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Moraga Displays a Surplus in its Preliminary Budget and Plans for Future Challenges

By Sophie Braccini

The Moraga Town Council and staff management met on May 9 to set the Town's goals, both short and long term. The meeting started with a preliminary budget presentation which demonstrated how, through ingenuity and restructuring, staff was able to stabilize the Town's operating budget for the near future. Moraga's need for enduring economic stability took center stage in the goal planning session as the Council and staff struggled to find ways to solve the Town's long-term financial challenges.

The Saturday morning goal setting session started with the latest budget update. "The good news is that as of today we will balance our budget this year and for the coming two to three years," said Town Manager Mike Segrest, "if we get all our tax money from the State we will end the year with a \$262,000 surplus."

Finance Director Joan Streit was able to find ways to save money, such as changing the management of the staff's health care program and taking over the maintenance of the library rather than paying the County for it. "The positive result is the product of a series of different saving opportunities that were found in each department," she said, "and of course this year we won't have the expenses of the specific plan or the ballot initiatives."

As long as the State has not established its budget and local communities don't yet have the funds that are supposed to come to them, Segrest does not want to spend the potential surplus. "It could be significantly reduced depending on what the State decides," he said.

The present stabilized budget cannot hide the structural deficit that lurks in the future of Moraga. "We will have some infrastructure maintenance and capital replacement expenses that will have to be dealt with," said Segrest. Most of the long term goals that were discussed on Saturday morning arose from the need for the Town to find new sources of revenue.

"We have to find new sources of income, hopefully independent of the State's tax system," said Segrest, echoing a statement made by his Finance Director months ago. The Chair and Co-chair of the newly formed Revenue Enhancement Committee were present at the goal setting session to hear over and over again that it will be their committee's task to find these new sources of revenue.

Invigorating the business climate in Moraga is high on the list of both Council and staff. "Moraga residents spend 75% of their personal expenditures outside of Moraga," recognized Segrest, "that's potential sales tax revenue that goes in the pockets of neighboring cities." Both staff and Council reiterated their commitment

to working with the Chamber of Commerce and act to attract a mix of retail that would appeal to residents.

"The materialization of the Moraga Center Specific plan is part of the solution," said Segrest, who wants to be a catalyst and engage the property owners, developers and other potential partners in a dynamic strategy. "I believe that we can achieve anything the community decides it wants to see happen," said a very positive Segrest.

Knowing where the community wants to go has proven difficult in the past but certain facts are well known, such as the ageing of the population. "This is not very short term planning, but we have to think of the fact that the number of residents over 65 is going to grow significantly in the coming years," said Segrest. He sees that trend having impacts on housing, infrastructure, and recreation. However important this goal might be, the Council rejected a proposal from Vice-Mayor Chew to create a Senior Committee.

The short term goals that Mayor Dave Trotter defined when he was elected were confirmed by the group. Some have been attained already -- hiring a Town Manager, adopting a balanced budget, creating a Revenue Enhancement Committee; some are in the making -- specific plan and housing element; and the last two are works in progress -- reaching out to the business community and restoring civility on the Council.

Other short term projects that will be studied in the very near future include moving the Town Council meetings from a school auditorium to the library's meeting room and the potential purchase of the old fire station located next to the Town building at 329 Rheem which could house the corporate yard now located at the Hacienda de las Flores.

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