John Kulseth
San Juan County Assessor
PO Box 1519
Friday Harbor, WA 98250

STATEMENT OF 2018

ASSESSMENTS

and taxes to be collected in 2019 for

SAN JUAN COUNTY

John Kulseth
County Assessor

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Friday Harbor, WA 98250
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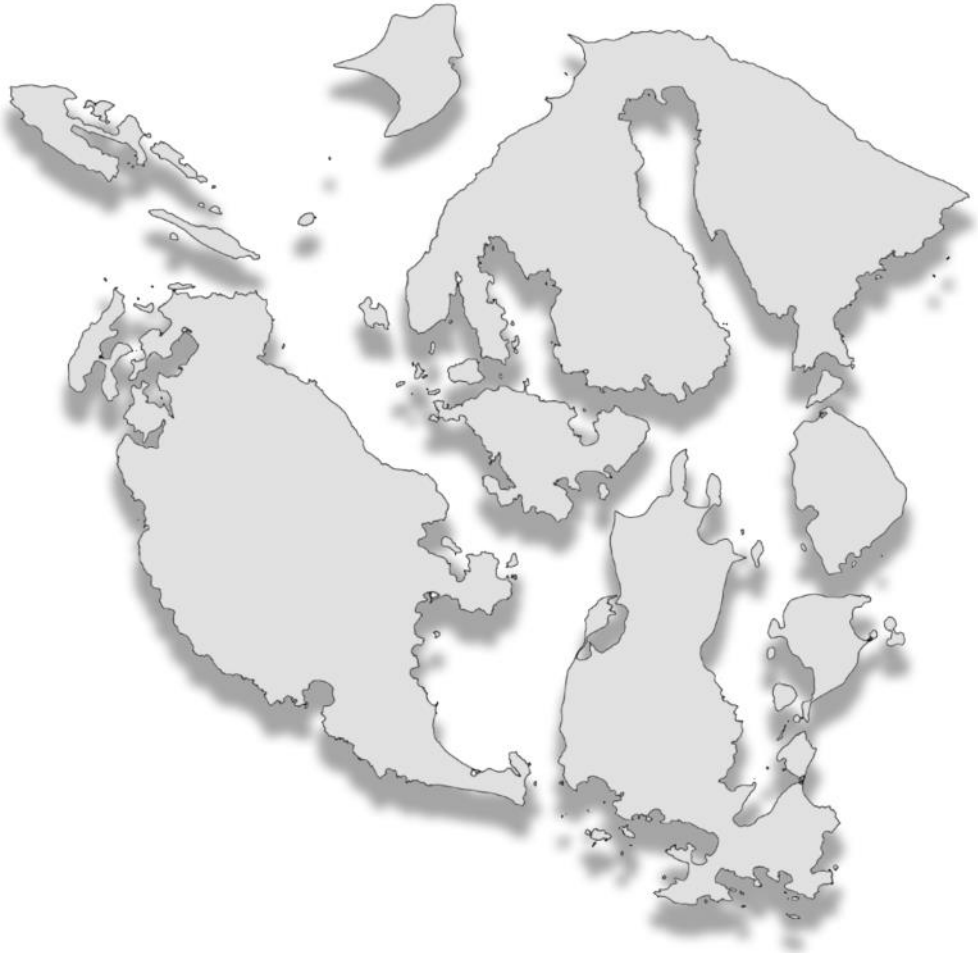
John Kulseth
San Juan County Assessor

Melanie Correll	Chief Deputy
Richard Pederson	Appraiser
Oscar Rivera	Appraiser
Chelsea Parrott	Appraiser
Alex Oettinger	Appraiser
Chris Ledgerwood	Cartographer
Bill Shanks	Current Use/DFL Administrator
Annie Minich	Exemption Programs/Personal Property
Keri Talbott	Office Administrator



Assessment Process

The Assessor's Office assigns taxable value and approves levy rates for calculating property taxes. The process is governed by state law and reviewed by the Department of Revenue to promote uniform taxation according to Article VII of the Washington State Constitution.

Real property in San Juan County is valued every year based on an annual analysis of sales and a physical inspection at least once every six years. Business personal property is valued every year based on the depreciated cost of business assets identified by the business owner.

Exemptions and deferrals are available for senior citizens and disabled persons, destroyed property, head of family, and farm equipment. Special tax classifications are available for land managed as open space according to statutory requirements for public benefit, farm and agricultural land, and commercial timber.

Tax levies are calculated for each taxing district established for a public purpose. The levy amount for each district is approved based on the lesser of the budget request by the district and certain levy limits imposed by statute. The levy rate for the district is the approved amount divided by the total taxable value of the district.

Tax code areas are created for each unique combination of taxing districts to determine a consolidated levy rate for each area. The consolidated levy rate is multiplied by the taxable value of each property in the area to calculate the property taxes due for each specific property.

Property taxes allow our community to benefit from services like schools, libraries, parks, health services, and law enforcement. The assessment process is administered so taxes are paid equitably according to law and the San Juan County Assessor's Office is committed to a process that is professional, fair and clearly understood.

