
Municipal Service Review and Sphere of Influence Update

City of Maywood

Public Review Draft – August 9, 2023



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LIST OF ABBREVIATIONS USED

ACFR	Annual Comprehensive Financial Report
CIP	Capital Improvement Program
CKH	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
DAC	Disadvantaged Community
DUC	Disadvantaged Unincorporated Community
FY	Fiscal Year
ISO	Insurance Service Office
LAFCO	Local Agency Formation Commission
LMIHF	Low- and Moderate-Income Housing Fund
MSR	Municipal Service Review
OPEB	Other Post-Employment Benefits
SCAG	Southern California Association of Governments
SOI	Sphere of Influence
SSO	Sanitary Sewer Overflows
VLF	Vehicle License Fees

EXECUTIVE SUMMARY

The Local Agency Formation Commission (“LAFCO” or “Commission”) for the County of Los Angeles is preparing this Municipal Service Review (“MSR”) and Sphere of Influence (“SOI”) update for the City of Maywood (“City”). LAFCO acts as the county-wide oversight agency that coordinates logical and timely changes to local government boundaries.

The last service review of the City of Maywood was adopted by LAFCO on December 14, 2005, as part of the larger Gateway Municipal Services Review prepared by Burr Consulting, herein referred to as the “2005 MSR”. The 2005 MSR examined fifty-two (52) local agencies, including twenty-six (26) cities (including Maywood) and twenty-six (26) special districts in the “Gateway” region of Los Angeles County (generally south and east of Downtown Los Angeles, to the City of Long Beach on the South and to the Orange County border near the Cities of La Habra Heights and Whittier). Subsequently, the City has experienced several changes, but Maywood has not seen any changes in its jurisdictional boundaries nor SOI since that time.

This MSR reviews the City’s services within the requirements of State law and LAFCO policies, including their SOIs.

SUMMARY OF SOI RECOMMENDATIONS

- Maywood has limited potential for development growth due to existing buildout within the City’s limits.
- Maywood’s wastewater and sewer infrastructure is not sufficient to accommodate growth over the next decade and is not adequate to provide service to the community at present.
- Presently, Maywood’s SOI is coterminous with its corporate boundary.

RSG recommends Maywood’s SOI be reconfirmed to the current boundaries pursuant to LAFCO’s SOI Policy as described beginning on page 5.

SUMMARY OF MSR DETERMINATIONS

- Maywood's SOI does not contain any disadvantaged unincorporated communities.
- Maywood has limited potential for population and economic growth due to existing buildout, at capacity and geography.
- Maywood's aging sewer infrastructure is in need of major repairs; the City is working with a number of State and Federal agencies to make the most urgent repairs and to find funding for comprehensive wastewater infrastructure revitalization.
- The State Auditor gave Maywood a fiscal health risk indicator of moderate for Fiscal Year ("FY") 2020-21. A "moderate risk" status means that the State Auditor has determined the City has some risk of "experiencing financial distress" based on ten financial indicators. The cost of repairing the sewer infrastructure and the ability to offer competitive wages and benefits for staff are the most pressing financial challenges for the City.
- Maywood does not have immediate plans to coordinate shared facilities with neighboring jurisdictions.
- The City has various measures in place to ensure transparency and accountability in order to meet the municipal service needs of the public it serves. These include posting meeting information on the City's website, allowing virtual participation in City meetings, and posting regularly on social media.

BACKGROUND

LEGAL REQUIREMENTS AND PURPOSE

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56430 et. seq., (“CKH”) requires LAFCOs to prepare periodic reviews of services provided by most local agencies and provides discretion on the manner in which a commission undertakes these reviews. The reviews are instrumental in making determinations on jurisdictional and SOI boundaries, as well as informing commissions, affected agencies, and the general public of opportunities for improving service delivery.

LAFCO RESPONSIBILITIES

CKH directs LAFCOs in California to discourage urban sprawl, encourage the orderly formation and development of cities and special districts, and to preserve agricultural land. LAFCOs act as the county-wide oversight agency that is responsible for considering logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers, and dissolutions of districts. In this manner, LAFCOs play an important role in assuring the thoughtful, appropriate, and efficient reorganization, simplification, and streamlining of quality local governmental services.

As part of these objectives, LAFCOs establish and periodically review spheres of influence for local agencies through a process known as a MSR and SOI update.

SPHERE OF INFLUENCE

Since 1972, LAFCOs in California have been responsible for determining and overseeing the sphere of influence for local government agencies. An SOI is defined as “a plan for probable physical boundaries and service area of a local agency, as determined by the Commission.” Consistent with Commission SOI policies, an SOI can be a) coterminous to agency boundaries

as the ultimate foreseen configuration of the agency in anticipation of no future growth, b) extended beyond the agency boundaries in anticipation of future growth, c) be smaller, indicating the need to detach areas from the agency boundaries, or d) be designated a “zero sphere”, which indicates a potential dissolution of the agency. In order to amend the sphere of influence boundaries, formal approval from the Commission is required. Factors considered in an SOI include current and future land use, capacity needs, and any relevant areas of interest such as geographical terrain, location, and any other aspects that would influence the level of service.

Per Government Code Section 56425, an SOI shall consider and prepare a written statement of its determinations on the following factors:

1. Present and planned land use in the area, including agricultural and open space lands.
2. Present and probable need for public facilities and services in the area.
3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. Existence of any social or economic communities of interest in the area.
5. Present and future need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The purpose of an SOI is to ensure the efficient delivery of services while discouraging urban sprawl and the premature conversion of agricultural and open space lands by preventing overlapping jurisdictions and duplication of services. On a regional level, LAFCOs coordinate the orderly development of a community by reconciling differences between different agency plans. This is intended to ensure the most efficient urban service arrangements are created for the benefit of area residents and property owners.

DISADVANTAGED UNINCORPORATED COMMUNITIES

As part of the MSR, RSG considered the impact of the SOI related to Disadvantaged Unincorporated Communities. A Disadvantaged Unincorporated Community (“DUC”) is defined by Government Code Section 56033.5 as an area of inhabited territory located within an unincorporated area of a county within a “disadvantaged community.” A disadvantaged community is defined in Water Code Section 79505.5(a) as a community with an annual median household income is less than 80 percent of the statewide median household income. Government Code Section 56046 defines “inhabited” as a territory within which there are 12 or more registered voters.

LAFCO designated the DUCs in the County using 2016-2020 American Community Survey Census data, meaning any unincorporated area wherein the median household income is less than \$62,939.

SPHERE OF INFLUENCE UPDATES AND LAFCO POLICY

From time-to-time, an SOI may be modified as determined by LAFCO; the procedures for making sphere amendments are outlined in CKH, and in some cases, further refined by a commission’s own guidelines. Pursuant to Government Code Section 56430, a commission must first conduct a municipal services review prior to updating or amending a SOI.

The Commission adopted a “Sphere of Influence Policy” on November 13, 2019, which provides a framework for SOI updates considered after an MSR is completed. The policy defines three types of SOIs for cities and special districts:

- Coterminous Sphere of Influence: An SOI for a city or special district that includes the same physical territory as the jurisdictional boundaries of that city or special district. LAFCO adopts a Coterminous SOI if there is no anticipated need for services outside the jurisdictional boundaries of a city or special district, or if there is insufficient information to support the inclusion of additional territory within the sphere.

