

# PROP 1 - MAINTENANCE & OPERATIONS LEVY

## EDUCATION - FACTS & INFORMATION

On August 4<sup>th</sup>, citizens will be asked to vote to replace an expiring funding measure.

### FAQ's:

#### What is the Maintenance & Operations (M&O) Levy?

The Maintenance & Operations (M&O) Levy is a levy used to supplement regular property tax revenues to sustain current emergency response service levels to the community.

#### Why is the M&O necessary?

The M&O makes up 10% of the total operating revenue for the Fire District. Without the M&O in place, funding would be insufficient and SKFR would be forced to reduce staff and services.

#### Have the citizens of Federal Way and Des Moines supported the M&O in the past?

Yes. Voters approved the M&O in 2012 for \$3.5M per year and again in 2016 for \$2.75M. Both were approved for 4-year terms.

#### Why has the amount changed both up and down over the years?

The M&O amount is determined by current and projected Fire District needs. In 2012, the amount bridged a budget gap caused by the recession. In 2016, SKFR lowered the amount to account for improving property values and the voter-approved Safety & Improvement Bond which covered major and delayed capital expenses.

For this period, the proposed replacement M&O includes funding to maintain service levels and additional funding for required capital equipment replacements.

#### How long is the M&O in place for?

The replacement levy is good for another 4 years and would expire in 2024.

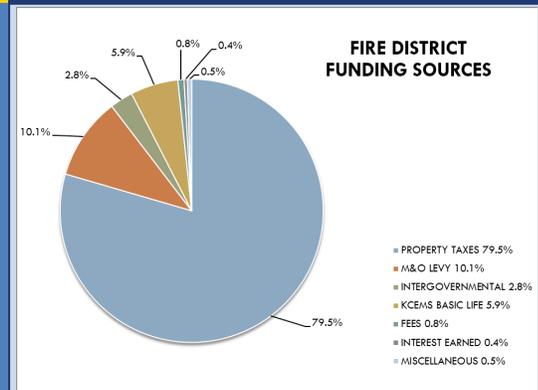
#### What is the cost of the M&O?

The expiring M&O levy rate has fallen to fourteen cents (.14) per \$1k of assessed value (AV). Restoring the 2017 levy rate of nineteen cents (.19) per \$1k of AV would change the total fire levy rate by five cents (.05) per \$1k of AV.

2020 Fire Levy Rate: \$1.76 (current)

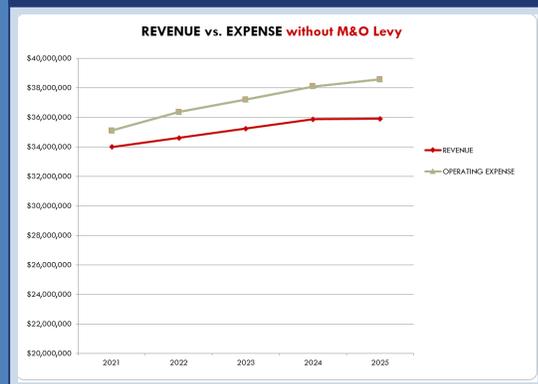
2021 Fire Levy Rate: \$1.81 (proposed)

The cost increase to the owner of a \$400,000 home is approximately \$1.60 per month.



The chart illustrates the primary revenue sources for the Fire District. The M&O Levy accounts for 10% of overall revenue (top).

Without the M&O, revenue falls below expenses required to maintain existing services to the community over the next 4 years (bottom).



STATION 62 - HEADQUARTERS  
31617 1<sup>st</sup> Avenue South  
Federal Way, WA 98003  
253-839-6234  
Business Hours: 8-4:30 M-F