2018 Assessed Value for 2019 Tax Year

Value of Real Property at Fair Market	$7,325,654,854
Value of Current Use Land	$39,971,810
Value of Designated Forest Land	$1,075,160
Value of Personal Property	$119,126,363
Value of Senior Taxable	$57,748,807
Total Taxable Value	$7,543,576,994

Real and Personal Property Count by Use

Parcels Valued at Fair Market	15,699
Current Use Parcels	562
Designated Forest Land Parcels	376
Parcels with Senior/Disabled Exemption	390
Business Personal Property Accounts	1,828
Total Taxable Property Count	18,855
Exempt Parcels	1,592
Total Property Count	20,447

Other Exemptions (included in above total counts)

Business Personal Property Head of Family (HOF)	174
Business Personal Property Farm Exempt	66
U500 (Property under $500 taxable value)	303

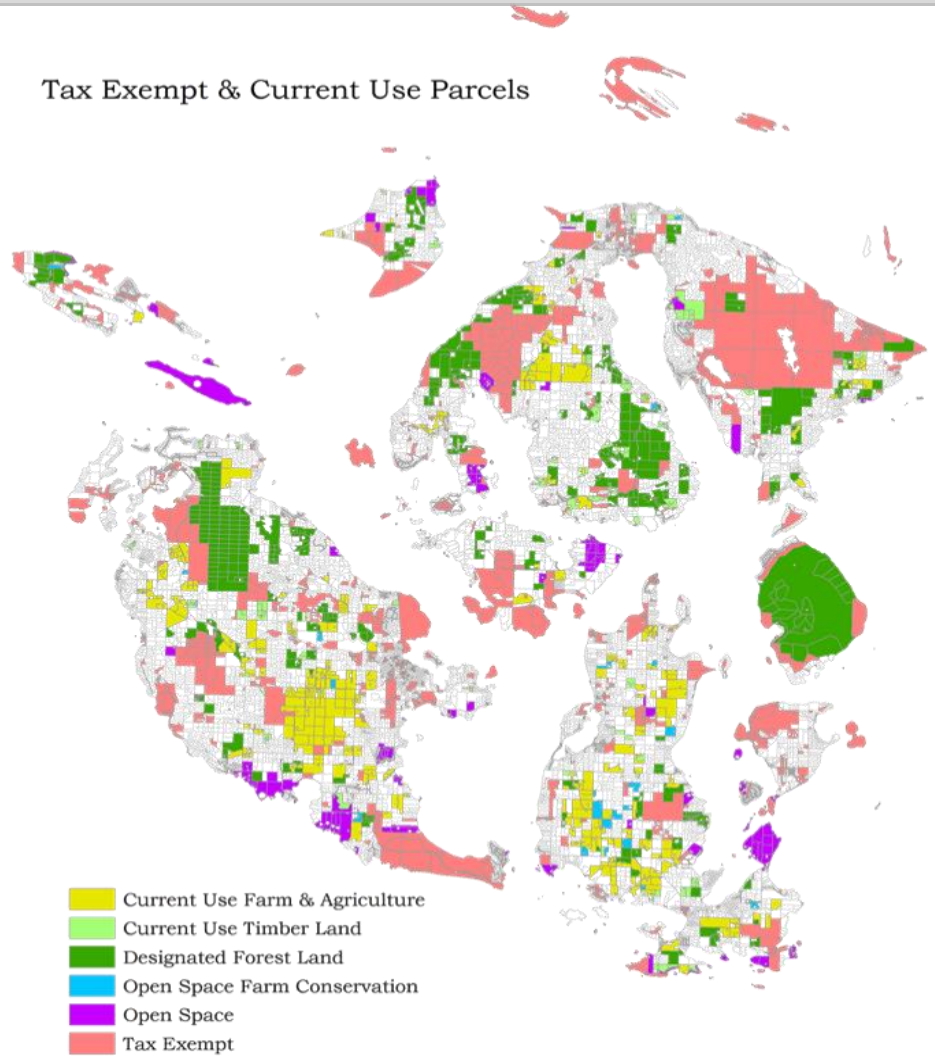
Note: Some businesses qualify for multiple exemptions

2018 Inspections

Parcels in 2018 Inspection Area	3,025
Parcels Inspected for New Construction	373
Value of New Construction Added	$79,399,710

Acreage by Use

	Acreage	% of Total
Acres Valued at Fair Market Value	57,362	52.08%
Current Use Farm and Agriculture	8,288	7.53%
Open Space	3,420	3.11%
Open Space Farm Conservation	487	0.44%
Current Use Timber	1,487	1.35%
Designated Forest Land	13,900	12.62%
Exempt Acres	25,181	22.87%
Total Acres	110,125	100.00%



Tax Relief Programs

Exemption Program for Senior Citizens/Disabled Persons
The senior/disabled exemption program helps limited income senior citizens and/or disabled persons remain in their homes in spite of rising property taxes. The exemption "freezes" the assessed value of the applicant's primary residence and reduces the taxes based on the applicant's level of income.