- Larger than Sphere of Influence: An SOI for a city or special district which includes territory that is larger than the jurisdictional boundary of the subject city or special district. LAFCO adopts a Larger than SOI if there is an expectation of future growth of the agency's physical boundaries and associated service area.
- Zero Sphere of Influence: An SOI for a city or special district that includes no territory. LAFCO adopts a Zero SOI if the functions, services assets, and liabilities of that city or special district should ultimately be re-assigned to another public agency or service provider.

RSG analyzes the spheres in the SOI Recommendations section of this MSR.

MUNICIPAL SERVICE REVIEW (MSR) REQUIREMENTS

Section 56425(g) of CKH requires that LAFCOs evaluate a given SOI every five years, as necessary; and the vehicle for doing this is known as a Municipal Service Review. Prior to or in conjunction with SOI reviews, a Municipal Service Review (MSR) must be prepared pursuant to Government Code Section 56430. MSRs are conducted to assist in the SOI review process by providing information regarding the ability of agencies to provide public services. Pursuant to Government Code Section 56430, MSRs are to make determinations considering the seven required topics based on CKH. These seven areas include:

1. Growth and population projections for the affected area.
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence(s).
3. Present and planned capacity of public facilities and adequacy of public services, infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.

5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including government structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by LAFCO Policy.

The focus of an MSR is to describe how public services are being carried out and to determine if the residents of the community are receiving the highest level of service possible, while also discouraging urban sprawl and the premature conversion of agricultural lands. If an MSR determines that certain services are not being carried out to an adequate standard, LAFCO can recommend changes such as sphere changes as well as consolidation or dissolution of service providers to provide the best service possible to the population.

PREVIOUS MSR DETERMINATIONS

The 2005 MSR made several findings concerning cities and districts in the Gateway Region, as well as specific comments addressing the City of Maywood specifically. It recommended no changes to the City of Maywood's SOI. For context, these findings are identified below:

- The daytime population was projected to grow quickly in Maywood. The City had also identified residential growth areas in the Town Center, and non-residential growth areas for industrial development in the West Side. However, infrastructure deficiencies were a barrier for further development.
- The 2005 MSR indicated that Maywood's police station required expansion.
- The prior MSR noted that large parts of Maywood use septic systems, which are subject to failure and potential groundwater contamination if not properly maintained.
- As of 2005, many cities in the Gateway Region, including Maywood, faced ongoing needs for street maintenance (including resurfacing, slurry-sealing, traffic signals, and street widening).

- There was limited park space available in Maywood.
- Maywood had low General Fund revenues at less than \$250 per capita. In comparison, cities in the Gateway Region with high General Fund revenues collected more than \$650 per capita.

PURPOSE OF THIS MSR AND SCOPE OF WORK

MSRs are conducted to assist in the SOI review process by providing information regarding the ability of agencies to provide public services. This Municipal Service Review will review the services provided by the City of Maywood and, to a lesser extent, services provided within the City of Maywood by other agencies.

METHODOLOGY

RSG worked in coordination with LAFCO staff throughout this MSR. Key tasks and activities in completing this MSR include data collection, interviews with City staff, City profile development, determination analysis, public review of MSR, and the adoption of the final MSR.

Data Collection

To fully understand key factors and current issues involving the City, RSG conducted an initial working session with LAFCO staff to determine the project scope and formalize overall MSR objectives, schedules, policy and fiscal criteria, service standards, and roles and responsibilities. The MSR began with a complete and thorough review of available data and documents including adopted budgets, comprehensive financial reports, capital improvement plans, strategic plans, and the General Plan. These documents were assessed to develop a comprehensive overview of the City. In addition, various reports and documents were utilized from the Southern California Association of Governments (“SCAG”), the California Department of Finance, the California Department of Tax and Fee Administration, the California State Auditor, the Census Bureau, LAFCO, CoStar (a commercial real estate database), and ESRI Business Analyst.

Interviews

In coordination with LAFCO, during the month of October 2022 RSG met with the executive leadership of Maywood. This interview allowed RSG to gain insight on the current operations and any unique challenges of the City.

The content of these interviews included the following topics:

- Financing constraints and opportunities;
- Growth and population projections;
- Infrastructure needs or deficiencies;
- Cost avoidance opportunities;
- Opportunities for rate restructuring regarding services provided;
- Opportunities for shared facilities with other cities or agencies;
- Government structure options, including advantages or disadvantages of consolidation or reorganization of service providers;
- Evaluation of management efficiencies; and
- Local accountability and governance, specifically the structures in place to support public engagement and participation.

Agency Profiles

Following data collection and interviews, RSG developed a City profile based on the criteria noted previously and required for the completion of the MSR per CKH. The profile includes key characteristics such as services offered, staffing levels, population and growth, service providers, infrastructure, financial condition, and boundary areas and maps. Department profiles can be found in the following sections.

Annual Budget Data

RSG utilized the City's annual budgets for FYs 2019-20 through 2021-22 to analyze historical operating revenues and expenditures for Maywood. RSG analyzed the data to make determinations regarding the City's fiscal health, including tax revenue and expenditure trends. The data provides current expenditures by department (general government, public safety, community development, transportation, etc.), and operating expenditures (salaries and wages, retirement benefits, materials and supplies, contract services, debt service, and capital outlay). The data also includes reports on general revenues, tax revenues, fees for services, special benefit assessments, and intergovernmental revenues.

SERVICE REVIEW – CITY OF MAYWOOD

Maywood is located in the Fourth Supervisorial District in southeastern Los Angeles County (“County”), west of State Route 710 between Interstate 5 and Interstate 105. Maywood shares borders with the cities of Bell to the east and south, Vernon to the north and west, and Huntington Park to the south.

Maywood is home to 24,908 residents, 499 business, and a workforce of 3,103 employees¹. Maywood is a general law City and maintains a contract service model. There is one small north-south strip of unincorporated territory to the City’s west which is within the City of Vernon’s SOI.

The City voted in favor of incorporation on September 2, 1924. Maywood spans an area of approximately 1.14 square miles, and the City’s sphere of influence is coterminous with City boundaries. Maywood’s current 1.14 square mile SOI was initially established in 1984 and was reconfirmed in 2005.

Figure 1 presents a demographic and land use profile of Maywood compared to the overall County.

¹ Source: Esri Business Analyst

Figure 1: Demographic Profile - Maywood

	Maywood	LA County
Population as of 2010	27,395	9,822,121
Population as of 2020	24,908	9,861,224
Annual Pop. Growth Since 2010	-0.76%	0.40%
Total Housing Units	6,717	3,635,136
Persons/Housing Unit	3.71	2.71
Land Area (Sq Miles)	1.14	4,059.28
Persons/Square Mile	21,849	2,429
Median Household Income	\$50,996	\$71,358
Projected Population in 2035	28,400	10,331,803
Annual Proj. Growth 2020-2035	1.01%	0.36%
Projected Population in 2045	29,000	10,193,978
Annual Proj. Growth 2020-2045	1.18%	0.26%

Sources: Esri Business Analyst, Department of Finance, US Census, Southern California Association of Governments

Between 2010 and 2020 Maywood experienced a population decrease of approximately one percent annually.² 28 percent of Maywood's population is below the age of 18, and 9 percent of its population is above the age of 65. According to SCAG's 2016-2040 Growth Forecast, the population is expected to grow by approximately one percent per year over the next 15 to 20 years.³ The City currently has a small project of approximately 40 units in the development pipeline, which could lead to an increase in population of 148 people.

