Budget Review 2026-27

City of Maywood Park

BUDGET HIGHLIGHTS

- The FY 2026-27 approved budget is $554,112, a decrease of $164,088 (22.8%) compared to the revised FY 2025-26 budget. The reduction is primarily due to a lower beginning fund balance of $207,753 and the removal of the wastewater project fund.

- Total expenditures are budgeted at $509,098, exceeding revenues by $178,556. $81,100 of expenditures are for capital outlay, with the reminder in materials and services ($311,260, in line with prior year actuals), and personnel services ($116,738, 100% increase from last year).

- Notably, the city is budgeting no ending fund balance for next budget year, following years of declining fund balance as expenditures exceed revenues. This may be a product of conservative budgeting or may demonstrate a structural deficit that will need to be addressed by the district. The district does have $29,198 set aside in contingency funds, 6% of the total budget expenditures, and an improperly categorized “personnel contingency” that is in the personnel services category, bringing total contingency to $54,198.

- Personnel Services double in this budget to a total of $116,738 as the city increases the wages for the part-time City Recorder position, the only permanent staff position for the city. Contracted services in the General Fund also increase (+6,500, increase of 45%), as the city introduces a new staffing model and contracts out for finance and budget services formerly done by the Finance Director/City Recorder.

- The Wastewater System Reserves Fund is $0 for FY 2026-27. Following the Fall 2024 vote by Maywood Park residents not to proceed with the City’s wastewater sewer project, and the $170,300 in unspent federal American Rescue Plan Act (ARPA) funds previously budgeted as special payments for return to the U.S. Treasury are no longer included as requirements in the new fiscal year budget because they were refunded in the current fiscal year.

- Public Safety Services are budgeted at $90,618, representing a 5.1% decrease compared to the $95,500 budgeted in FY 2025-26. This total includes $6,500 for the Flood Safety Intergovernmental fee recently imposed by the Urban Flood Safety and Water Quality district.

- The Failing Street Property Development Fund is budgeted at $10,590 for FY 2026-27, a decrease of 41.2% from the $18,000 budgeted the previous year. With the Maywood Park Commons project nearly complete, the entire $10,590 is allocated for final development and maintenance, and no funds will be transferred to the General Fund.

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. Residents are in Multnomah County Fire District #10, which contracts with City of Portland to provide fire protection services. City taxes do not pay for fire services since that is covered by Fire District #10. Maywood Park does not have sanitary sewers; all sewage is processed on-site.

City of Maywood Park	2022-23	2023-24	2024-25	2025-26
Assessed Value in Millions	$77.8	$80.5	$83.0	$85.4
Real Market Value (M-5) in Millions	$172.8	$172.1	$150.3	$160.5
Property Tax Rate Extended:				
Operations	$1.9500	$1.9500	$1.9500	$1.605
Measure 5 Impact	$-132	$-176	$-189	-$195
Number of Employees (FTE's)	1	1	1	1

BUDGET OVERVIEW

The City of Maywood Park budgets its day-to-day operations in the General Fund, which supports personnel, public safety, and administration. Street repair, signage, and landscape maintenance are budgeted in the State Tax Street Fund, which is funded by the city's share of Oregon Department of Transportation highway taxes. The city also maintains specific reserve funds for dedicated purposes: the Failing Street Property Development Fund, used for improvements to Maywood Park Commons, and the Storm Drain Reserve Fund, which supports repairs, maintenance, and mandated Department of Environmental Quality testing of catch basins and dry wells.

The Wastewater System Reserve Fund previously held federal recovery dollars received through the American Rescue Plan Act for a proposed sewer project. After residents voted not to pursue the project, the $170,300 was designated as a special payment to be returned to the federal government and paid back in the current fiscal year. As the project is not moving forward, the fund is at $0 for the 2026-27 fiscal year.