Deferral Program for Senior Citizens/Disabled Persons
The deferral program for senior citizens and/or disabled persons allows a postponement of the taxes. Washington State pays the taxes for the applicant. The deferred amount, plus interest, becomes a lien in favor of the state until the total amount is repaid. This program is income-based and proof of income is part of the application process.

Deferral for Homeowners with Limited Income
The deferral program for homeowners with limited income provides a safe harbor for families in economic crisis and helps prevent homeowners from being driven from their homes because of rising property taxes. Washington State pays the taxes for the applicant and the deferred amount, plus interest, becomes a lien in favor of the state until the total amount is repaid.

Relief for Destroyed Property
The assessed value of a home can be reduced if the owner notifies the Assessor's Office that property has been destroyed. The value is reduced as of the date of destruction if the application is submitted by the owner within three years from the date of destruction.

Temporary Exemption for Improvements to a Single Family Dwelling
Homeowners are exempt from taxes for improvements made to a single family dwelling for three years after the improvements are made. The exemption is allowed for up to thirty percent of the value of the home before the improvements are made, and includes additions, remodeling, or repairs to the dwelling or garages, carports, patios, or other improvements attached to the dwelling.

Head of Family Exemption (Business Personal Property)
One head of a family exemption per home is allowed for up to $15,000 of the value of business personal property. The exemption is not available to corporations or partnerships.

Farm Equipment (Business Personal Property)
Farm equipment owned by an active farmer used in the business of farming is exempt from the state levy.

San Juan County Taxing Districts and Levies

San Juan County has 28 taxing districts with 32 levies. Some taxing districts are created by statute, others are created by voter approval. Each taxing district is authorized to collect certain levies by statute or voter approval.

State Levy
The state levy is also known as the state school levy because it is collected by the state and distributed to the local schools to fund basic education.

The state legislature added a second part to the state levy in 2018. Qualified senior citizens and disabled persons do not pay this part of the state levy.

School Levies
There are four local school districts with various levies. Enrichment levies fund daily operations not covered by the state levy. Enrichment levies replaced Maintenance & Operations levies when the legislature modified the state levy in 2018. Capital project and technology levies fund acquisition, improvement or maintenance of capital assets and technology. Bond levies fund long term facility planning and construction. A school district can have multiple capital project, technology, and bond levies. The San Juan, Orcas and Lopez School Districts each have an enrichment levy and a capital project or technology levy. The Orcas and Lopez School Districts have a bond levy. The Shaw School District does not currently have a levy.

County Levies
San Juan County has three taxing districts with three levies, one for general county expenses, one for roads (does not include Town of Friday Harbor), and one for conservation futures (land bank).

Town of Friday Harbor
The Town of Friday Harbor has one levy.

Fire, Port. Library, Cemetery, Hospital, and Park & Rec Districts
There are four fire districts, three port districts, three library districts, three cemetery districts (Stuart has not levied since 1992), three hospital districts (San Juan also has an EMS levy), and two park & rec districts.

Lopez Solid Waste Disposal
Lopez has a solid waste disposal district. Solid waste disposal districts are limited to one-year levies, so voters must approve this levy every year.

Levy Limits

The amount a taxing district can levy each year is limited by several levy limits. The Assessor's Office calculates and reviews the limits each year to determine the levy amount for each district. The approved levy amount is the lowest of all the limits.

Highest Lawful Levy
Taxing districts are limited to a 1% increase over the highest lawful levy allowed for the previous year (or the highest lawful levy allowed for the district since 1985, whichever is greater), plus new construction, improvements to property, newly constructed wind turbines, increases in the value of state-assessed property, and annexations. The Assessor's Office determines the highest lawful levy for each district.

Voter Approved Lid Lift
Voters can approve permanent or temporary "lid lift" increases over a taxing district's highest lawful levy as authorized by statute and the voted ballot. The ballot will state the levy rate for the first year of the term, with increases generally allowed according to the highest lawful levy calculations, until the lid lift expires.

Tax District Request
Each taxing district adopts an annual budget by resolution and submits a certified levy amount to the Assessor's Office on or before November 30. The approved levy amount for the district cannot exceed the amounts stated on the resolution or the certification, even if the district is otherwise allowed to receive a higher amount.

Statutory Limit
Each type of taxing district has a statutory maximum rate according to RCW 84.52.043. The combined maximum total rate is $5.90 per $1,000 of assessed value, excluding the state, school, conservation futures, port, and EMS district levies.

Constitutional Limit
The State Constitution limits the taxes on any parcel to 1% of its true and fair value. The limit applies to all regular levies except port levies, which includes the state, county current, road, conservation futures, fire, town, cemetery, library, park & rec, hospital, and EMS levies. Excess levies, the local school and solid waste disposal levies, are excluded. The constitutional limit is sometimes called the $10 (per $1,000 of assessed value) limit.

