

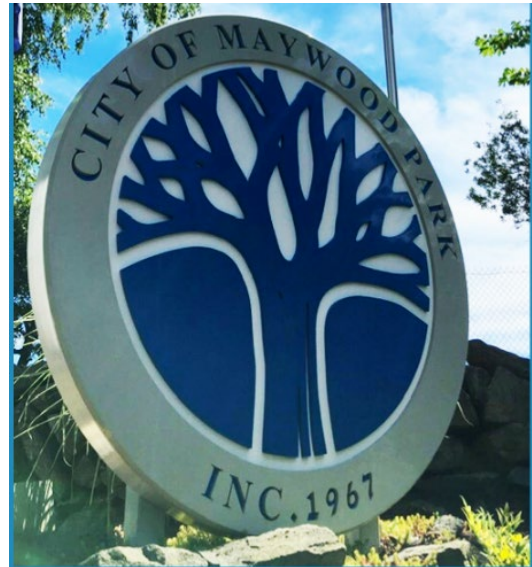
Budget Review 2023-24

City of Maywood Park



BUDGET HIGHLIGHTS

- The budget for the fiscal year 2023-24 is \$958,100, an increase of \$125,600 driven by a rise in the beginning fund balance and transfers.
 - Transfers within funds will see a 10% increase in this budget, from \$176,600 to \$193,300.
 - The ARPA funds received in FY 2021-22 were transferred to the Wastewater fund (\$90,000). These funds rolled into FY 24 to be used when the city moves forward with the wastewater project.
- After many years of ongoing discussions, Maywood Park residents will vote this fall to determine if the city will move forward with the wastewater sewer project.
- Capital expenditures increased from \$98,000 to \$135,000.
 - \$50,000 will be used for the Commons Area renovation
 - \$40,000 for projects linked to street improvement
 - \$20,000 for Underground Injection Control upgrades \$20,000 for computers and storage unit upgrades



INTRODUCTION & BACKGROUND

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

It is an island surrounded by the City of Portland. Maywood Park serves about 340 homes and an estimated population of 829. It is home to a Mount Hood Community College campus.

The five-member 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 taxing 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 and the City of Portland for water and fire protection services. Maywood Park does not have sanitary sewers; all sewage is processed on-site. Not surprisingly, the city's capital improvement focus is the provision of sanitary sewers.

City of Maywood Park	2019-20	2020-21	2021-22	2022-23
Assessed Value in Millions	\$70.7	\$73.1	\$75.4	\$77.8
Real Market Value (M-5) in Millions	\$126.0	\$127.5	\$163.1	\$172.8
Property Tax Rate Extended: Operations	\$1.9500	\$1.9500	\$1.9500	\$1.9500
Measure 5 Loss	\$-97	\$-121	\$-123	\$-132
Number of Employees (FTE's)	1	1	1	1