Total Revenue vs. Total Expenditures

	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY2027 Budget
Revenue	304,427	315,129	314,600	330,542
Expenditures	396,470	328,337	587,700	509,098
Gain/Loss in Dollars	-92,043	-13,208	-273,100	-178,556
Gain/Loss Percentage	-23.22%	-4.02%	-46.47%	-35.07%

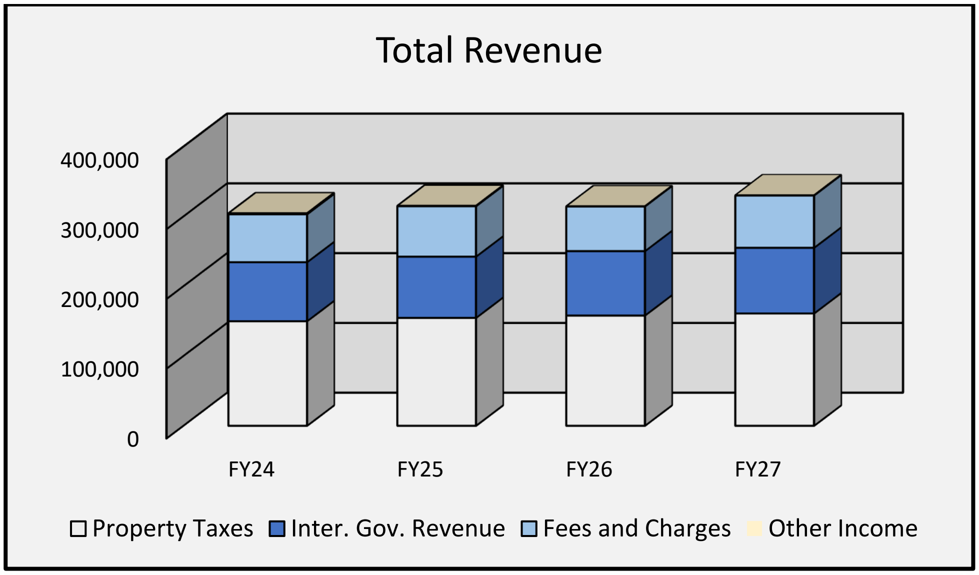
In most budgeted years, expenditures outpace the revenues received, as evidenced by the approved FY 2026-27 budget where total expenditures of $509,098 exceed anticipated current revenues of $330,542.

The higher expenditure for FY 2026-27 is due to the special payment of $170,300 in ARPA funds, a one-time expense of $170,300, so ongoing expenditures and ongoing revenues are more closely matched, although a trend of expenditures exceeding revenues does continue. When the one-time special payment is removed, total expenditures from FY 2026-27 increase by $91,698, or 15%. This increase is driven primarily by personnel increases, including plans to hire a part-time Recorder with salary and benefits and maintaining the annual stipend for volunteer City Councilors, alongside necessary capital outlays for equipment, furniture, and infrastructure maintenance.

Actual results show a more moderate trend, with the city's ending fund balance shifting from $391,555 in the FY 2023-2024 to $315,306 in the 2024-2025 fiscal year. Materials and services continue to lead operational spending, accounting for $356,460 of the requirements for the upcoming year.