The State of California and the County have seen an overall decrease in population brought about by a variety of factors including an aging population, declining birth rates, impacts of COVID-19, and an increase in domestic migration to other areas. City staff noted that the Census may not be accurate, and may even cause the population to appear as though it is declining when it is not, due to fear in Maywood's large immigrant community of not responding to Census questionnaires.

² Source: Esri Business Analyst

³ Source: Southern California Association of Governments 2016-2040 RTP/SCS Final Growth Forecast by Jurisdiction

The median household income in the City is \$50,996 which qualifies the City as a Disadvantaged Community (“DAC”). A DAC is a community with an annual median household income less than 80% of the statewide median household income (\$62,938).⁴

Maywood consists mostly of residential areas, including planned residential developments, recreational and open space, and neighborhood-serving commercial land uses. The western and southeastern portions of Maywood are zoned for industrial uses along the borders of Vernon and the Los Angeles River, respectively.⁵ While nonresidential areas make up a relatively smaller portion of the City limits, Maywood’s major employment sectors include services (33.5 percent of employment), manufacturing (16.5 percent), and transportation/utilities (15.4 percent).⁶

Figure 2 provides a land use summary of residential and commercial development in Maywood.

Figure 2: Land Use Summary - Maywood

Maywood		County	
Residential Units	Units	%	%
Single Family	4,522	67.3%	54.5%
Multifamily	2,150	32.0%	43.9%
Mobile Home	45	0.7%	1.6%
Total Units	6,717	100%	100%
New Units Since 2010	(49)		
Commercial	Gross SF	%	%
Retail	770,343	44.4%	24.4%
Industrial	856,212	49.4%	48.7%
Office	103,495	6.0%	23.7%
Other	3,586	0.2%	3.1%
Total	1,733,636	100%	100%
Since 2010	(58,825)		

Sources: California Department of Finance, Costar

⁴ Source: California Department of Water Resources, DAC Mapping Tool, Disadvantaged Communities (ACS: 2016-2020)

⁵ Source: City of Maywood General Plan Map

⁶ Source: Esri Business Analyst

Single family housing is the predominant residential building type, representing over 67 percent of the 6,717 housing units in Maywood. The City currently has one small residential development with 40 units in the development pipelines. The housing inventory has decreased by 49 units since 2010. Among commercial uses, industrial uses make up 49.4 percent of the commercial building square footage in Maywood. Per Maywood's General Plan, residential land uses make up 57 of land use in the City, industrial uses make up 6 percent of land use, and retail make up 8 percent of land use.

The City's adopted 6th Cycle Housing Element for 2021-29 was reviewed by the Department of Housing and Community Development on December 12, 2022, and is currently out of compliance.

FORM OF GOVERNMENT AND STAFFING

The City is a general law city governed by a five-member City Council that is elected at-large by eligible registered voters. Each year, the City Council selects a Mayor and Mayor Pro Tempore to preside over meetings. City Councilmembers are elected to staggered four-year terms.

The City Council appoints a City Manager to serve as the administrative head of the City government responsible for the efficient operation of the City. The City Council also appoints a City Attorney. The City Clerk and City Treasurer are elected by the City's voters. Other department heads are hired by, and report to, the City Manager. The City is organized into several departments operating under the direction of the City Manager, including Planning and Building, Community Services, Finance, and Public Works.

The City operates with an annual General Fund budget of \$13 million and has 17 employees.⁷ Maywood is generally regarded as a contract city, meaning that it outsources administration of many municipal services rather than using full time staff. The City largely contracts with other agencies to provide services such as law enforcement and fire protection services, but City staff provide other services in other areas such as planning and public works.

⁷ Source: City of Maywood 2021-22 Budget

Appendix 1 contains the current organizational chart of the City.

CURRENT SPHERE OF INFLUENCE

Appendix 2 shows the City of Maywood's jurisdictional boundary and SOI as of November 2022; the City has not had any changes to the City's jurisdictional boundary or to the City's SOI boundary since the 2005 MSR.

Maywood's 1.14 square mile SOI is coterminous with the current city limits. There are no unincorporated areas within the sphere of influence, although there is a small uninhabited unincorporated area that borders the City to the west located in the City of Vernon's SOI.

EXTRATERRITORIAL SERVICES

The City does not provide any extraterritorial services to other jurisdictions at the present time. The City receives street light services through the City of Vernon's Utilities Department where the two cities share a border. Maywood additionally is part of a group of cities, led by the City of Bell, that share homeless facilities at the Salvation Army located in Bell.

SERVICES PROVIDED

The City provides general government, community development, culture and leisure, and public works services. Public safety services are primarily provided by contractors, other government agencies, or private entities. Figure 3 provides a summary of municipal services and associated service providers within Maywood.

In general, the City has the capacity to provide services to the community at the current level of demand. However, City staff indicated that the City is currently understaffed and needs to continue to attract and retain more professional staff in order to provide services at higher levels. Maywood's sewer infrastructure is in need of significant repairs, but staff did not identify any other significant infrastructure deficiencies.

Figure 3: Maywood Service Provider Matrix

Public Service	Responsible Agency	Service Provider
Law Enforcement	City (Contract)	LA County Sheriff's Department
Fire Protection	City (Contract)	Consolidated Fire Protection District of Los Angeles
Emergency Medical	City (Contract)	Consolidated Fire Protection District of Los Angeles
Building/Planning	City	City of Maywood Department of Building and Planning
Housing	City	City of Maywood Department of Building and Planning
Code Enforcement	City	City of Maywood Department of Building and Planning
Animal Control	City (Contract)	County of LA Department of Animal Care and Control
Parks and Recreation	City	City of Maywood Community Services, Southeast Rio Vista YMCA
Library	LA County	County of LA Public Library System
Landscape Maintenance	City	City of Maywood Engineering and Public Works Department
Lighting	City	City of Maywood, Southern California Edison
Streets/Road Maintenance	City	City of Maywood Engineering and Public Works Department
Electricity/Natural Gas	City (Franchise)	SoCal Edison, SoCal Gas
Solid Waste	City (Contract)	Universal Waste Systems, Inc.
Stormwater Drainage	City	City of Maywood Engineering and Public Works Department
Water	Mutual	Maywood Mutual Water #1, Maywood Mutual Water #2, Tri-City Mutual Water (Non-profit corporation)
Wastewater Collection	City	City of Maywood Engineering and Public Works Department
Wastewater Treatment & Disposal	Special District	LA County Sanitation District No. 1

Government Services

General government services are primarily provided by elected officials and City management. The City's elected officials are responsible for all legislative and policy functions that establish the quality of City services, and administration and support staff are responsible for implementing such policies. In addition to the City Council, the City's legislative bodies include a Planning Commission, which is supported by the Planning Department. The City Clerk and City Attorney provide additional administrative support to the City's legislative bodies.

City staff noted they have experienced high staff turnover rates, in part because Maywood is not able to offer compensation and benefits that are competitive with nearby jurisdictions.

Police Services

The City contracts with the County Sheriff's Department for policing services. The Sheriff's Maywood substation is housed in the Civic Center and provides office facilities and a staging area for deputies. The contract with the Sheriff's Department is the City's largest expenditure at approximately \$5.1 million in FY 2021-22 (38 percent of the General Fund expenditure budget).