Highest Lawful Levy Amounts for 2019

Taxing District	Tax Limit
County	
Road	4,700,791.35
County Current	5,846,358.29
County Current - Inactive	4,716,254.72
Conservation Futures	320,243.27
Port Districts	
Friday Harbor	491,523.68
Lopez	97,331.79
Orcas	248,076.59
Fire Districts	
District #2 - Orcas	2,160,117.79
District #2 - Orcas - Inactive	1,052,339.49
District #3 - San Juan	1,394,653.74
District #4 - Lopez	935,569.00
District #5 - Shaw	162,022.60
Town of Friday Harbor	511,047.10
Cemetery Districts	
District #1 - San Juan	81,932.15
District #3 - Orcas	31,030.64
District #2 - Stuart	3,264.17
Library Districts	
Lopez	448,356.83
San Juan	1,383,363.78
Orcas	912,833.83
Park & Rec Districts	
San Juan	1,069,057.51
Orcas	304,277.95
Hospital Districts	
District #1 - San Juan	1,326,580.44
District #1 - San Juan EMS	1,514,102.48
District #2 - Lopez	849,996.57
District #3 - Orcas	1,774,590.17

Statutory Limits per $1,000 Valuation

State	3.6000
County*	1.8000
Road	2.2500
Town of Friday Harbor	3.1700
Fire	1.5000
Port	0.4500
Cemetery	0.1125
Library	0.5000
Hospital	0.7500
EMS	0.5000
Park & Rec	0.6000

*RCW 84.52.043 allows counties to levy up to $2.475 if the total county and road levies do not exceed $4.05.

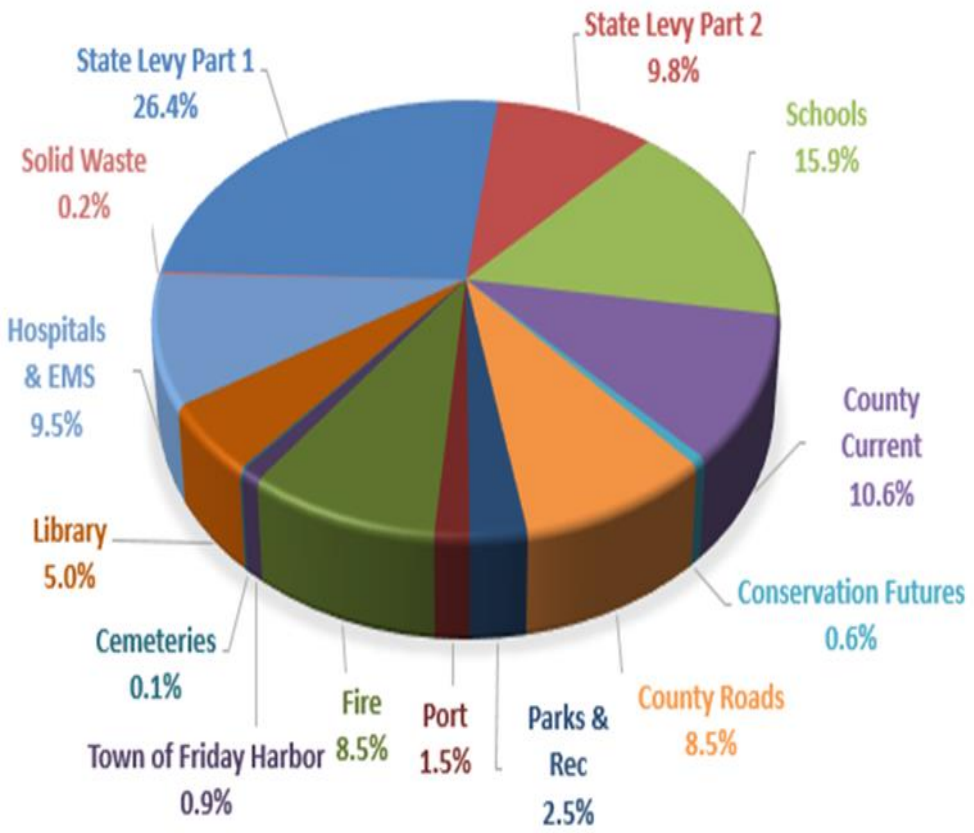
2019 Tax Levies by Tax Code Area

(district rates rounded to two decimals, total rate for senior citizens rounded to five decimals)