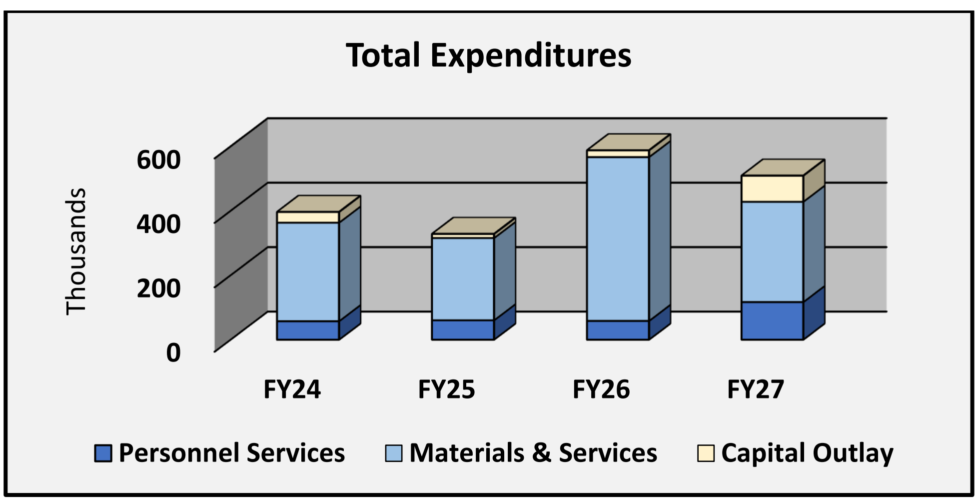
RESOURCES

The approved budget revenues for FY 2026-27 total $330,542. Primary revenue sources remain aligned with historical trends and include state-shared revenue, the state gasoline tax, franchise fees, and miscellaneous income. Property taxes are budgeted at $161,000, which accounts for approximately 49% of the city's current year revenue. Most income (except for state highway tax receipts deposited into the street fund) is budgeted within the General Fund. The city's income remains relatively stable, as the one-time ARPA funds received in previous years for the now-canceled wastewater project are no longer included in current revenue projections.



The preceding graph shows the city's total revenue. Property taxes and other governmental revenue sources are the city's primary funding sources. All revenue is consistent year over year, increasing slightly.

REQUIREMENTS



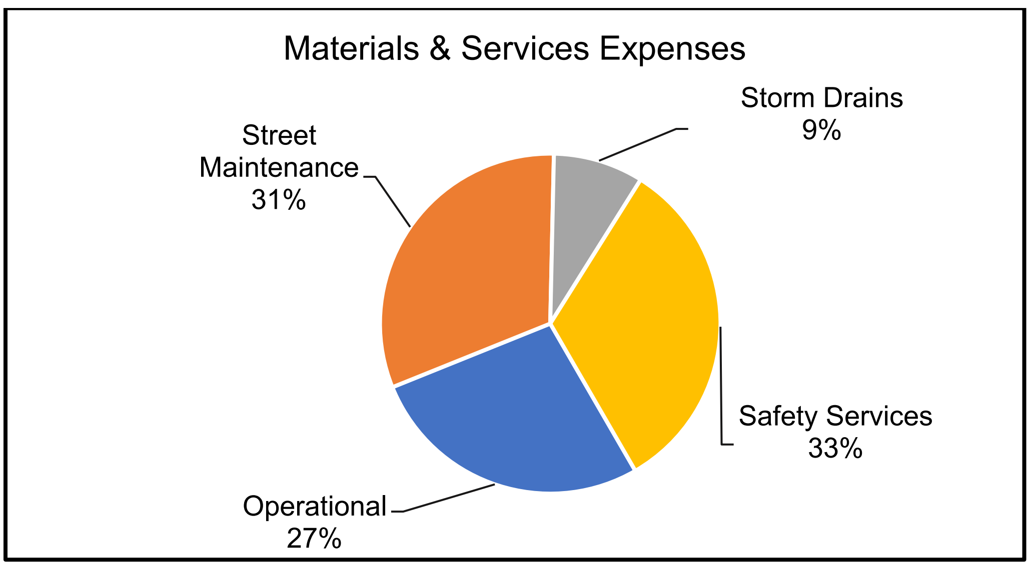
Year-over-year comparisons show that while some expenditures remain consistent, the approved budget for FY 2026-27 includes significant shifts in personnel and capital investments. Personnel Services is the category seeing a substantial increase this cycle due to staffing changes. Materials and Services have decreased significantly following the removal of the one-time federal fund repayment that dominated previous budgets. Capital expenditures continue to show high variation, increasing from $21,000 to $81,100 as the city prioritizes infrastructure repairs and signage.

Personnel Services

The City of Maywood Park operates with a small staff, containing 0.55 full-time equivalents (FTE). For the FY 2026-27, the approved budget for Personnel Services is $116,738, an increase from the $58,300 budgeted in FY 2025-26. This change is primarily driven by the city increasing salary costs for the one permanent position, a part-time City Recorder. This category also includes $6,000 for an annual stipend for City Councilors and the Mayor.