The City contracts for 17 sworn officers on an annual basis as of FY 2022-23 or .6 officers per 1,000 residents. As of FY 2021-22, the most recent year with full data available, the Sheriff's Department has an average response time of 3.8 minutes for emergency responses, seven minutes for priority responses, and 42.1 minutes for routine responses in Maywood. Maywood has seen an increase in reported crimes between 2012 and 2021. In 2021, violent crimes and 421 property crimes were reported to the Department of Justice by the Sheriff's Department in Maywood.⁸ The number of violent crimes has decreased by 24 percent since 2012 and the number of property crimes has increased by 47 percent since 2012.

The 2005 MSR noted that Maywood's police station required expansion. However, in 2010 when Maywood moved to an entirely contract model of service, the City's police force was dissolved. Prior to the dissolution of the department, the City had lost the ability to hold insurance for their police department due to the number of claims filed against the department. Since transitioning to contract law enforcement, City staff stated that they have a good working relationship with the County Sheriff's Department.

The City provides public safety administration and emergency preparedness services. The Public Safety Department provides information about services provided by the Salvation Army in the adjacent City of Bell on the Department's website. The Salvation Army organizes food distributions, provides hot meals and snacks for the homeless, and distributes infant diapers weekly, among other services. Emergency preparedness includes information for the public about

⁸ Source: California Department of Justice

earthquake preparation and the statewide Earthquake Warning System, which can also be found on the Public Safety Department's website.

Fire Protection and Ambulatory Services

Maywood is within the Consolidated Fire Protection District of Los Angeles County. Fire and emergency medical services are provided by the County Fire Station Number No. 163 in the neighboring City of Bell. The fire station is 0.7 miles away from Maywood's City Hall, and two miles away from the most northwestern corner of the City.

The Consolidated Fire Protection District of Los Angeles County (CFPD) provides emergency medical services and fire plan check services. Maywood was part of CFPD prior to the adoption of Proposition 13 which allows CFPD to collect a share of the one (1) percent property tax in existing district areas.

CFPD has specialized resources including a helicopter fleet, contract aircraft, and California Task Force 2, a specialized search and rescue task force.

CFPD Station No. 163 falls under Division 6 of the CFPD, which received an Insurance Service Office ("ISO") class rating of 2. The ISO evaluates the ability of fire protection agencies to respond to fire incidents in their communities, with class one (1) being the highest rating and ten (10) being the lowest. The most recent performance measures report published by the County of Los Angeles Fire Department indicates that CFPD responds to calls within five (5) minutes of receiving calls, and has a success rate of 99.5 percent.⁹

Animal Services

Under contract with the City, the County Animal Care and Control Department provides animal control and rescue services to Maywood. The Department patrols for lost, injured, and abandoned animals. The Department also takes in animals and helps rehome them. The Downey Animal Care

⁹ Source: 2019-20 Performance Measures, County of Los Angeles

Center, located approximately seven miles from the Maywood Civic Center, provides services to Maywood.

Vector Control

The Greater Los Angeles County Vector Control District, an independent special district of the County, provides ongoing mosquito and vector control within Maywood. The Vector Control District provides routine services within Maywood including the identification prevention and control of pests. Additionally, the Vector Control District also responds to case-by-case services requests for mosquito issues, dirty pools, and infestations (e.g., bees, rodents, and fire ants). The City does not pay for these services, which are instead funded by ad valorem property and special assessment taxes on individual parcels.

Building and Planning

The City's Building and Planning Department oversees the physical development within Maywood and includes the Code Enforcement and Housing Divisions. The Building Division issues building permits, performs site inspections, and enforces applicable laws and ordinances for buildings within the City. The Planning Division implements the Maywood General Plan and Zoning Ordinance, and ensures compliance with the California Environmental Quality Act.

The Code Enforcement Division is responsible for maintaining a healthy and safe environment, including aiding in removing blight, promoting property maintenance, and enforcing conformance with City zoning and building ordinances.

Maywood partners with the Fair Housing Foundation to help administer their Fair Housing Program, which investigates complaints about housing discrimination, provides landlord/tenant counseling, and helps resolve landlord/tenant disputes. The Housing Division also works to prepare and implement the City's Housing Element. The City acts as the Housing Successor Agency, overseeing the assets of the former Redevelopment Agency's Low- and Moderate-Income Housing Fund ("LMIHF"). Income generated from the LMIHF is reinvested for housing purposes.

Public Works

The City's Engineering and Public Works Department is responsible for land development activities, environmental projects, and general maintenance functions, including road capacity inspections and traffic safety implementation. The Engineering Department specifically is responsible for public works improvements within the City. The Department contracts with Interwest Consulting Group and Transtech for most engineering needs including design, field surveys, and construction inspections.

In FY 2021-22, the City budgeted approximately \$8 million for the Capital Improvements Plan ("CIP").¹⁰ A majority of this funding was designated for streets and sidewalks improvements (\$5.6 million), with another \$511,000 designated for sewers and \$1.5 million for facilities improvements. Of the total \$8 million budgeted for CIP, \$2 million is from the General Fund, with the remainder of the expenditures funded through grants and special revenue funds.

In the previous fiscal year (FY 2020-21), the City allocated \$4.1 million for capital projects, of which \$1 million was designated for sewer improvements, \$2.7 million was designated for streets and sidewalks, and \$300,000 was designated for parks.

The City of Maywood has a street network consisting of approximately 27 miles of streets. In 2021, the City published an updated Pavement Management Program, which found the City's pavement network is overall in "Good" condition. The Public Works Department created a Local Roadway Safety Plan to help identify and develop traffic safety enhancements on the City's roads, which was finalized in September of 2022. The plan will be monitored annually and updated in 2026.

¹⁰ Source: City of Maywood 2021-22 Budget

Water

Water is provided to the residents of Maywood by three different mutual water companies: Maywood Water Company No. 1, Maywood Water Company No. 2, and Tri-City Mutual Water. The three mutual water companies are corporations which supply water only to shareholders.

Maywood Water Company No. 1 charges \$3.95 per 100 cubic feet. Maywood Water Company No. 2 does not have a website and their water rates are not available. Tri-City Mutual Water charges \$3.50 per 100 cubic feet for residential customers and \$3.65 per 100 cubic feet for industrial customers. Maywood Water Company No. 1 and Tri-City Mutual Water have a variable flat fee for the size of the water meter.

Storm Drainage

The City's Engineering and Public Works Department manages storm drainage infrastructure. The Department works in partnership with their engineering contractor, Transtech, to provide engineering services. According to staff, storm drainage infrastructure is adequate for current demand and has the capacity to accommodate growth.

Wastewater

The Engineering and Public Works Department provides wastewater collection services. Maywood is part of the LA County Sanitation District Number 1, which provides wastewater treatment and disposal services. Maywood's wastewater system includes 23 miles of sewer pipes, and most of the infrastructure is between 60 and 90 years old. The 2005 MSR noted that Maywood's septic systems were at risk of contaminating groundwater if not properly maintained; as this older infrastructure still remains, this issue has not yet been completely resolved as explained below.

Maywood's sewer infrastructure is a significant concern for the City and is a challenge to future development. More than 70 percent of the sewer pipes are deficient, either hydraulically or structurally. Between 2009 and 2018, there were 18 sanitary sewer overflows ("SSO"), which pose a health hazard and risk wastewater entering surface waters. In 2017, Maywood was issued

a Notice of Violation by the Los Angeles Region Water Quality Control Board for a major SSO which occurred in the summer of 2016. The City did not have the capacity at the time to adequately respond to the spill and may not have the capacity to prevent spills from happening in the future.