Tax Code Area & Description		State Levy	State Part 2	School Enrich	School Bond/CP	County Current	Conservation Futures	County Road	Town	Park & Rec	Fire Districts	Port Districts	Cemetery Districts	Library Districts	Hospitals & EMS	Solid Waste	TOTAL RATE	Senior Citizen
101	SHAW	1.93	0.72			0.78	0.04	0.68			0.86						4.9981557747	4.28016
211	WALDRON	1.93	0.72	0.74	0.78	0.78	0.04	0.68									5.6671836710	3.42351
372	ORCAS ISLANDS	1.93	0.72	0.74	0.78	0.78	0.04	0.68									5.6671836710	3.42351
373	ORCAS	1.93	0.72	0.74	0.78	0.78	0.04	0.68		0.13	0.92	0.11		0.39	0.65		7.8521135095	5.60844
374	ORCAS CEM	1.93	0.72	0.74	0.78	0.78	0.04	0.68		0.13	0.92	0.11	0.01	0.39	0.65		7.8632584015	5.61959
375	ORCAS ISLES	1.93	0.72	0.74	0.78	0.78	0.04	0.68							0.65		6.3160061531	4.07233
441	BLAKELY	1.93	0.72	0.74	0.78	0.78	0.04	0.68									5.6671836710	3.42351
442	LOPEZ	1.93	0.72	0.47	0.81	0.78	0.04	0.68			0.83	0.09		0.39	0.75	0.09	7.5715033478	5.47837
443	DECATUR	1.93	0.72	0.47	0.81	0.78	0.04	0.68									5.4234330178	3.42351
444	LOPEZ ISLANDS	1.93	0.72	0.47	0.81	0.78	0.04	0.68									5.4234330178	3.42351
445	LOPEZ SEWER	1.93	0.72	0.47	0.81	0.78	0.04	0.68			0.83	0.09		0.39	0.75	0.09	7.5715033478	5.47837
490	FRIDAY HARBOR	1.93	0.72	0.55	0.37	0.78	0.04		0.88	0.33		0.15	0.02	0.43	0.82		7.0192022258	5.37651
491	JOHNS-SPIEDEN	1.93	0.72	0.55	0.37	0.78	0.04	0.68							0.82		5.8828261586	4.24014
492	SJ ISLANDS	1.93	0.72	0.55	0.37	0.78	0.04	0.68							0.82		5.8828261586	4.24014
493	SAN JUAN	1.93	0.72	0.55	0.37	0.78	0.04	0.68		0.33	0.51	0.15	0.02	0.43	0.82		7.3266229192	5.68394
494	PEARL-FRIDAY	1.93	0.72	0.55	0.37	0.78	0.04	0.68			0.51				0.82		6.3938921942	4.75121
495	CAPE SAN JUAN	1.93	0.72	0.55	0.37	0.78	0.04	0.68		0.33	0.51	0.15	0.02	0.43	0.82		7.3266229192	5.68394
497	STUART CEM	1.93	0.72	0.55	0.37	0.78	0.04	.068							0.82		5.8828261586	4.24014
498	SAN JUAN SOUTH	1.93	0.72	0.55	0.37	0.78	0.04	0.68		0.33	0.51	0.15	0.02	0.43	0.82		7.3266229192	5.68394
499	CATTLE POINT	1.93	0.72	0.55	0.37	0.78	0.04	0.68		0.33	0.51	0.15	0.02	0.43	0.82		7.3266229192	5.68394

2019 Tax Distribution

Taxing Districts	Tax Amount	% of Total
State Levy Part 1	$14,547,184	26.4%
State Levy Part 2	$5,374,236	9.8%
Schools	$8,744,485	15.9%
County Current	$5,856,231	10.6%
County Road	$4,706,556	8.5%
Fire Districts	$4,662,563	8.5%
Hospitals and EMS	$5,226,679	9.5%
Library Districts	$2,744,979	5.0%
Park & Rec Districts	$1,373,738	2.5%
Port Districts	$836,583	1.5%
Town of Friday Harbor	$511,880	0.9%
Conservation Futures	$320,720	0.6%
Lopez Solid Waste	$105,000	0.2%
Cemetery Districts	$79,579	0.1%
Total	$55,090,413	100.0%



2019 Tax Distribution Detail

Taxing District	Assessed Value	Levy Rate	Levy Amount
State Levy Part 1	7,542,826,584	1.9286117529	14,547,184.00
State Levy Part 2	7,485,077,777	0.7179933409	5,374,236.00
Schools (includes TAV)			
Orcas Enrichment	2,557,622,562	0.7445097757	1,904,175.00
Orcas Bond	2,557,705,143	0.4969298371	1,271,000.00
Orcas Capital Project/Tech	2,557,705,143	0.2842391751	727,000.00
Lopez Enrichment	1,284,956,696	0.4731093288	607,925.00
Lopez Bond	1,284,994,516	0.6917285163	888,867.35
Lopez Capital Project/Tech	1,284,994,516	0.1170902896	150,460.38
San Juan Enrichment	3,455,262,699	0.5498279481	1,899,800.00
San Juan Capital Project/Tech	3,455,278,159	0.3748633801	1,295,257.25
County Current	7,543,576,994	0.7763201919	5,856,231.14
Veteran's Relief*	7,543,576,994	0.0112499998	84,865.24
Mental Health*	7,543,576,994	0.0091829115	69,272.00
Conservation Futures	7,543,576,994	0.0425156925	320,720.40
County Road	6,961,703,140	0.6760639049	4,706,556.21
Diverted County Road**			600,000.00
Marine Navigation/Moorage**	6,961,703,140	0.0043092903	30,000.00
Port Districts			
Friday Harbor	3,220,889,877	0.1526205890	491,574.11
Lopez	1,138,568,677	0.0851355495	96,932.67
Orcas	2,360,022,335	0.1051162043	248,076.59
Fire Districts			
District #2 - Orcas	2,360,022,335	0.9152954860	2,160,117.79
District #3 - San Juan	2,728,911,027	0.5110660356	1,394,653.74
District #4 - Lopez	1,138,568,677	0.8291777906	944,075.86
District #5 - Shaw	191,110,955	0.8566508916	163,715.37
Town of Friday Harbor	581,873,854	0.8797092471	511,879.81
Cemetery Districts			
District #1 - San Juan	3,220,889,877	0.0184976830	59,579.00
District #3 - Orcas	1,794,544,081	0.0111448920	20,000.00
Library Districts			
Lopez	1,138,568,677	0.3939982445	448,594.06
San Juan	3,220,889,877	0.4295556548	1,383,551.46
Orcas	2,360,022,335	0.3867903352	912,833.83
Park & Rec			
San Juan	3,220,889,877	0.3320567982	1,069,518.38
Orcas	2,360,022,335	0.1289053309	304,219.46
Hospital			
District #1 - San Juan	3,479,532,081	0.3812744470	1,326,656.67
District #1 - San Juan EMS	3,479,532,081	0.4353555003	1,514,833.43
District #2 - Lopez	1,138,568,677	0.7465483525	849,996.57
District #3 - Orcas	2,366,120,229	0.6488224821	1,535,192.00
Lopez Solid Waste (includes TAV)	1,126,483,826	0.0932103929	105,000.00