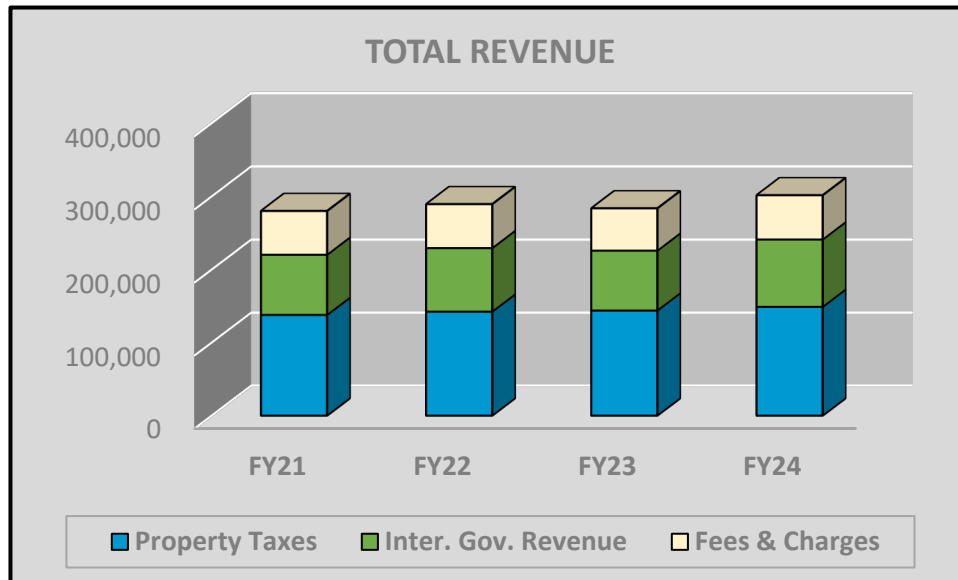
BUDGET OVERVIEW

The city of Maywood Park budgets day-to-day operations in the General Fund. Street repair and related expenditures are budgeted in the State Tax Street Fund. Three other funds are used for special projects; Maywood Park Commons property development; storm drain repair and replacement; and the wastewater project. The total of all funds is \$958,100, increasing by 15%. The increase is driven in part by ARPA funds received in FY 22. They were transferred to the Wastewater System Fund in FY 23 and were carried over into FY 24. Transfers will increase in this budget from \$176,600 to \$193,300, with the Wastewater System Fund receiving the largest share (\$91,500) in anticipation of the Sanitary Sewer System development moving forward. The ending fund balance totals \$184,500, with 67% in the Wastewater Systems Reserve Fund reserved for the development of the system. Except for the sewer system development project, this budget is pretty much status quo, following historical trends with slight adjustments for inflation.

Total Revenue vs.Total Requirements				
	FY 2021	FY 2022	FY 2023	FY 2024
	Actual	Actual	Budget	Budget
Revenue	288,241	384,218	283,900	301,800
Expenditures	288,790	431,165	584,900	564,600
Gain/Loss Percentage	-0.2%	-10.9%	-51.5%	-46.5%

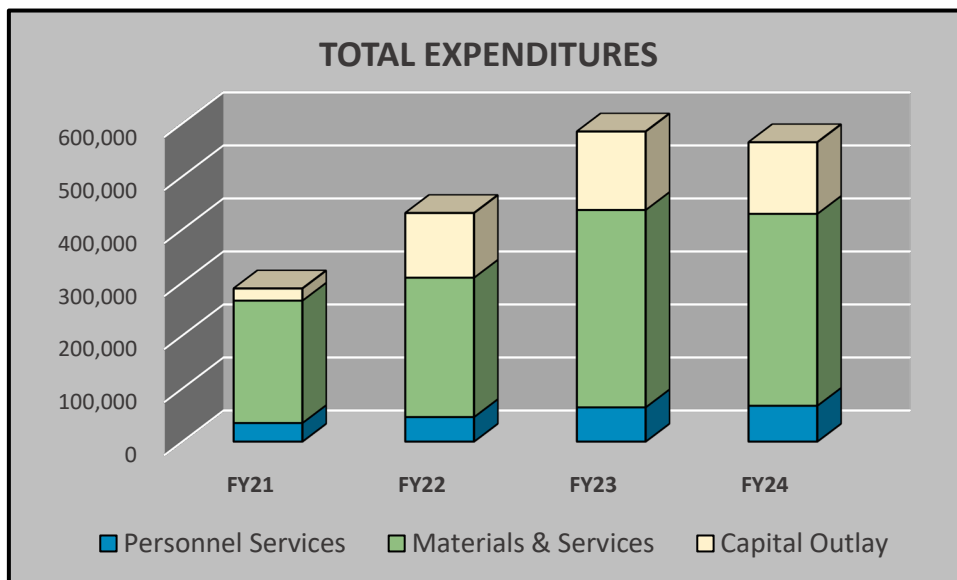
Expenditures are outpacing the revenue received. Materials and services lead the operational spending.