Currently, the City faces at least \$10 million in delayed improvements to the sewer system and is working with the California Attorney General and State Water Board to address the deficiencies in the sewer system. The City is additionally working with the Army Corps of Engineers and the Environmental Protection Agency for direct federal appropriations in order to improve the infrastructure. Every six months, the City reports to the State Water Board. While the City works to secure additional funding, they are also working with the Los Angeles County Sanitation Districts to assist with sewer maintenance. Maywood is under the jurisdiction of Sanitation District No. 1. As a part of their plan to improve the infrastructure, the City's Sanitary Sewer Management Plan was updated and approved in 2017.

The City has identified hotspots that are in need of immediate repair and is prioritizing maintenance on the weakest areas of the infrastructure. Several projects have already been completed, including lining the sewer pipes in Mayflower Avenue and repairing three damaged manholes. In 2018, City Council also approved a large project to increase the size of several sewers and replace manholes. While progress has been made, the City still faces millions of dollars of necessary improvements that are critical for a safe wastewater system.

Solid Waste

The City contracts with Universal Waste Systems, Inc. to provide solid waste disposal services to residents. Universal Waste Systems provides trash, recycling, and composting services, as well as bulky items pickup upon request. Maywood had 33 ongoing diversion programs to ensure the City complies with recycling and solid waste diversion regulations.¹¹

¹¹ Source: CalRecycle Diversion Program Status Summary Report for City of Maywood

Utilities

Utilities are provided by third parties under franchise agreements with the City. This includes Southern California Edison (electricity) and Southern California Gas Company (natural gas), both of which supply utilities to much of the rest of the County. Southern California Edison also provides electricity to the streetlights in Maywood.

Communications

Under franchise agreements with the City, Charter Communications and Direct TV provide communications services within Maywood.

Community Services

The Community Services Department provides the residents with a variety of programs and services aimed at building community. The Department coordinates community-wide events, such as holiday celebrations, summer movies at the Y, and food pantry distributions. It runs a Community Benefit Fund to support local non-profit organizations and to support local schools.

Maywood's Community Services Department currently maintains and operates five (5) developed parks in the city, amounting to 11.4 acres of parkland in the City or 0.46 acres of parkland per 1,000 population. The City currently does not have a Master Park Plan. Figure 4 presents developed City parks identified on the City's website.

Figure 4: Maywood City Parks

Park Name	Park Address	Size	Facilities
Benito Juarez Park	5515 Maywood Avenue	0.33 acres	Play area, mini sports field, picnic area, playground, skateboard area
Maywood Park	4801 E. 58th Street	5.5 acres	Baseball diamond softball field, picnic facilities, playground equipment, recreational buildings
Riverfront Park	5000 Slauson Avenue	5.15 acres	Play areas, bicycle path, basketball courts, picnic tables, handball courts
Pine Avenue Park	5313 Pine Avenue	0.15 acres	Play area, picnic area
Pixley Park	3626 E. 56th Street	0.3 acres	Playground

In addition to the parks maintained and operated by the City of Maywood, the community also has access to the playgrounds located at Loma Vista, Fishburn, and Heliotrope elementary school

when school is not in session. There are also several public parks in the adjoining cities of Maywood available for use including Corona Park in Huntington Park and Treder Park in the City of Bell. The nearest regional park to the City is the Belvedere Community Regional Park, located approximately five (5) miles northeast of Maywood.

The City of Maywood's Open Space Element, adopted in 1989, identified a 2.5-acre per 1,000 persons minimum standard formerly established by the National Recreation and Parks Association ("NRPA"). The NRPA, however, no longer declares a set of standards that every individual park and recreation agency should measure itself against due to the unique needs, desires, and challenges of different agencies. By comparison, the 2016 Los Angeles County Parks and Recreation Needs Assessment identified an average of 3.3 acres of local and regional recreation park space for every 1,000 persons in the County.

The Community Services Department is considered understaffed with only one in-house employee available for senior and parks and recreation programming. In order to supplement the City's ability to provide programming, Maywood has partnered with the local YMCA. The YMCA provides programming and facilities for some City events. In FY 2021-22, the City included a pool replastering project for the YMCA in its CIP.

The City is interested in building relationships and partnering with nearby jurisdictions to provide more recreation services to the community.

FISCAL HEALTH

RSG has evaluated the City's fiscal health, inclusive of revenue sources and major expenditure categories.

ANNUAL AUDIT FINDINGS

The City is required to undergo an annual financial audit with the results published in an Annual Comprehensive Financial Report ("ACFR") where the auditors report whether the financial statements of the City accurately present the financial position of the City. The ACFRs from FYs

2018-19 through 2020-21 did not present any findings and stated, “In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City of Maywood as of June 30, 2021, and the changes in its net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.”

Figure 5 shows the City’s actual historical General Fund revenues and expenditures from FY 2018-19 through FY 2020-21. While there was a deficit in 2018-19, in both 2019-20 and 2020-21 the General Fund collected more revenue than it expended.

Figure 5: Maywood Historical Net General Fund Actual Spending

Revenues	2018-19	2019-20	2020-21
Actual Revenues			
Taxes	\$5,457,110	\$7,623,936	\$10,310,638
Licenses and Permits	860,971	575,407	507,837
Intergovernmental	3,657,230	3,481,498	3,304,467
Charges for Services	106,800	245,199	213,203
Use of Money and Property	129,027	147,093	107,442
Fines and Forfeitures	435,427	262,621	471,798
Miscellaneous	183,922	204,116	130,250
Total Revenues	10,830,487	12,539,870	15,045,635
Actual Expenditures			
General Government	\$3,163,938	\$3,272,594	\$4,118,530
Public Safety	5,570,708	5,671,699	6,164,813
Community Development	871,389	1,114,059	1,539,078
Parks and Recreation	811,033	587,187	341,971
Capital Outlay	449,716	67,479	201,470
Debt Service	249,394	248,642	251,796
Total Expenditures	11,116,178	10,961,660	12,617,658
Net Spending	(285,691)	1,578,210	2,427,977

Source: Maywood Schedule of Revenues, Expenditures, and Changes in Fund Balances

In 2020-21, General Fund revenues totaled approximately \$600 per capita.

OPERATING REVENUES

RSG compiled three years of financial history, including the City's FY 2021-22 adopted budget. In the City's last annual budget for FY 2021-22, General Fund revenues exceeded \$12.8 million.

Figure 6 illustrates the City's revenue sources for the most recent year available in the audit, 2020-21.

Figure 6: City of Maywood Revenues FY 2020-21

	General Fund	Special Revenue- Gas Tax	Other Nonmajor Governmental Funds	Total Governmental Funds
Taxes	\$10,310,638	\$1,128,487	\$1,670,237	\$13,109,362
Licenses and Permits	507,837	0	0	507,837
Intergovernmental	3,304,467	0	853,148	4,157,615
Charges for Services	213,203	0	215,145	428,348
Use of Money and Property	107,442	3,781	13,081	124,304
Fines and Forfeitures	471,798	0	0	471,798
Miscellaneous	130,250	0	0	130,250
Total Revenues	15,045,635	1,132,268	2,751,611	18,929,514

Source: Maywood Audit "Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds"

Tax revenues made up 69 percent of all revenues collected by the City in FY 2020-21, inclusive of sales tax, property tax, property tax in-lieu of motor vehicle license fees, franchise tax, and other taxes. The City's second largest revenue source is intergovernmental revenues, which include revenues from federal, state, and other local governments. Grants, shared revenues, and other types of intergovernmental payments are included in this category.

