

TSCC Budget Review 2020-21

City of Maywood Park

1. Introduction to the District

The City of Maywood Park is a triangular residential area of about three square miles located at the intersection of Interstates 205 and 84.

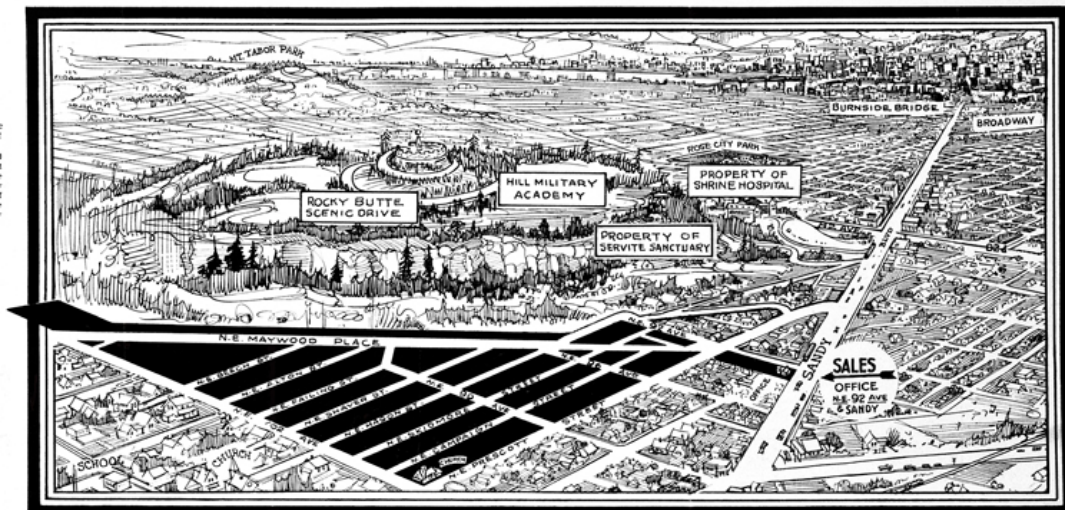
The City serves about 340 homes and an estimated population of 770. It is an island completely surrounded by the City of Portland. It is home to a Mount Hood Community College community campus.

The five member, non-salaried council is elected at large to four year terms. The council, from its membership, appoints the mayor and council president. The voters passed a permanent property tax rate authority of \$1.9500 per thousand of assessed value in November 1998.

The City contracts with other districts for most services: Multnomah County for police, planning and street maintenance; the City of Portland for water; and Fire District No. 10 for fire protection service. Maywood Park does not have sanitary sewers and all sewage is processed on-site. Not surprisingly, the provision of sanitary sewers is the city's capital improvement focus.

2. History

The City's origins go back to 1926, when the City of Portland expanded Sandy Boulevard into a four lane highway, linking Portland with all points east. Beneath the eastern shadow of Rocky Butte, there was an untouched section of land - a thick semi-old growth conifer forest. This triangular plot was purchased by the Columbia Realty Company and soon thereafter, the Maywood Park subdivision was platted. Maywood Park grew slowly, but by the mid-1960's it was fully-developed.



From an early real estate sales brochure for Maywood Park Subdivision

Threatened by the new I-205 freeway, the little subdivision incorporated as a municipality in 1967 to fight off the threat of being razed for that freeway. And fight, it did, filing at least four lawsuits against the state to prevent or modify the construction of I-205. The City lost all the lawsuits but was influential enough to modify the design to save the trees and serenity of most of its neighborhood. Today I-205 swerves neatly around the City on its north-south dissection of Portland.

City of Maywood Park	2016-17	2017-18	2018-19	2019-20
Assessed Value in Millions	\$64.5	\$66.5	\$68.6	\$70.7
Real Market Value (M-5) in Millions	\$103.8	\$113.5	\$122.7	\$126.0
Property Tax Rate Extended: Operations	\$1.9300	\$1.8159	\$1.9500	\$1.9500
Measure 5 Loss	\$-74	\$-61	\$-99	\$-97
Number of Employees (FTE's)	0.5	0.5	1.0	1.0