RESOURCES



The Approved Budget revenues are \$301,800. The beginning fund balance is 48% of the total resources budgeted at \$463,000. Primary revenue sources are consistent with historical trends and include state-shared proceeds, state gasoline tax, franchise fees, and earned interest, with property taxes making up 49% of the revenue. All income except gas tax is received into the General Fund.

REQUIREMENTS

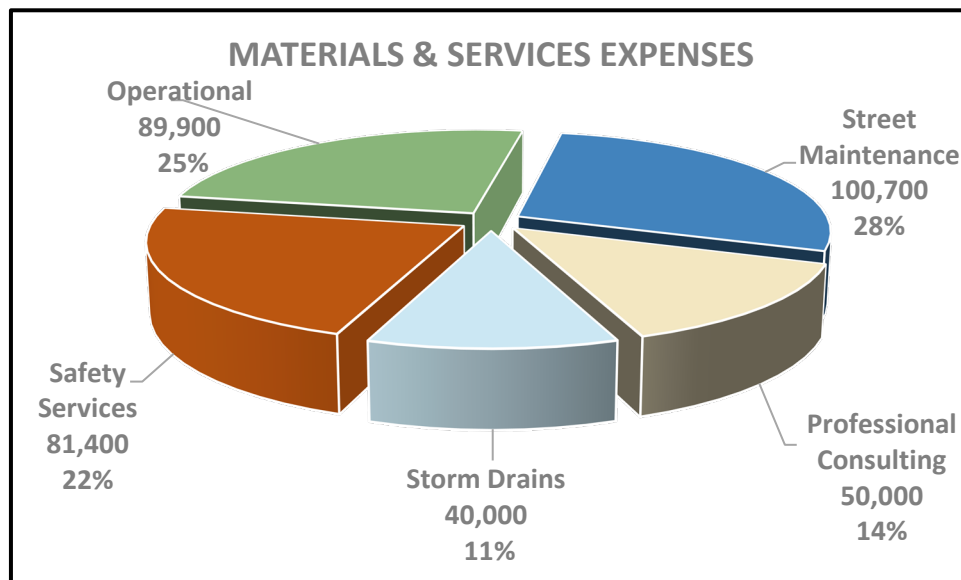


Year-over-year comparisons are shown in the previous graph. As expected, Personnel Services increase somewhat each year to cover slight increases in salary and associated payroll expenses. Materials and Services spiked in FY 23, derived from a \$90 thousand allocation for professional fees and consulting services surrounding the sanitary sewer system. Capital expenditures are the spending classification with the most variation, as this depends on the nature of the capital projects.

Personnel Services:

The City of Maywood Park is small and has only 0.7 permanent FTE: the Finance Director, and City Recorder. Both are part-time salaried positions. The amount allocated to Personnel Services is \$67,600, which includes a stipend for the mayor and councilors.

Materials & Services



Materials & Services are the most significant expense entity at \$362,000. This grouping can be divided into five usage categories, as the chart shows. Materials and services decreased slightly in the approved budget as the city reduced the allocation for consultant service from \$90K to \$50K.

Safety Services, recorded in the General Fund, include contracts with Multnomah County Sheriff's Office for patrols. The cost for these services is \$45,000. Police and emergency medical services (BOEC 911 services) will cost \$21,000 in FY 24. Also included in this group are Community and Neighborhood Emergency Response Team (CERT/NERT) supplies, materials, and training costs. The street signs and maintenance expenditures are recorded in the State Tax Street Fund and paid for using Oregon Department of Transportation Highway Trust dollars.