* included in County Current levy rate and amount ** included in County Road levy rate and amount

New Levies for 2019

There are five significant changes to the levies for tax year 2019. The state Legislature lowered Part 2 of the state levy and lowered the three local school levies used for daily operations, and Orcas approved a new hospital district.

State Levy Part 2
San Juan County taxpayers will pay $0.72 per $1,000 of assessed value for the State Levy Part 2 in 2019. This is a reduction of $0.30 per $1,000 of assessed value from the 2018 tax rate.

Qualified senior citizens and disabled persons are exempt from State Levy Part 2.

Enrichment Levies (formerly known as "M&O")
Maintenance and operations (M&O) levies were renamed "enrichment levies" and the method of determining the levies changed. The Lopez, Orcas and San Juan schools will receive levy amounts based on the number of students, which are less than the amounts approved by voters for tax year 2019.

The taxpayers of the Lopez, Orcas and San Juan school districts will pay the following amounts for enrichment:

Lopez: $0.47 per $1,000 of assessed value
Orcas: $0.74 per $1,000 of assessed value
San Juan: $0.55 per $1,000 of assessed value

Qualified senior citizens and disabled persons are exempt from school levies.

Orcas Hospital Levy
Orcas taxpayers approved the formation of a public hospital district in 2018, resulting in a new levy for tax year 2019 of $0.65 per $1,000 of assessed value.

2019 Levy Changes

Taxing District	2019 Authorized Amount	2018 Authorized Amount	Dollar Change	% Change
State Levy Part 1	$14,547,184	$13,191,752	$1,355,432	9.32%
State Levy Part 2	$5,374,236	$7,124,474	-$1,750,238	-32.57%
Schools (includes TAV)				
Lopez	$1,647,253	$1,988,170	-$340,917	-20.70%
Orcas	$3,902,175	$4,095,422	-$193,247	-4.95%
San Juan	$3,195,057	$3,605,701	-$410,644	-12.85%
County Current	$5,856,231	$5,743,760	$112,471	1.92%
Conservation Futures	$320,720	$314,613	$6,107	1.90%
County Road	$4,706,556	$4,620,838	$85,718	1.82%
Port Districts				
Friday Harbor	$491,574	$481,177	$10,397	2.12%
Lopez	$96,933	$94,159	$2,774	2.86%
Orcas	$248,077	$242,803	$5,274	2.13%
Fire Districts				
District #2 - Orcas	$2,160,118	$2,127,073	$33,045	1.53%
District #3 - San Juan	$1,394,654	$1,366,409	$28,245	2.03%
District #4 - Lopez	$944,076	$920,782	$23,294	2.47%
District #5 - Shaw	$163,715	$158,970	$4,745	2.90%
Town of Friday Harbor	$511,880	$498,773	$13,107	2.56%
Cemetery Districts				
District #3 - Orcas	$20,000	$20,000	$0	0.00%
District #1 - San Juan	$59,579	$58,989	$590	0.99%
Library Districts				
Lopez	$448,594	$439,741	$8,853	1.97%
Orcas	$912,834	$898,865	$13,969	1.53%
San Juan	$1,383,551	$1,354,243	$29,308	2.12%
Park & Rec Districts				
Orcas	$304,219	$299,622	$4,597	1.51%
San Juan	$1,069,518	$1,046,035	$23,483	2.20%
Hospital Districts				
District #1 - San Juan	$1,326,657	$1,299,707	$26,950	2.03%
District #1 - San Juan EMS	$1,514,833	$1,483,423	$31,410	2.07%
District #2 - Lopez	$849,997	$833,662	$16,335	1.92%
District #3 - Orcas	$1,535,192	$0	$1,535,192	100.00%
Lopez Solid Waste (incl. TAV)	$105,000	$105,000	$0	0.00%
Total	$55,090,413	$54,414,163	$676,250	1.24%

How to Calculate Property Tax

To calculate property taxes you need 2 pieces of information:

Assessed Value of Property

& Tax Rate

Tax Rate

Formula:

(Assessed Value ÷ $1,000) x Tax Rate = Tax Bill

Example:

Assessed Value = $400,000
Tax Rate = 8.00
Tax Bill = ($400,000/$1,000) x 8.00 = **$3,200**

How do I find my Tax Rate?