Figure 7 illustrates the City's historical General Fund revenue sources.

Figure 7: City of Maywood Operating Revenue History

Revenues	2018-19	2019-20	2020-21
General Tax Revenues			
Sales Tax	\$2,603,481	\$4,575,563	\$7,253,909
Property Tax	1,881,581	2,079,215	2,220,347
Property Tax in-lieu of MVLFF	2,817,126	2,976,092	3,134,656
Franchise Tax	251,366	244,607	480,117
Utility User Tax	939,470	942,675	1,118,937
Transient Occupancy Tax	64,248	65,889	77,468
Total General Tax Revenues	8,557,272	10,884,041	14,285,434
Forgiveness of Long-Term Debt	0	0	1,922,627
Revenue from Use of Money	161,649	224,549	124,305
Other	190,994	215,058	130,794
Total Revenues	8,909,915	11,323,648	16,463,160

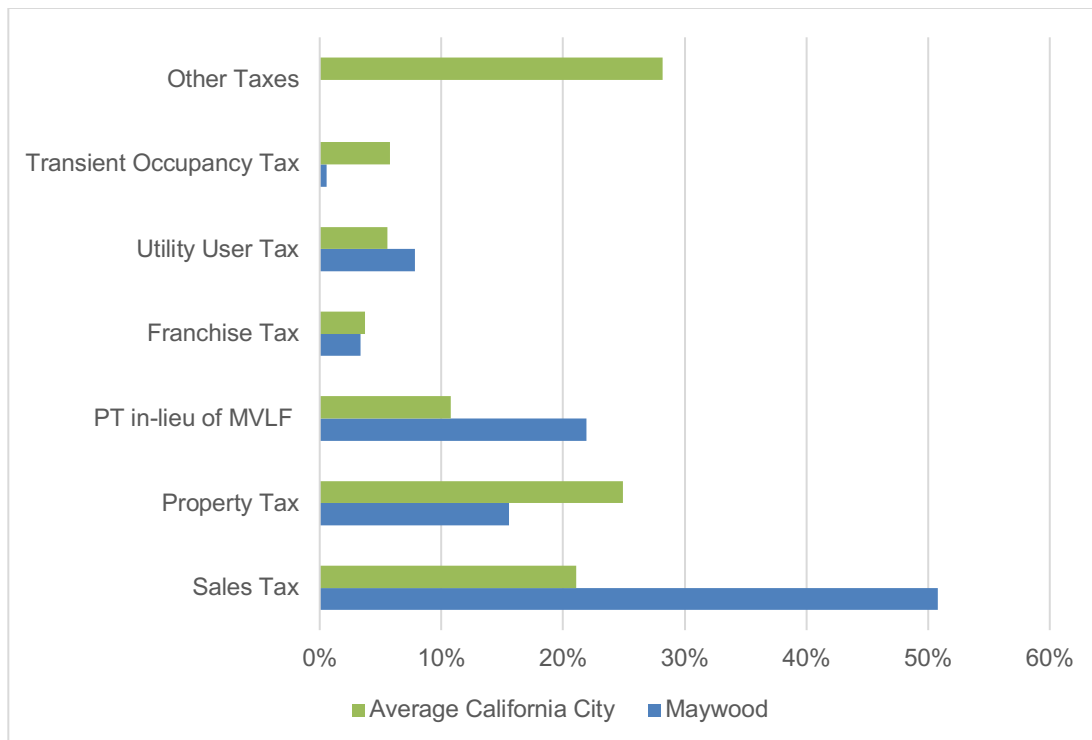
Source: Maywood Audit "Statement of Activities"

As shown in Figure 7, in FY 2019-20 and FY 2020-21, sales tax was the City's greatest single revenue source. Sales tax revenues have grown significantly over the past three years, from approximately 30 percent of the general tax revenue to over 50 percent.

In 2021, the City was also able to renegotiate its payment plan with the California Joint Powers Insurance Authority, which reduced the City's liability as long as the City makes all payments determined by the new agreement. The total reduction of \$1.9 million in liability is reflected in Figure 7.

As seen in Figure 8, Maywood is heavily dependent on sales tax revenue. Unlike many cities in California, which rely more heavily on property tax revenue, Maywood's single largest revenue source is from sales tax by a significant margin. While this may be a sign of successful economic development efforts, it also leaves the City of Maywood exposed to sharp changes in market conditions, such as the impact of the COVID-19 pandemic.

Figure 8: Maywood General Tax Revenues as Compared to All California Cities¹²



Sales Tax

Cities receive one percent of gross receipts from the sale of tangible personal property sold within city municipalities. Approximately 51 percent of general tax revenues collected by the City was derived from sales tax in FY 2020-21.

The City also has a specific cannabis sales tax of 10 percent that was established in 2018 as part of Ordinance 2018-12, which regulates commercial cannabis activity within the City. According to City staff, the City collected over \$96,000 from the cannabis tax in FY 2021-22.

During the budget process, the City's FY 2021-22 budgeted sales tax revenue was adjusted upward to account for increased spending as the economy began to recover from the pandemic.

¹² Source: California State Controller's Office, Local Government Financial Data FY 2020-21

Utility User Tax Measure P

Measure P implemented a utility user tax effective May 29, 2004. The tax raises money for the City's General Fund and does not have a sunset date.¹³ The tax is levied on telephone, gas, electric, water, and cable television charges at a seven percent rate for industrial or commercial use, and at a four percent rate for residential use. The FY 2021-22 budget estimated the tax would generate \$900,000 in revenue for the General Fund.

Property Tax

The City receives approximately 11.69 percent of the property tax collected within the City as a general tax revenue.¹⁴ In FY 2020-21, about \$2.2 million, or about 16 percent, of the City's general tax revenues were derived from property taxes.¹⁵

The City administers a pension property tax levy which was approved by the Maywood voters in 1974 and which does not have a sunset date. The tax can be used to pay for employee retirement benefits. The current rate is \$0.10 per \$100 of assessed value.

Charges for Services

Charges for services accounted for approximately \$428,000 in FY 2020-21 across all governmental funds.¹⁶ The City of Maywood charges for services related to waste management, plan checks, and other administrative charges. Rents and concessions are also included as charges for services.

Intergovernmental Revenues

In general, intergovernmental revenues consist of Federal, State, and local reimbursements for disasters and mutual aid agreements, and specific use grants. By their nature, these revenues tend to fluctuate more than other revenue sources. The City receives intergovernmental revenues

¹³ Source: City of Maywood Municipal Code, Chapter 3.5.501

¹⁴ Source: City of Maywood 2021-22 Budget

¹⁵ Source: City of Maywood 2020-21 ACFR

¹⁶ Source: City of Maywood 2020-21 ACFR

related to road maintenance and rehabilitation act, vehicle license fees in excess, homeowner's property tax exemption reimbursement, Community Development Block Grant funds, Air Quality Management District funds, California Oil Recycling Enhancement Act funds, Beverage Container Recycling grants, State grants, and other appropriations from the Federal government, State of California, and Los Angeles County. The City received a total of approximately \$4.1 million in intergovernmental revenues in FY 2020-21.