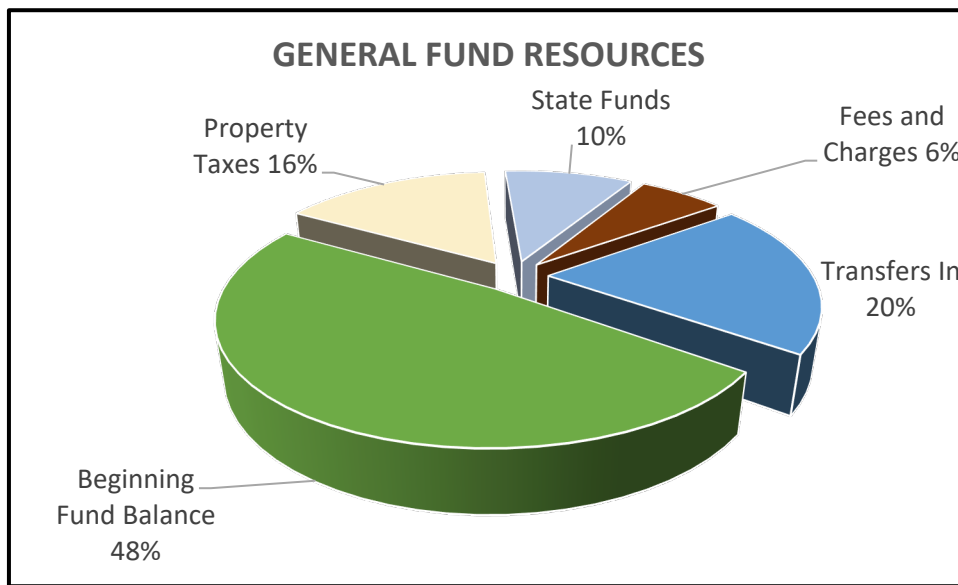
Plans for new street signs, speed bumps, berm irrigation line repairs, and the Maywood Park Commons Project drive **capital expenditures** to \$135,000.

GENERAL FUND

The General Fund is increasing by 12% percent. The beginning fund balance is \$50,000, growing by 34% over the current year due to the second payout of the American Rescue Plan Act. The city will use these funds to move forward with the next steps in developing the sanitary sewer system. As with historical trends, fund transfers into the General Fund from the State Street fund will rise slightly. The public safety services expenditures have increased by 9% as the city uses actual spending for the current year's guide for FY 24 predictions.

The General Fund transfers \$181,500 to other funds. These dollars will go to Storm Drain Reserves Fund for repairs and maintenance, the State Tax Street Fund for capital projects, and the Wastewater System Reserves Fund for professional fees associated with the wastewater project.

GENERAL FUND RESOURCES



Property taxes are Maywood Park's primary revenue source. To support the city operations, Maywood Park will continue to levy its total tax rate of \$1.9500 per \$1,000 AV in FY 24. The rate will yield \$149,000 in revenue.

Maywood Park collects \$57,800 in **fees and charges**. The **State Revenue** is from State revenue sharing, cigarette, liquor, and marijuana tax. **Other resources** include licenses, rebates, reimbursements, and miscellaneous sources. **Transfers** into the General Fund come from the State Tax Street Fund, \$11,800, which covers the costs of administering the fund.

GENERAL FUND REQUIREMENTS

Maywood Park breaks the General Fund into three expenditure categories:

- Administration and Support Services include personnel services, fees for professional services such as auditors, city planning consultants and attorney fees, office supplies and expenses, and office and property management and maintenance. This expenditure is \$89,900.

- Providing Public Safety Services in FY 24 totals \$81,400. These dollars cover the inter-governmental agreement with the Multnomah County Sheriff's office for routine patrols for the city and three traffic speed control missions per year, the Bureau of Emergency Communications (BOEC) 911 emergency services charges and fire protection services, the bio-hazard camp cleanup cost, and Community/Neighborhood Response Team (CERT/NERT) materials and supplies and training costs.
- Unallocated Capital Expenditures are the third category and total \$20,000. The city has set aside \$2,000 for office furniture and computer equipment and \$18,000 to cover the remaining cost of upgrades to implement temperature control measures in the new storage unit used to hold the Community Emergency Response Team resources and other supplies for city events.

Personnel Services

Maywood Park has only two permanent employees, a finance director and a city recorder. Both are part-time positions, have a fixed monthly salary with no benefits, and are equivalent to less than one full-time employee. Allocations for salaries and wages will rise 12% with the change in timing for the granting wage increases. Also included in personnel services is a stipend for the mayor and council members. They will receive a 6% cost of living increase.