Materials and Services

Materials and Services are budgeted at $311,260 for the 2026-27 fiscal year, representing a 38.8% decrease from the $508,400 budgeted in 2025-26. This decrease is largely due to the conclusion of requirements related to the wastewater system project and the repayment of the ARPA funds. Most other line items within this category have remained relatively consistent, with minor adjustments based on actual city operation needs.



Public Safety Services

Public safety expenditures, recorded in the General Fund, are budgeted at $90,618 for 2026-27. This is a 5.1% decrease compared to the $95,500 budgeted in the previous year. This total includes:

- **Multnomah County Sheriff Patrols:** $60,993.
- **911/Police/EMS (BOEC):** $21,000.
- **Flood Safety Intergovernmental Fee:** $6,500, which accounts for the new fee imposed by the Urban Flood Safety and Water Quality district.
- **Other Services:** Includes $750 for CERT/NERT training, $125 for the Park Watch program, $500 for Traffic Missions, and $750 for Bio-Hazard/Camp Cleanup.

Capital Outlay and Special Funds

Capital Outlay for the 2026-27 year is budgeted at a total of $81,100, an increase from the $21,000 budgeted in 2025-26. These expenditures are divided between funds:

- **General Fund:** $12,000 is allocated for office and computer equipment ($2,000) and wastewater capital needs ($10,000) to cover required replacements or repairs.
- **Street Fund:** $49,100 is budgeted for capital projects, including new street signs and anticipated repairs to the berm irrigation system.

Additionally, the Street Fund includes $16,000 for contractual maintenance such as street sweeping and repairs, and $47,600 for the Maywood berm and multiuse path maintenance, which covers landscaping and tree removal.

The Wastewater System Reserve Fund, which held $170,300 in ARPA funds last year for return to the U.S. Treasury, is at $0 for the 2026-27 fiscal year as the project is no longer moving forward and the funds are returned.

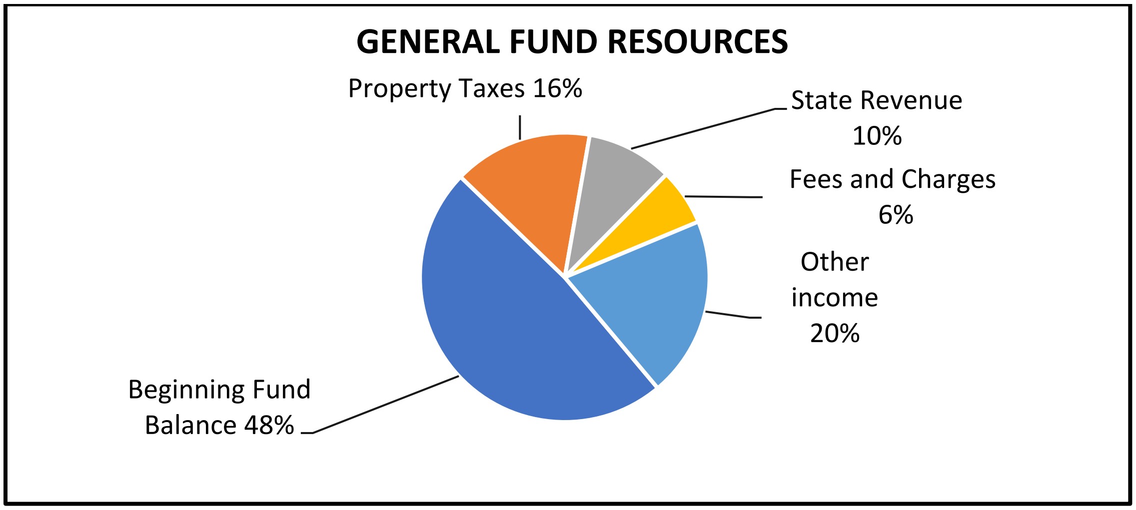
The Failing Street Property Development Fund is budgeted at $10,590 for FY 2026-27 to cover final development and maintenance for the Maywood Park Commons project. Because the project is nearly complete, no funds will be transferred from this fund to the General Fund.