The City's audit also treats property tax in-lieu of motor vehicle license fees as intergovernmental revenues. The City collected approximately \$3.1 million in property tax in-lieu of VLF revenues in FY 2020-21.¹⁷

OPERATING EXPENDITURES

Figure 9 shows the actual City General Fund expenditures from FYs 2018-19 through 2020-21, based on the audits for these respective years. Total budgeted operating expenditures amounted to \$11.1 million in FY 2018-19 and increased to \$12.6 million in FY 2020-21.

Figure 9: Maywood Actual Historical Expenditures

Category	2018-19	2019-20	2020-21	Change from 18-19 to 20-21
General Government	\$3,163,938	\$3,272,594	\$4,118,530	30%
Public Safety	5,570,708	5,671,699	6,164,813	11%
Community Development	871,389	1,114,059	1,539,078	77%
Parks and Recreation	811,033	587,187	341,971	-58%
Capital Outlay	449,716	67,479	201,470	-55%
Debt Service	249,394	248,642	251,796	1%
Total Expenditures	11,116,178	10,961,660	12,617,658	14%

Source: Maywood Schedule of Revenues, Expenditures, and Changes in Fund Balances

Figure 10 breaks down the City's departmental operating expenditures by function between FYs 2018-19 and 2020-21.

¹⁷ Source: City of Maywood 2020-21 ACFR

Figure 10: Maywood Department Expenditures

Department	2018-19	2019-20	2020-21
General Government	\$3,592,420	\$3,570,141	\$3,041,319
Public Safety	5,732,836	5,841,028	6,334,921
Community Development	1,701,211	1,725,077	1,867,199
Parks and Recreation	910,381	686,353	583,359
Public Works	4,565,984	3,060,196	4,164,147
Total Expenditures	16,502,832	14,882,795	15,990,945

Source: Maywood Audit "Statement of Activities"

The City's annual departmental operating expenditures decreased by approximately 3.1 percent between FYs 2018-19 and 2020-21.

PERFORMANCE STANDARDS

RSG analyzed three different performance measures to evaluate the City's fiscal performance. The three measures include reserve fund balances, pensions and other post-employment benefits ("OPEB"), and third-party fiscal health evaluations. The findings are outlined below.

RESERVE FUND BALANCE

The City has reserve policy for General Fund reserves, requiring 20 percent of General Fund expenditures to be held in reserve. The City's projected economic uncertainty reserve is \$2.7 million for FY 2021-22.

The City's General Fund reserve balance is approximately 21 percent of the FY 2021-22 estimated revenues and 20 percent of the FY 2021-22 estimated expenditures. The City is in compliance with their reserve policy.

PENSION AND OPEB OBLIGATIONS

The City contributes toward the California Public Employees' Retirement System pension plan. The City sponsors three rate plans (two miscellaneous and one inactive safety plan) for qualifying employees.

The City also offers an OPEB plan. The OPEB plan provides medical benefits to retirees and surviving spouses and requires that once a retiree becomes eligible for Medicare, they must join a Medicare HMO or supplemental plan. Employees are eligible for these benefits if they retire from the City on or after the age of 50 and with at least five years of service. There are currently 19 retirees receiving OPEB benefits from the City. As of 2021, the City prefunds its OPEB obligations through a California Employers Retiree Benefit Trust Program dedicated to prefunding OPEB for all eligible California public agencies. In 2021, the City contributed \$1 million toward this trust.¹⁸ The City also uses the pension property tax assessment to fund their pension trust.

The City had a long-term net pension liability of \$18.9 million and total OPEB liability of \$2.8 million at the end of FY 2020-21. The City's historical pension liability and OPEB liability are outlined in Figure 11. The trust balance is not reflected in the table, but will be reflected in the FY 2021-22 audit. To help fund retirement benefits, the City administers a pension property tax levy. The current rate is \$0.10 per \$100 of assessed value.

Figure 11: Maywood Pension and OPEB Liabilities

Maywood	2018-19	2019-20	2020-21
Total OPEB Liability/(Surplus)	\$2,765,162	\$2,880,333	\$2,802,308
Ending Plan Fiduciary Net Position	-	-	-
Net OPEB Liability/(Surplus)	2,765,162	2,880,333	2,802,308
Net Pension Liability/(Surplus)	\$17,387,200	\$18,123,469	\$18,863,114
Net Benefit Liability/(Surplus)	20,152,362	21,003,802	21,665,422

Source: 2018-19, 2019-20, and 2020-21 ACFRs

The City's pension indicators provide insight into the City's pension plan health. The City's employer contribution rate compared to the actuarially determined contribution, total covered payroll, and employer contribution rate are outlined in Figure 12.

¹⁸ Source: City of Maywood 2021-22 Adopted Budget

Figure 12: Maywood Pension Indicators

Maywood	2018-19	2019-20	2020-21
Actuarially Determined Contribution	\$1,248,422	\$1,416,553	\$1,531,749
Employer Contribution	1,248,422	1,416,553	1,531,749
Covered Payroll	997,883	1,106,050	1,105,203
Employer Contribution Rate	125.1%	128.1%	138.6%

Source: 2018-19, 2019-20, and 2020-21 ACFRs

The City has historically made employer contributions equivalent to the actuarially determined contribution and the employer contribution rate has kept pace with the increases to covered payroll over the years. The City's employer rates are above average for the region.

CALIFORNIA STATE AUDITOR FISCAL HEALTH EVALUATION

The California State Auditor completes an annual audit of local governments in the State to determine which cities may be facing fiscal challenges by assessing risk associated with various fiscal indicators. The fiscal health analysis examined liquidity, debt burden, General Fund revenues, revenue trends, pension obligations, pension funding, pension costs, future pension costs, OPEB obligations, OPEB funding, and overall risk. The Auditor ranked all 431 cities in California on each fiscal indicator, with 1 being the highest risk, and 431 the lowest risk.

As of FY 2020-21, the City ranked 155 out of 431 cities (or 49 out of 130 cities in the Los Angeles region, which stretches from southern Orange County up to Ventura) and is considered to be at moderate financial risk. In the past, the Auditor has ranked Maywood as a "high-risk" city due to challenges with its governance, financial management, and internal controls. Maywood's progress in addressing each of these deficiencies has put it in a stronger financial position.

Maywood's current (improved) "moderate" risk status means that the State Auditor has determined the City has some risk of "experiencing financial distress" based on ten financial indicators. Two fiscal indicators (pension funding and OPEB funding) were ranked high risk by the State Auditor. Three fiscal indicators (debt burden, pension obligations, and pension costs)

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were ranked moderate risk by the State Auditor. The final five indicators (General Fund reserves, liquidity, revenue trends, future pension costs, and OPEB obligations) were ranked as low risk.

SOI RECOMMENDATIONS

RSG's recommended determinations related to the Maywood Sphere of Influence are presented below.

1. Present and Planned Land Uses

Development growth is constrained under present land uses within the City's current boundary. There are no opportunities to expand the SOI. Maywood is exploring opportunities for redevelopment, and currently has a small project of approximately 40 units in the development pipeline.

2. Present and Probable Need for Public Facilities and Services

The City's wastewater and sewer infrastructure is not sufficient to accommodate growth over the next decade. The City is currently working with State and Federal agencies to repair urgent infrastructure needs and identify additional funding sewer improvements. In 2017, the City updated its Sanitary Sewer Management Plan to anticipate and plan for necessary upgrades.

3. Present Capacity of Public Facilities and Services

Currently, the capacity of the sewer facilities are not adequate to provide service to the community. The City is working with State agencies to address deficiencies. City staff also expressed concern about their ability to provide green space for the community, a shortfall that was also highlighted in the 2005 MSR. The City does not currently have a parks and recreation department.