3. Strategic Plan/Performance Objectives

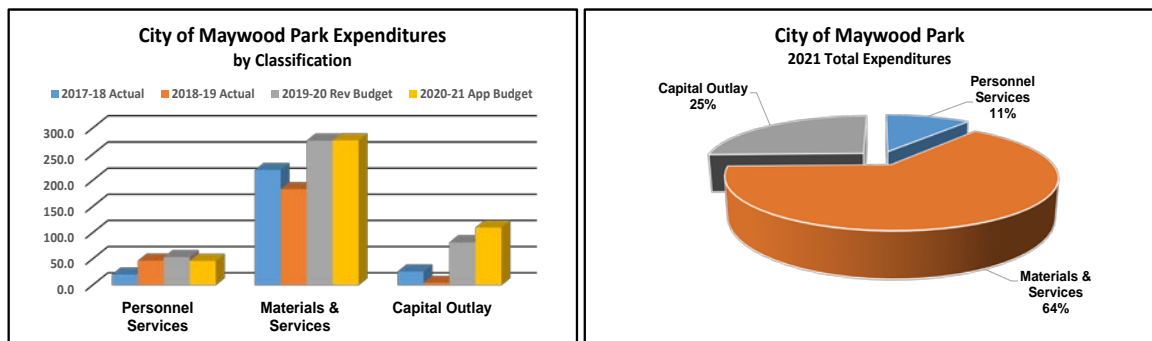
The City does not have a formal strategic plan. Currently they are watching to see how the current COVID-19 pandemic will impact the City's revenue and expenditures. They recognize that the budget numbers may need adjustments both prior to the adoption of the budget as well as through future amendments. They have decided to move forward with the best estimates available.

4. Budget in Total

Requirements

The City's total 2020-21 budget is \$849,000, \$87,600 (12%) higher than the current year. The expenditure-only portion of the budget is increasing by 5% from \$411.9K to \$433.6K. The State Tax Street Fund will receive a transfer from the General fund of \$70,000 for street repairs and maintenance, street signs, addition/repair of speed bumps, lighting upgrades to LED on bike paths, and irrigation system upgrades on the berm/bike path.

City of Maywood Park						
Total Requirements ~ All Funds (\$000)						
	2017-18	2018-19	2019-20	2020-21	Change	
	Actual	Actual	Rev Budget	App Budget	\$	%
Personnel Services	20.4	46.8	53.6	46.5	-7.1	-13%
Materials & Services	220.0	183.6	276.3	276.8	0.5	0%
Capital Outlay	26.0	4.4	82.0	110.3	28.3	35%
Total Expenditures	266.5	234.8	411.9	433.6	21.7	5%
Fund Transfers	67.2	69.5	82.4	137.4	55.0	67%
Contingencies	0.0	0.0	9.9	9.7	-0.2	-2%
Ending Fund Balance	387.5	422.3	257.2	268.3	11.1	4%
Total Requirements	721.2	726.6	761.4	849.0	87.6	12%



The City of Maywood Park is unique in that its Personnel Services expenditures are only 11% of total expenditures. They have just 0.7 FTE. So personnel services expenses total only \$46.5K.

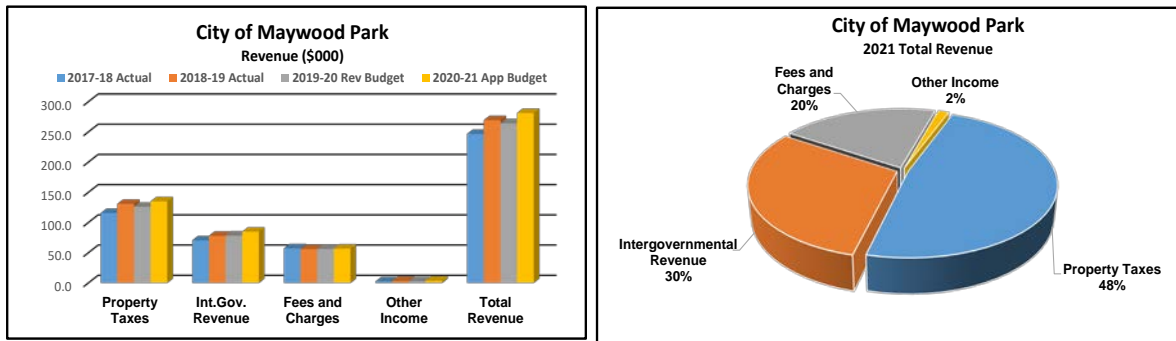
Materials & Services are the largest expense category at \$274,800 or 64% of the total expenditures. Landscape maintenance, street maintenance and repairs of and new signage explains \$85K (31%) of this classification. The materials and services budget in the General Fund for operational supplies and services is \$155K (56% of the total M&S budget).