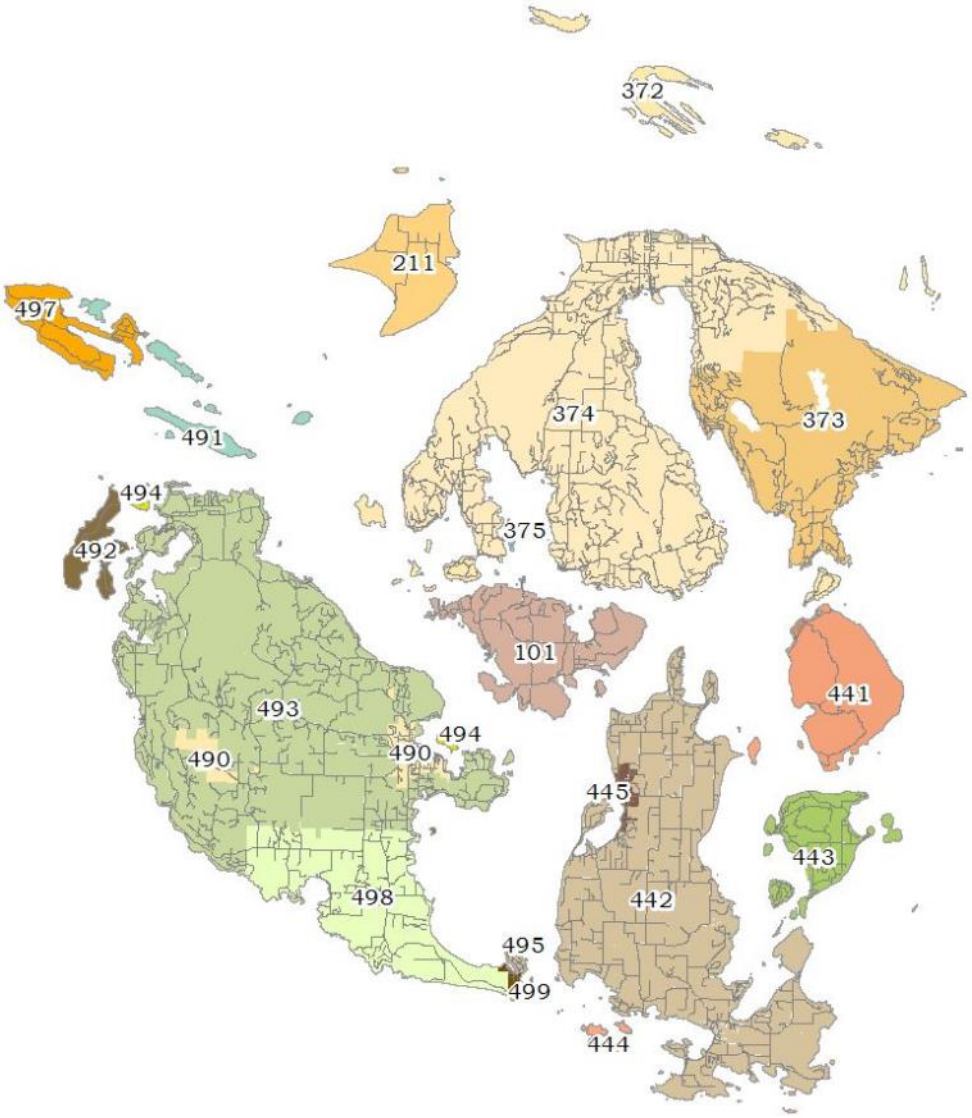
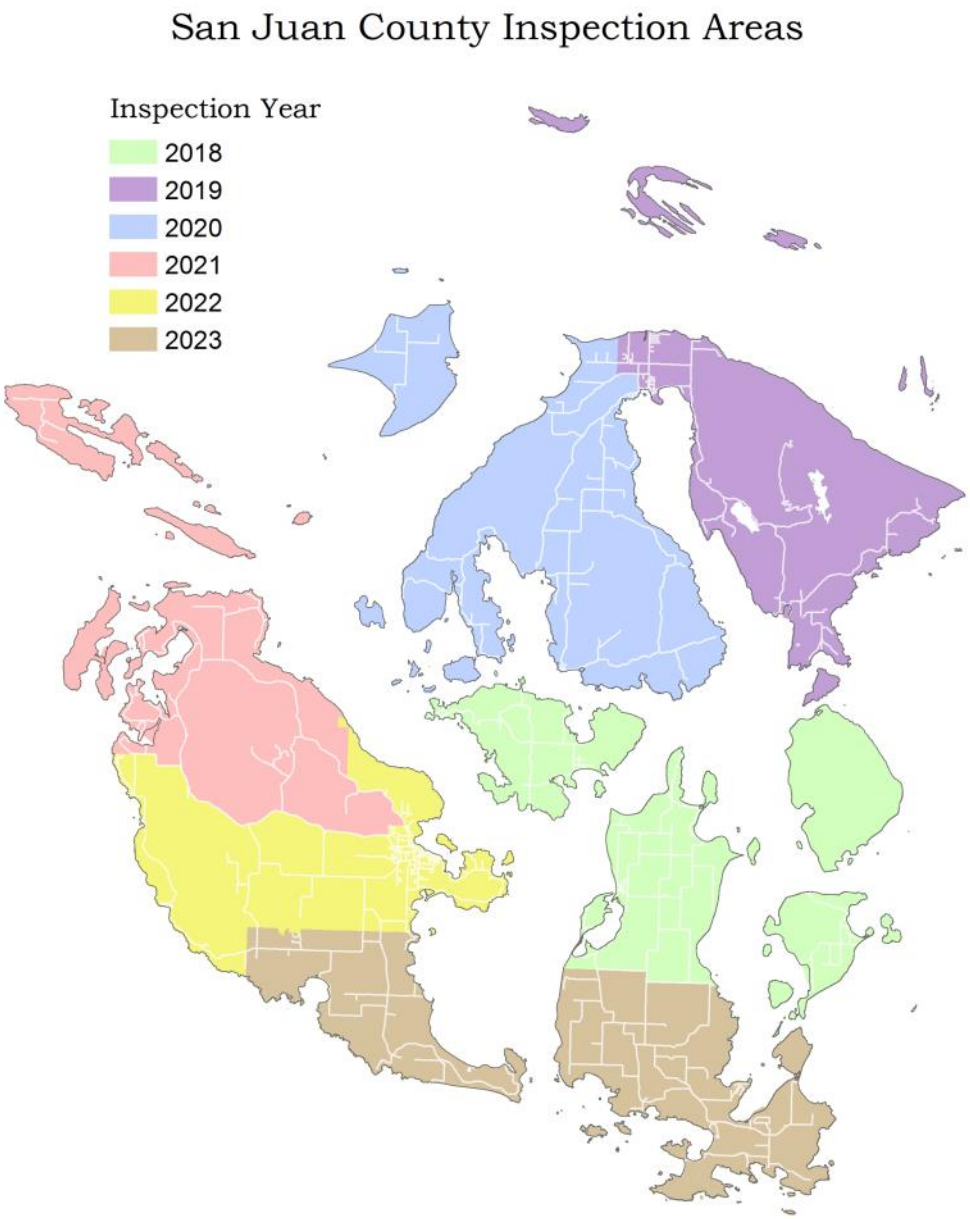
Your tax rate is based on the Tax Code Area (TCA) of your property. TCAs are geographical areas covered by different combinations of tax levies. There are 20 TCAs in San Juan County. Your TCA is printed on your Notice of Value and on your Tax Statement. The map on the opposite page shows the general boundaries of the TCAs in San Juan County.