Personnel services in the approved budget included a line item for contracted work. Staff will amend the budget and ask the board to approve it when adopting the budget.

Materials & Services The materials and services in the General Fund approved budget total \$89,900. This is an 8% growth compared to the current year's expenditures in this category and tracks with trending inflation.

Transfers of \$181,500 account for 41% of the General Fund requirements. Maywood Park uses the transfers to pay for current and future public works projects. State Tax Street Fund will utilize \$60,000 for projects, Failing Street Reserve Fund will apply \$30,000 to support building an ADA-compliant ramp into the park so that all residents can access the park, and the Wastewater System Reserve Fund will need \$91,500 to move forward with the development of the sanitary sewer system.

OTHER SIGNIFICANT BUDGET AREAS

OTHER FUNDS

Maywood Park has four additional funds. The State Tax Street Fund receives a share of the Oregon Department of Transportation (ODOT) highway tax. The other three funds are supported only by transfers from the General Fund.

- **State Tax Street Fund \$164,400**
The city is anticipating revenue from the Oregon Department of Transportation to increase 12% to \$67,600 in FY 24. This fund will see a transfer of \$60,000 from the General fund to help support street maintenance, multi-use paths, signs, lighting, and related capital projects. The city is budgeting \$11,500 for contingency.

- Storm Water Reserves Fund \$107,000**
 This fund is used for Underground Injection Controls to handle stormwater runoff. With a beginning fund balance of \$107,000 and only \$60,000 in expenditures for maintenance, repairs, and upgrades if needed, the General Fund will not transfer any resources to the Storm Water Reserve Fund.
- Failing Street Property Development Reserves Fund \$64,000**
 The Failing Street Property is a city-owned site planned for a city commons /city hall facility. This fund is exclusively supported by transfers from the General Fund (\$30,000). Funds are provided to support building an ADA ramp into the park.
- Wastewater System Reserves Fund \$178,500**
 Maywood Park does not have a sanitary sewer system. After many years of ongoing discussions, the city has completed the study to move from septic systems to a city-wide sanitary sewer system. The Wastewater System Reserves Fund is used to plan the development of this system and set aside resources to facilitate the advancement of this project. City residents will vote this fall on whether to continue with the city-wide wastewater sewer project. If passed, an IGA will be crafted with the City of Portland, and funding will be discussed. Currently, the only expenditure in this fund is for professional and consulting services (\$50,000). A transfer from the General Fund and the beginning fund balance are the only resources currently backing this fund. City of Maywood Park council members hope residents will support the program to move forward with this project.
- State Tax Street Fund will receive \$65,000 from ODOT Highway Trust Fund. This revenue, along with the beginning fund balance of \$39,000 and a transfer of \$60,000, will meet the planned expenditures of \$164,000. The city will use the revenue in this fund for new street and speed limit signs throughout Maywood Park, speed bumps, painting curbs yellow for no parking zones, and berm irrigation upgrades. The landscape projects and maintenance make up the most significant expenditure in this fund at \$65,000.

DEBT STATUS

The City of Maywood Park has no debt.

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 GO Debt Service Fund show only principal and interest payments?
X		Are contingencies shown only in operating funds?
X		Did the budget committee approve the budget?
X		Did the budget committee set the levy?
X		Does the audit show the district was in compliance with budget law?

LOCAL BUDGET LAW COMPLIANCE

The FY 2023-24 Budget is in substantial compliance with local budget law. Estimates were judged to be reasonable for the purposes shown.

The audit report for FY 2021-22 notes no exceptions to local budget law.

CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS

TSCC staff found a problem with the city's budget, as explained in the General Fund Personnel Services category. This discrepancy has been discussed with city staff and will be corrected when Maywood Park adopts the budget. We recommend the Certification Letter contain no recommendations or objections.