Capital Outlay is budgeted at \$110,300 or 25% of overall expenditures with \$84.5K (77%) of this being used for projects associated with the city streets, such as replacing speed bumps in order to meet code; exchanging speed signs because of a possible reduction in the speed limit since residents are in favor of this action; and upgrading the street lights on the bike path to cost saving LED.

Resources

Total 2020-21 resources are \$849,000 matching requirements. Total revenues are \$281,600 for 2020-21. They consist of property taxes, state shared revenues, state gasoline tax, franchise fees, and earned interest. All revenue except gas tax is received into the General Fund. Resources are transferred from the General Fund to two of the four other funds.

City of Maywood Park							
Total Resources ~ All Funds (\$000)							
	2017-18	2018-19	2019-20	2020-21	Change		
	Actual	Actual	Rev Budget	App Budget	\$	%	
Property Taxes	115.9	131.2	126.3	135.4	9.1	7%	
Intergovernmental Revenue	70.8	78.3	78.6	85.2	6.6	8%	
Fees and Charges	57.5	56.5	56.6	57.1	0.5	1%	
Other Income	2.7	3.7	2.9	3.9	1.0	34%	
Total Revenue	246.9	269.6	264.4	281.6	17.2	7%	
Transfers In	67.2	69.5	82.4	137.4	55.0	67%	
Beginning Fund Balance	407.0	387.5	414.6	430.0	15.4	4%	
Total Resources	721.2	726.6	761.4	849.0	87.6	12%	



As shown above, all four revenue sources are pretty consistent, with property taxes making up over 48% of the revenue.

5. Analysis of General Fund

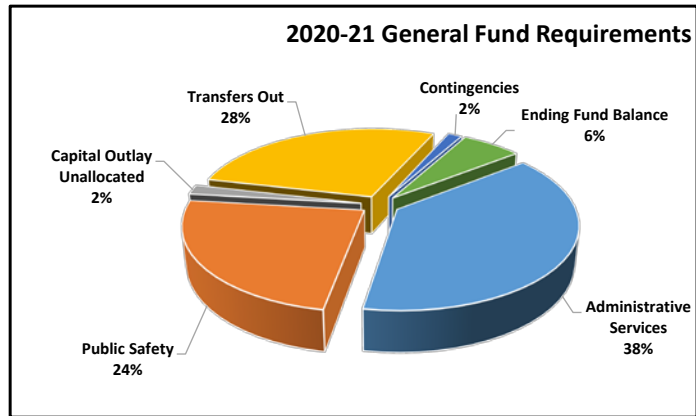
Requirements

The General Fund Budget in total is increasing by \$41,800 from \$280,400 to \$322,200 (15%). This is mainly due to the increase in transfers both in (+\$38,000) and out (+\$17,000) of the General Fund. Public Safety expenditures are increasing \$11K for emergency supplies and resources for national disasters or states of emergency (+\$4,500); and a new line item to set aside \$5,000 to use for clean-up of homeless camp sites within Maywood Park that have been vacated.

City of Maywood Park						
Total Requirements ~ General Fund (\$000)						
	2017-18	2018-19	2019-20	2020-21	Change	
	Actual	Actual	Rev Budget	App Budget	\$	%
Administrative Services	66.1	87.3	131.7	123.6	-8.1	-6%
Public Safety	55.8	60.4	66.5	77.5	11.0	17%
Capital Outlay Unallocated	0.8	2.9	4.5	5.8	1.3	29%
Fund Expenditures	122.7	150.6	202.7	206.9	4.2	2%
Transfers Out	60.7	59.9	73.0	90.0	17.0	23%
Contingencies	0.0	0.0	4.7	4.8	0.1	2%
Ending Fund Balance	55.0	65.6	0.0	20.5	20.5	100%
Fund Requirements	238.4	276.1	280.4	322.2	41.8	15%

Administrative Services expenditures include all personnel services costs, costs for professional services such as auditors and a city planning consultant, and miscellaneous expenditures. The Personnel Services budget (0.7 FTE) \$46,500, includes salaries for two permanent staff positions. The City Treasurer and the City Recorder both work part-time with no benefits and average about 5 and 15 hours a week respectively. The Approved Budget also includes \$10,000 for a Consultant/Grant Writer position. This is a temporary position that will be hired on a project by project basis.

Public Safety costs (\$77,500) are exclusively for police services. The City contracts with the Multnomah County Sheriff for patrols and traffic speed control missions (3 annually). Maywood Park is in Fire District 10, and residents pay for district services through a separate fire district property tax. The City has been attempting to set up a municipal court for several years, but has been unsuccessful so far. No court expenses or revenues are budgeted.