GENERAL FUND

The General Fund is increasing by approximately 9.5% for FY 2026-27, with resources totaling $362,326, up from $330,900 in the revised 2025-26 budget. This growth is primarily driven by a significantly higher beginning fund balance of $101,796, which represents a 61.6% increase over the $63,000 starting balance from the previous year. Expenditures also increase in this budget, and the city is budgeting non ending fund balance in the General Fund.

In FY 2026-27, the General Fund will transfer $15,816 to other funds, a substantial decrease compared to the $52,300 transferred in FY 2025-26. These requirements include $7,222 to the State Tax Street Fund and $8,594 to the Storm Drain Reserve Fund to assist with cash flow. Interfund transfers vary year-to-year based on available resources and the anticipated expenditure needs of the receiving funds.

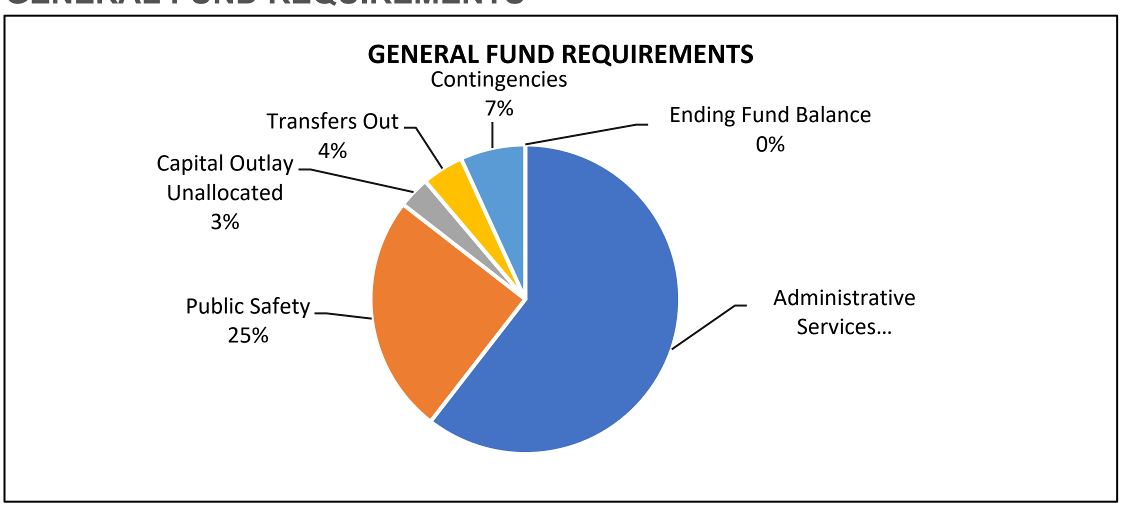
GENERAL FUND RESOURCES



Property taxes remain the primary source of revenue for the City of Maywood Park. The city will maintain its permanent tax rate levy of 1.950 per $1,000 of assessed value for the 2026-27 budget. This is expected to generate $161,000 in revenue, a slight increase over the $158,000 budgeted the previous year, after accounting for a 5% allowance for uncollectible accounts.

The city anticipates collecting $74,989 in fees and charges, an increase from $64,100 in the previous year's budget. This total includes $69,193 in franchise fees. State revenue apportionments, which include the city share of state-shared revenues, are projected at $24,121. Miscellaneous income is estimated at $420, including interest and other small revenue sources. Transfers into the General Fund have decreased to $0 from $20,300 in the prior year, as the Failing Street Property Development Fund project is nearly complete and no remaining balance is being moved back to the General Fund to support city cash flow.

GENERAL FUND REQUIREMENTS



Maywood Park breaks the General Fund into four main expenditure categories:

1. **Administrative Services** include personnel services, professional fees, and general city operations. This functional category totals $219,190 for the FY 2026-27 budget, which is an increase from the $146,200 budgeted in FY 2025-26.