CITY OF MAYWOOD PARK

Budget Summary

	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	%
SUMMARY OF ALL FUNDS	Actual	Actual	Revised	Approved	Change
PROPERTY TAX BREAKDOWN:					
Permanent Rate Property Taxes	135,260	142,415	144,000	149,000	3.5%
Prior Years Property Taxes	2,676	0	0	0	0.0%
TOTAL PROPERTY TAX	137,936	142,415	144,000	149,000	3.5%
RESOURCES:					
Beginning Fund Balance	448,592	448,043	372,000	463,000	24.5%
Property Taxes	137,936	142,415	144,000	149,000	3.5%
Intergovernmental Revenue	82,465	87,028	82,000	92,200	12.4%
Fees and Charges	59,810	60,079	57,800	60,500	4.7%
Other Income	8,030	94,696	100	100	0.0%
Transfers In	137,400	175,400	176,600	193,300	9.5%
TOTAL RESOURCES	874,233	1,007,661	832,500	958,100	15.1%
REQUIREMENTS BY FUNCTION:					
Facilities Acquisition and Construction	0	28,805	50,000	50,000	0.0%
Administrative Services	85,214	117,180	147,200	157,500	7.0%
Public Safety	61,712	61,834	74,900	81,400	8.7%
Public Utilities Sewer System	40,761	63,153	150,000	115,000	-23.3%
Streets Transportation and Parking	97,480	123,746	145,800	140,700	-3.5%
Capital Outlay Unallocated	3,623	36,447	17,000	20,000	17.6%
Transfers Out	137,400	175,400	176,600	193,300	9.5%
Contingencies	0	0	10,000	15,700	57.0%
Ending Fund Balance	448,043	401,096	61,000	184,500	202.5%
TOTAL REQUIREMENTS BY FUNCTION	874,233	1,007,661	832,500	958,100	15.1%
REQUIREMENTS BY OBJECT:					
Personnel Services	35,055	46,321	64,600	67,600	4.6%
Materials & Services	230,852	262,895	372,300	362,000	-2.8%
Capital Outlay	22,883	121,949	148,000	135,000	-8.8%
Fund Transfers	137,400	175,400	176,600	193,300	9.5%
Contingencies	0	0	10,000	15,700	57.0%
Ending Fund Balance	448,043	401,096	61,000	184,500	202.5%
TOTAL REQUIREMENTS BY OBJECT	874,233	1,007,661	832,500	958,100	15.1%

SUMMARY OF BUDGET - BY FUND

General Fund	346,146	487,075	396,300	444,600	12.2%
State Tax Street Fund	186,714	203,943	162,200	164,000	1.1%
Wastewater System Reserves Fund	65,110	26,115	90,000	178,500	98.3%
				-	
Storm Drain Reserve Fund	156,945	171,195	121,000	107,000	11.6%
Failing Street Reserve Fund	119,318	119,333	63,000	64,000	1.6%
GRAND TOTAL ALL FUNDS	874,233	1,007,661	832,500	958,100	15.1%

DETAIL OF GENERAL FUND**RESOURCES:**

Beginning Fund Balance	65,923	105,597	146,000	196,000	34.2%
Property Tax	137,936	142,415	144,000	149,000	3.5%
State Revenue	28,507	23,941	24,000	27,200	13.3%
Fees and Charges	59,810	60,079	57,800	60,500	4.7%
Other Income	6,570	94,643	100	100	0.0%
				-	
Transfers In	47,400	60,400	24,400	11,800	51.6%
TOTAL FUND RESOURCES	346,146	487,075	396,300	444,600	12.2%

REQUIREMENTS:

Administrative Services	85,214	117,180	147,200	157,500	7.0%
Public Safety	61,712	61,834	74,900	81,400	8.7%
Capital Outlay Unallocated	3,623	36,447	17,000	20,000	17.6%
Transfers Out	90,000	115,000	152,200	181,500	19.3%
				-	
Contingencies	0	0	5,000	4,200	16.0%
Ending Fund Balance	105,597	156,614	0	0	0.0%
TOTAL FUND REQUIREMENTS	346,146	487,075	396,300	444,600	12.2%