Capital Outlay (\$5,800) in the General Fund for 2020-21 is for additional fire proof file cabinet, computer equipment and for a storage unit for the Community Emergency Response Team resources and other supplies for City events.

Transfers Out account for 28% of the General Fund requirements. These transfers are the means by which the City pays for current and future public works projects. State Street Tax Fund will receive \$70K for major projects; and Storm Drain Reserves Fund will receive \$20K to build back reserves expended in the current year. These reserves are required to be set aside to cover the cost should a storm drain fail and need replacement or repair.

Resources

City of Maywood Park						
Total Resources ~General Fund (\$000)						
	2017-18	2018-19	2019-20	2020-21	Change	
	Actual	Actual	Rev Budget	App Budget	\$	%
Property Tax	115.9	131.2	126.3	135.4	9.1	7%
State Revenue	23.2	23.7	25.0	26.2	1.2	5%
Fees and Charges	57.5	56.5	56.6	57.1	0.5	1%
Other Income	1.1	0.1	0.1	0.1	0.0	0%
Total Fund Revenue	197.7	211.5	208.0	218.8	10.8	5%
Transfers In	6.6	9.6	9.4	47.4	38.0	404%
Beginning Fund Balance	34.1	55.0	63.0	56.0	-7.0	-11%
Total Fund Resources	238.380	276.132	280.400	322.200	41.8	15%

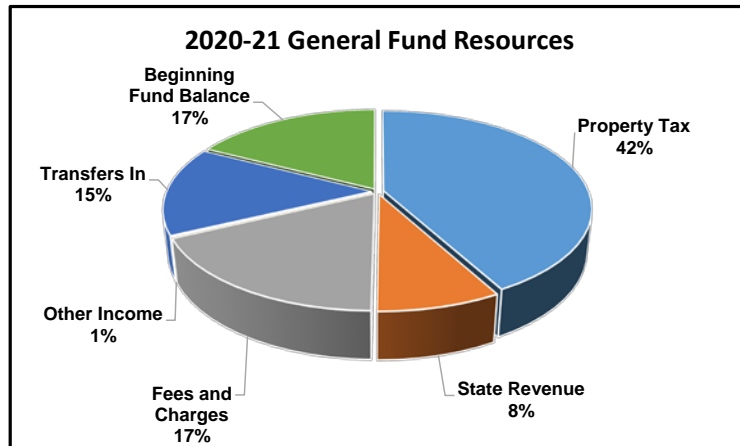
Property taxes are Maywood Park’s main revenue source. Maywood Park will levy its full tax rate (\$1.9500 per \$1,000 AV) in FY21 as they did in FY20. Previously they levied a dollar amount which resulted in less than the full rate.

Other income (\$57.1K) is mostly Franchise Fees, which total \$54,000 for 2020-21. License, permits, fees, rebates and miscellaneous donations make up the other \$3,200.

The revenue from the State is state shared revenue: liquor, cigarette, marijuana taxes and highway trust fund revenue distributions.

With the study of the wastewater system almost complete, Maywood Park will no longer need to maintain a balance in the Wastewater Reserve Fund and will transfer \$39,000 back to the General Fund.

The \$8,400 transferred in from the State Street Tax Fund covers the costs of administering the fund.



City Of Maywood Park				
General Fund Annual Gain/Loss and Changes in Ending Fund Balance				
	2017-18	2018-19	2019-20	2020-21
	Actual	Actual	Rev Budget	App Budget
Total Revenue	197.7	211.5	208.0	218.8
Total Expenses	122.7	150.6	202.7	206.9
Annual Gain/Loss	75.0	60.9	5.3	11.9
Contingency/Ending Fund Balance	55.0	65.6	4.7	25.3