    - Within this category, Personnel Services is budgeted at $116,738, increasing from the $58,300 budgeted in the previous year. This increase is driven by an increase in cost for the part-time Recorder position with salary and benefits. Stipends for the Mayor and volunteer City Councilors are budgeted at $13,125.

    - Materials and Services within this category total $102,452, which is lower than the previous year. While most items remain consistent, small adjustments were made based on actual expenditures and future projections.

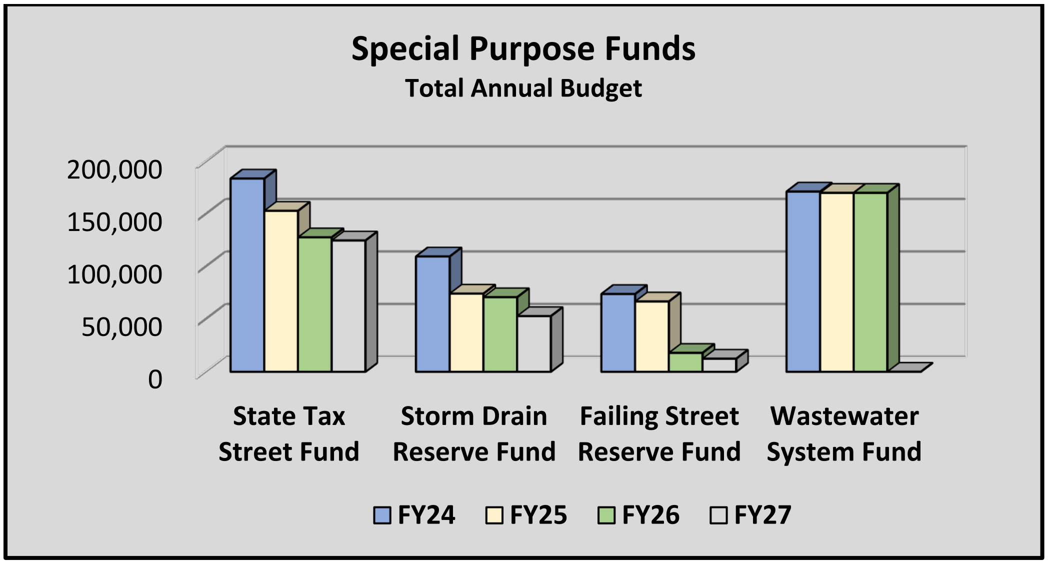
2. **Public Safety Services** for the FY 2026-27 total $90,618, a 5.1% decrease compared to the $95,500 budgeted in 2025-26.

    - The majority of these funds cover an intergovernmental agreement with the Multnomah County Sheriff Office for patrols at $60,993 and emergency dispatch services at $21,000. The budget also includes $750 for bio-hazard and camp cleanup, $750 for CERT/NERT training and materials, $500 for traffic missions, and $125 for the Park Watch program. The budget reflects the Flood Safety Intergovernmental fee of $6,500 recently imposed by the Urban Flood Safety and Water Quality district.

3. **Unallocated Capital Expenditures** are the third category and total $12,000 for the 2026-27 fiscal year. This is an increase from the $2,000 budgeted the previous year. These funds are allocated for office and computer equipment ($2,000) and wastewater capital needs ($10,000) to account for unforeseen replacements or repairs.

4. **Transfers from the General Fund** are approved at $15,816, which is a decrease from the $52,300 transferred in FY 2025-26. Transfers vary annually based on resources available and expected expenditures in other funds. This approved amount includes $7,222 to the Street Fund and $8,594 to the Storm Drain Reserve Fund to help cover cash flow.

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 typically supported by transfers from the General Fund. Total resources for each of these funds decreased for FY 2026-27, including the Wastewater System Reserves Fund.

- **State Tax Street Fund $128,195**
  The city is anticipating revenue from the Oregon Department of Transportation of $70,000, which is relatively consistent with prior years, representing a small increase over the current year's budget. A transfer from the General Fund totals $7,222. These funds will support streets, multiuse paths, signs, lighting, and related capital projects. The maintenance landscape budget of $50,000 makes up the largest part of the budget for this fund and includes monthly maintenance and special landscape projects that vary from year to year, such as trimming, removal of declining trees, and bark dust. The city is budgeting $4,495 for operating contingency.