4. Social or Economic Communities of Interest

There are no social or economic communities of interest identified.

5. Disadvantaged Unincorporated Community Present and Planned Need for Facilities and Services

The City does not have any unincorporated areas and DUCs within its SOI because the City's SOI is coterminous with its jurisdictional boundary.

RSG recommends that LAFCO staff reconfirm the Maywood SOI to its current coterminous boundary.

MSR DETERMINATIONS

Pursuant to Government Code Section 56430, the requisite CKH determinations for this MSR for Maywood are presented below:

1. Population Projections and Growth

The City has experienced a small population decrease over the past ten years, in comparison to a small increase in the population of the County as a whole. The City has limited potential for population and economic growth due to existing buildout and geography. Despite these challenges, the City is pursuing opportunities for redevelopment, and currently has a small project of approximately 40 units in the development pipeline. Based on current City demographics, these 40 units could result in an increase of 148 people in Maywood's population.

2. Disadvantaged Unincorporated Communities in or Contiguous to SOI

The City's SOI does not contain any DUCs within its SOI. Although there are no DUCs within the City of Maywood's SOI, the City as a whole qualifies as a DAC.

3. Present and Planned Capacity of Public Facilities

The City's sewer capacity is inadequate to meet community needs and is an obstacle for further development in the City. While the City is working with State agencies to repair the most pressing areas of the sewer infrastructure, this deficiency presents a major infrastructure and financial challenge for Maywood.

The City also has minimal parks and recreation facilities. The limited staff in the Community Services Department presents a challenge for the City to provide the level of service it wishes for the community. The City is considering partnerships with other jurisdictions to increase the level of recreation programming.

4. Financial Ability to Provide Services

The City of Maywood experienced increasing General Fund revenues from FYs 2018-19 through 2020-21. While General Fund expenditures increased over the same period as well, revenues grew at a faster rate and the City has experienced a surplus in both FY 2019-20 and 2020-21. The City is considered to be at moderate financial risk by the State Auditor. The cost of repairing the sewer infrastructure is a major financial challenge for the City. Additionally, City staff noted high staff turnover rates, in part because Maywood is not able to offer compensation and benefits that are competitive with nearby jurisdictions.

5. Opportunities for Shared Facilities

City staff noted that Maywood is interested in exploring shared broadband services with neighboring jurisdictions in the future, but that there are no imminent plans in place to create a shared broadband service.

The City is also interested in collaborating with other agencies for recreation programming and facilities due to the limited amount of available park space in the City boundaries.

6. Accountability for Community Service Needs

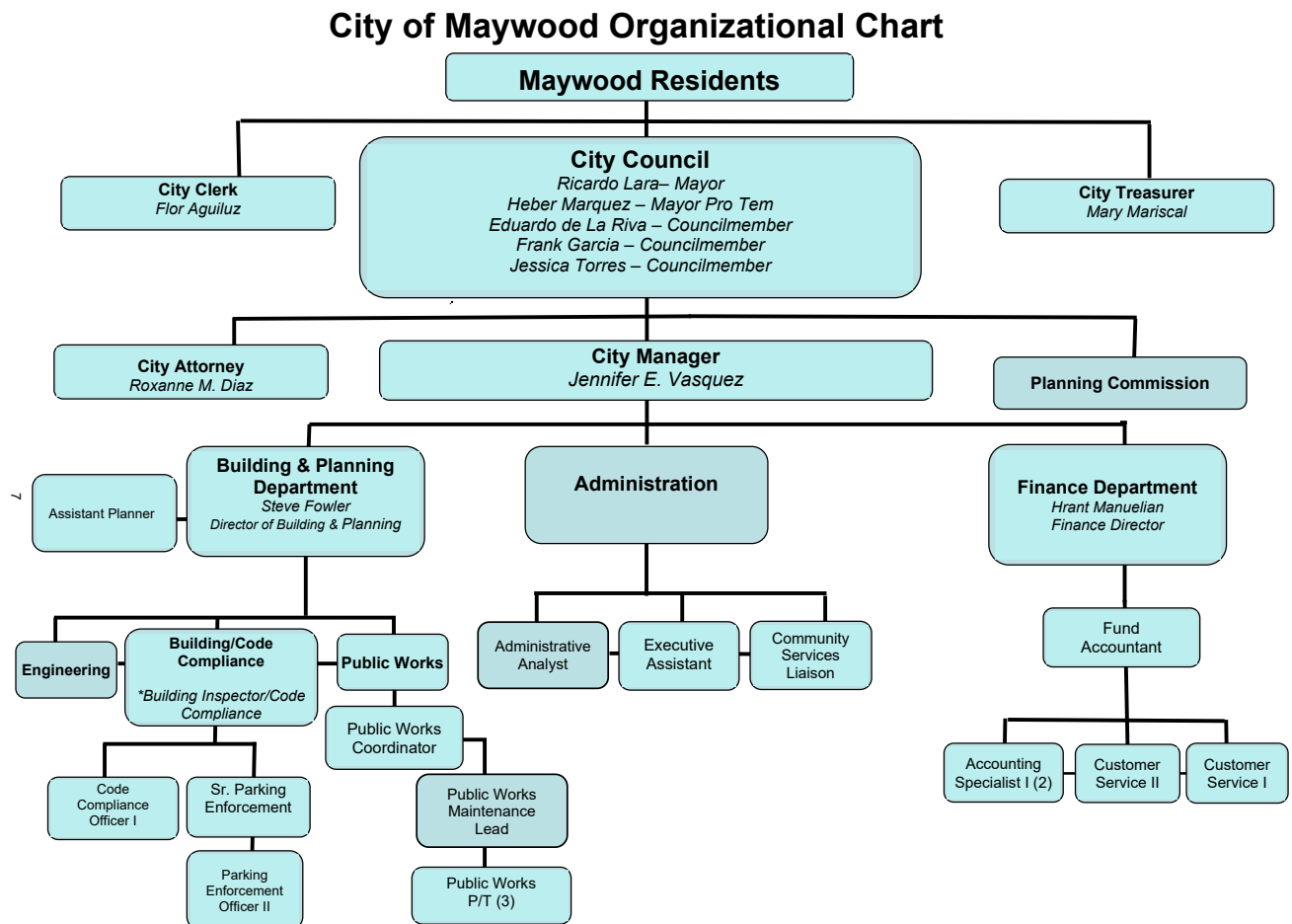
The City Council is elected on an at-large basis. Maywood's website includes information about City Council meetings, public meetings, and other City services. Maywood broadcasts its Council meetings live on the City's Facebook page and is also active on Instagram. The City also utilizes technology and social media to share information with the public effectively. Maywood has experienced challenges with accountability in the past, but has taken steps to remedy those issues such as including performance evaluation requirements in the City Manager contract and adopting hiring policies. The State Auditor noted that while Maywood has made significant progress on accountability, there are still some steps it could take to improve oversight and transparency.

7. Any Other Matter Related to Effective or Efficient Service Delivery as Required by Commission Policy

The City did not identify any other matters related to effective or efficient service delivery as required by LAFCO Policy.

APPENDICES

APPENDIX 1: CITY OF MAYWOOD ORGANIZATIONAL CHART



*Vacant Positions

COM Organization Chart

APPENDIX 2: MAYWOOD SPHERE OF INFLUENCE