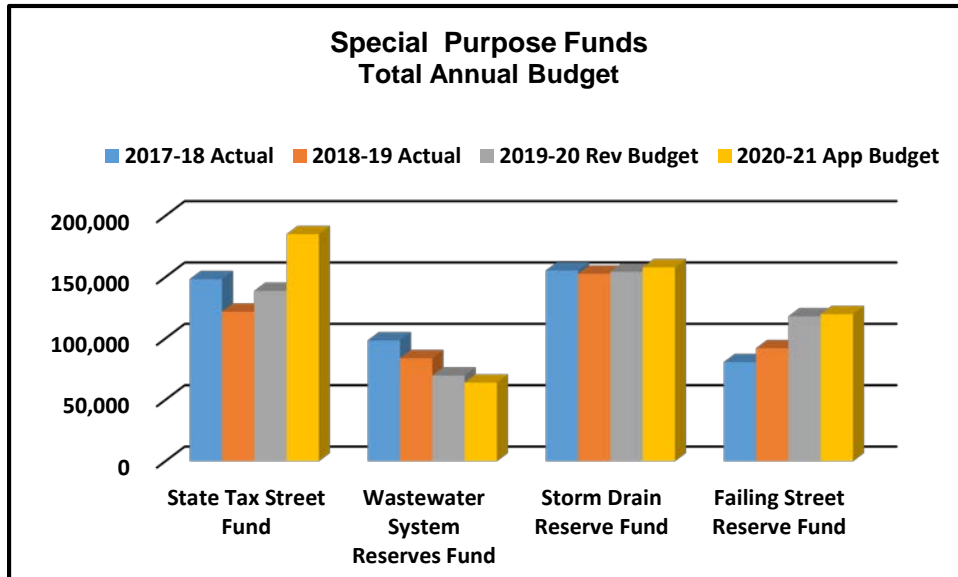
This gain/loss chart shows the City has more revenue than expenses, particularly in the actual years. Actual years show the City maintains over 40% of expenditures in fund balance. This will more than carry them until tax revenues begin to arrive.

6. Analysis of Other Funds

Maywood Park has four additional funds.

1. State Street Tax Fund. Used for street maintenance expenditures
2. Storm Water Reserves Fund. This fund is used for Underground Injection Controls (drywells) to handle storm water runoff.
3. Failing Street Property Reserves Fund. The Failing Street Property is a city-owned site that is planned for a City commons/City hall facility.
4. Wastewater System Reserves Fund. The City of Maywood Park does not have sanitary sewers and this fund is used for planning expenditures for that future project.

Total requirements in the special funds are shown in the following chart.



State Street Fund expenditures (\$185K) will be used for new stop signs, possibly new speed signs needed throughout the city because of possible reduction in the speed limit, diverters and bike path maintenance. In addition to the regular maintenance costs, about \$17K has been allocated for additional landscaping projects such as tree trimming and removal. The City has allotted \$50K for landscape maintenance costs for Berm/Bike Path and another \$84K for irrigation upgrades.

Wastewater System Reserve Fund expenditures (\$64K) are for the initial planning for sanitary sewers collection system for the City. This plan is nearing completion and is expected to be presented to the residents once City Council has completed their review of the report. The budget includes \$25,000 for professional consultation of options for the plan. Since the study is substantially complete, Maywood Park has budgeted to transfer \$39,000 back to the General Fund.

Storm Drain Reserves Fund is used to set aside resources for repair and replacement of catch basins and dry wells within the City. This budget includes \$25,000 for possible Underground Injection Control (UIC) upgrades or replacements in the event a dry well or catch basin should fail. There is \$10,000 set aside for annual maintenance/repairs. Maywood Park will retain \$128K in reserves.

Failing Street Property Development Fund will not receive a transfer from the General Fund in FY21. City Council will present options and gather public comment of ideas on how to use the property for the benefit of the residents of Maywood Park. The only resource is earned interest. There are no expenditures budgeted. There is \$119K reserved for future expenditures.

7. Debt Status

The City has no debt.

8. Is Budget in Sync with Strategic Plan/Performance Objectives?

The City's budget is in line with its strategic plan. Reserve fund balances have increased for future capital projects as they wait and see what the present pandemic will do to their resources and expenditures

9. Budget Process & Compliance

Yes	No	Compliance Issue
x		Did the District meet publication requirements?
x		Do resources equal requirements in every fund?
	N/A	Does the G.O. Debt Service Fund show only principle and interest payments?
x		Do contingencies exist only in operating funds?
x		Did the Budget Committee approve the budget?
x		Did the Budget Committee set the levy?
x		Does audit show that the District complied with budget law?

10. Highlights of 2020-21 Budget

- The budget is increasing just over \$87 thousand or 12% due to an increase in capital spending in the State Street Tax fund for various projects.
- For the second year Maywood Park will levy its full tax rate in the FY21. Previous to FY20 the District levied a dollar amount which was less than the full rate.
- The City is budgeting \$25,000 for the final feasibility study and presentation of the Wastewater System Plan. The \$39,000 balance in the Wastewater System Reserves fund will be transferred back to the General Fund.
- The budget includes \$84,500 for capital projects involving street improvement projects.