Example for Property on Shaw Island:

The TCA for Shaw Island is **101**. The Tax Rate for each TCA is listed on Pages 9-10.

Assessed Value = $400,000
Tax Rate = 4.998
Tax Bill = ($400,000/$1,000) x 4.998 = **$1,999**

Tax Code Areas



Historical Taxable Value and New Construction			
Tax Year	Total Taxable Value	New Construction	Total Parcels
1988	$1,082,953,755	$19,514,945	15,023
1989	$1,108,839,231	$19,919,513	14,924
1990	$1,156,889,288	$24,578,892	15,460
1991	$1,297,108,057	$34,097,840	15,474
1992	$1,473,812,492	$38,491,067	15,627
1993	$1,681,416,766	$37,189,791	15,795
1994	$2,078,499,365	$37,319,557	15,983
1995	$2,208,314,248	$51,879,681	16,155
1996	$2,447,129,382	$38,546,922	16,360
1997	$2,623,984,987	$44,954,706	16,646
1998	$2,733,338,974	$45,612,790	16,850
1999	$2,849,683,470	$51,558,988	17,119
2000	$3,069,101,150	$52,394,152	17,274
2001	$3,331,884,134	$85,241,766	17,347
2002	$3,664,026,906	$67,371,348	17,458
2003	$4,123,583,293	$66,090,762	17,573
2004	$4,580,194,246	$74,593,395	17,205
2005	$4,883,569,719	$77,628,253	15,413
2006	$5,338,149,553	$99,576,839	15,575
2007	$6,228,460,708	$138,239,381	17,612
2008	$7,049,637,923	$117,457,035	18,505
2009	$7,976,669,632	$109,135,423	18,652
2010	$8,165,507,354	$77,835,061	20,113
2011	$8,136,499,332	$81,237,823	20,115
2012	$8,006,914,034	$63,830,050	20,037
2013	$6,291,741,005	$70,324,880	20,016
2014	$6,240,452,645	$46,630,248	19,899
2015	$6,217,488,278	$60,125,210	19,898
2016	$6,418,361,745	$60,937,859	19,978
2017	$6,434,312,921	$53,214,640	20,202
2018	$7,011,578,410	$54,200,935	20,350