have funds available to leverage grant opportunities.