Local Budget Law Compliance:

The 2020-21 Budget is in substantial compliance with local budget law. TSCC staff judged that the district's budget estimates were reasonable for the purposes shown.

The audit report for fiscal year 2018-19 states that all expenditures were within budget appropriations.

Certification Letter Recommendations and Objections:

TSCC staff did not find any deficiencies in the district's FY 2020-21 budget or budget process and will recommend the Certification Letter contain no recommendations or objections.

City of Maywood Park

Annual Report

	2017-18 Actual	2018-19 Actual	2019-20 Rev. Budget	2020-21 Apv. Budget	Budget % Change
SUMMARY OF ALL FUNDS					
Property Tax Breakdown:					
Permanent Rate Property Taxes	115,917	131,197	126,300	135,400	7%
Total Property Taxes	115,917	131,197	126,300	135,400	7%
Resources:					
Beginning Fund Balance	407,041	387,459	414,600	430,000	4%
Property Taxes	115,917	131,197	126,300	135,400	7%
Intergovernmental Revenue	70,755	78,308	78,600	85,200	8%
Fees and Charges	57,496	56,467	56,600	57,100	1%
Other Income	2,742	3,666	2,900	3,900	34%
Transfers In	67,208	69,539	82,400	137,400	67%
TOTAL RESOURCES	721,159	726,636	761,400	849,000	12%
Requirements by Function:					
Administrative Services	66,149	87,327	131,700	123,600	-6%
Public Safety	55,774	60,383	66,500	77,500	17%
Public Utilities Sewer System	54,309	38,195	85,000	55,000	-35%
Streets Transportation and Parking	89,456	45,979	124,200	171,700	38%
Capital Outlay Unallocated	804	2,909	4,500	5,800	29%
Transfers Out	67,208	69,539	82,400	137,400	67%
Contingencies	0	0	9,900	9,700	-2%
Ending Fund Balance	387,459	422,304	257,200	268,300	4%
TOTAL REQUIREMENTS	721,159	726,636	761,400	849,000	12%
Requirements by Object:					
Personnel Services	20,421	46,837	53,600	46,500	-13%
Materials & Services	220,048	183,585	276,300	276,800	0%
Capital Outlay	26,023	4,371	82,000	110,300	35%
Fund Transfers	67,208	69,539	82,400	137,400	67%
Contingencies	0	0	9,900	9,700	-2%
Ending Fund Balance	387,459	422,304	257,200	268,300	4%
TOTAL REQUIREMENTS	721,159	726,636	761,400	849,000	12%
SUMMARY OF BUDGET - BY FUND					
General Fund	238,380	276,132	280,400	322,200	15%
State Tax Street Fund	148,301	121,844	138,800	185,000	33%
Wastewater System Reserves Fund	98,406	83,937	69,800	64,000	-8%
Storm Drain Reserve Fund	155,374	152,713	154,400	158,000	2%
Failing Street Reserve Fund	80,698	92,010	118,000	119,800	2%
GRAND TOTAL ALL FUNDS	721,159	726,636	761,400	849,000	12%
DETAIL OF GENERAL FUND					
Resources:					
Beginning Fund Balance	34,111	55,000	63,000	56,000	-11%
Property Tax	115,917	131,197	126,300	135,400	7%
State Revenue	23,152	23,684	25,000	26,200	5%
Fees and Charges	57,496	56,467	56,600	57,100	1%
Other Income	1,149	145	100	100	0%
Transfers In	6,555	9,639	9,400	47,400	404%
TOTAL FUND RESOURCES	238,380	276,132	280,400	322,200	15%
Requirements:					
Administrative Services	66,149	87,327	131,700	123,600	-6%
Public Safety	55,774	60,383	66,500	77,500	17%
Capital Outlay Unallocated	804	2,909	4,500	5,800	29%
Transfers Out	60,653	59,900	73,000	90,000	23%
Contingencies	0	0	4,700	4,800	2%
Ending Fund Balance	55,000	65,613	0	20,500	0%
TOTAL FUND REQUIREMENTS	238,380	276,132	280,400	322,200	15%
BALANCE SHEET AS OF JUNE 30 EACH YEAR					
	2017-18	2018-19			
Assets:					
Cash & Investments	387,459	422,304			
TOTAL ASSETS	387,459	422,304			
Liabilities and Equity:					
Equity	387,459	422,304			
TOTAL LIABILITIES AND EQUITY	387,459	422,304			