- **Storm Drain Reserves Fund $53,000**
  This fund is used for the repair, replacement, and maintenance of catch basins and dry wells (Underground Injection Controls) located within the city. The fund has a beginning cash balance of $44,406 and will receive a transfer from the General Fund of $8,594, bringing total anticipated resources for the fiscal year to $53,000. The city noted the need to build up their reserve of cash on hand to cover repairs, upgrades, and maintenance to the storm drains, as well as the yearly testing and reporting required by the DEQ.

- **Failing Street Property Development Reserves Fund $10,590**
  The Failing Street Property is a city-owned site commonly referred to as Maywood Park Commons. Previously, this fund was supported by transfers from the General Fund as a reserve for future improvements to the lot. Now that the project is nearly complete, the city does not require additional resources. The approved $10,590 budget for FY 2026-27

will cover final development and maintenance for the Commons. No funds will be transferred to the General Fund.

- **Wastewater System Reserves Fund $0**
  For FY 2026-27, the Wastewater System Reserves Fund has no budgeted resources or expenditures. This fund was originally authorized to hold General Fund money for a future sewers project.

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 2026-27 Budget is in substantial compliance with local budget law, and the underlying estimates are reasonable for their intended purposes. However, the overall budget process was impacted by several administrative and procedural issues.

The budget message contained incorrect figures and line items that deviated from the proposed budget. Additionally, the 2024-25 actuals in the proposed budget were initially unbalanced; while these were fixed before approval, the adjustment was not disclosed to the committee during the approval meeting. The district was also initially unresponsive to requests for copies of the approved budget materials, and the documents eventually provided were incomplete and improperly filled out. This included the LB-1 form, which was submitted unbalanced before being corrected.

The district improperly categorized a personnel services line item as “personnel contingency”; these funds should have been budgeted as contingency or a specific personnel cost. TSCC staff spoke with the district and they plan to move these funds to contingency in the Adopted Budget.

The fiscal year 2024-25 audit report shows no findings.

CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS

The majority of the budget process and the budget document complied with local budget law. However, there are several compliance and budget estimation issues. As a result, TSCC certifies by a majority vote of the commissioners that it has no objections and three recommendations to make concerning the budget:

Budget Accuracy & Process for Typographical Errors: The Proposed budget message contained incorrect figures and line items that deviated from the proposed budget numbers. Additionally, the FY 2024-25 actuals in the proposed budget were initially unbalanced; while these were fixed before approval, the adjustment was not disclosed to the committee during the approval meeting.

TSCC recommends that for future budget cycles, the district should utilize the established process for correcting errors as outlined in ORS 294.451, which states corrections be presented in writing and verbally to the governing body at a public meeting.

To assist with catching errors when working with a small staff, TSCC recommends that the district submits budget drafts for TSCC to review and give feedback prior to publication of the Proposed Budget.

Comply with Mandatory Statutory Deadlines ORS 294.431: TSCC also recommends that the district adhere to statutory timelines in future cycles, as the budget materials for the current year were received past the due date. All required materials must be submitted to TSCC at least 30 days prior to the public budget hearing and no later than May 15, unless an exception has been granted. Compliance with these deadlines is essential to provide TSCC staff with the necessary time to complete a thorough review.

Utilizing Forecasting for Developing Budget Estimates: In recent fiscal years, expenditures have consistently outpaced revenues, structurally drawing down the City's fund balance. The FY 2026-27 Approved Budget projects an ending fund balance of $0 for all funds, showing the City is budgeting to completely run out of funds at the end of FY 2026-27, and indicating that the City is budgeting no reserves to cover expenses from July 1 until they begin receiving revenue. If this is accurate budgeting, we have concerns about the City's ability to fund operating costs like personnel salaries and contractual services after July 1, 2027. If this is inaccurate budgeting, we recommend adjusting budgeted expenditure and revenue estimates to be closer to true expected amounts to present an accurate financial picture.

To mitigate the liquidity risk of having no funds available on July 1, 2027, and to ensure long-term fiscal sustainability of operations, we recommend that Maywood Park develop a comprehensive five-year financial forecast based. This forecast should be grounded in analysis and used to provide support for budgeting estimates going forward, including an analysis of recurring revenue streams and expenditures to ensure the City can reliably meet its ongoing funding obligations.

TSCC has discussed these recommendations with Maywood Park staff and appreciate their dedication to transparency and accuracy in the budget process. We look forward to working with them on the budget process again next year.

City of Maywood Park

Budget Summary

SUMMARY OF ALL FUNDS	2023 - 2024 Actual	2024 - 2025 Actual	2025 - 2026 Revised	2026 - 2027 Approved	% Change
PROPERTY TAX BREAKDOWN:					
Permanent Rate Property Taxes	149,876	154,609	158,000	161,000	1.9%
TOTAL PROPERTY TAX	**149,876**	**154,609**	**158,000**	**161,000**	**1.9%**
RESOURCES:					
Beginning Fund Balance	483,599	391,807	331,000	207,753	-37.2%
Property Taxes	149,876	154,609	158,000	161,000	1.9%
Intergovernmental Revenue	84,585	87,815	92,300	94,121	2.0%
Fees and Charges	68,677	72,327	64,100	74,989	17.0%
Other Income	1,289	378	200	432	116.0%
Transfers In	193,300	40,300	72,600	15,816	-78.2%
TOTAL RESOURCES	**981,326**	**747,236**	**718,200**	**554,111**	**-22.8%**
REQUIREMENTS BY OBJECT:					
Personnel Services	57,426	60,225	58,300	116,738	100.2%
Materials & Services	305,795	318,569	508,400	311,260	-38.8%
Capital Outlay	33,250	12,833	21,000	81,100	286.2%
Fund Transfers	193,300	40,300	72,600	15,816	-78.2%
Contingencies	0	0	10,000	29,198	192.0%
Ending Fund Balance	391,555	315,306	47,900	0	n/a
TOTAL REQUIREMENTS BY OBJECT	**981,326**	**747,233**	**718,200**	**554,112**	**-22.8%**
SUMMARY OF BUDGET - BY FUND					
General Fund	442,044	293,471	330,900	362,327	9.5%
State Tax Street Fund	183,929	149,317	128,000	128,195	0.2%
Wastewater System Reserves Fund	171,524	163,657	170,300	0	-100.0%
Storm Drain Reserve Fund	109,787	66,728	71,000	53,000	-25.4%
Failing Street Reserve Fund	74,042	74,063	18,000	10,590	-41.2%
GRAND TOTAL ALL FUNDS	**981,326**	**747,236**	**718,200**	**554,112**	**-22.8%**

DETAIL OF GENERAL FUND

RESOURCES:

Beginning Fund Balance	184,172	31,407	63,000	101,796	61.6%
Property Tax	149,876	154,609	158,000	161,000	1.9%
State Revenue	26,360	22,506	25,300	24,121	-4.7%
Fees and Charges	68,677	72,327	64,100	74,989	17.0%
Other Income	1,159	322	200	420	110.0%
Transfers In	11,800	12,300	20,300	0	-100.0%
TOTAL FUND RESOURCES	**442,044**	**293,471**	**330,900**	**362,326**	**9.5%**
REQUIREMENTS:					
Administrative Services	134,264	134,356	146,200	219,190	49.9%
Public Safety	74,885	81,400	95,500	90,618	-5.1%
Capital Outlay Unallocated	19,988	153	2,000	12,000	500.0%
Transfers Out	181,500	28,000	52,300	15,816	-69.8%
Contingencies	0	0	5,000	24,703	394.1%
Ending Fund Balance	31,407	49,562	29,900	0	-100.0%
TOTAL FUND REQUIREMENTS	**442,044**	**293,471**	**330,900**	**362,327**	**9.5%**