



Fiscal Year 2019/20 Budget at a Glance July 2019

Moraga Budget Message

The Fiscal Year 2019/20 Budget for the Town of Moraga is \$18.21 million, including a \$10.24 million Operating Budget, and a \$7.97 million Capital Improvement Program budget. The budget projects a small surplus of \$145,913 and a General Fund Reserve level of \$4.77 million, or 50%, by year-end.

In the past 18 months, the Town has made significant strides towards recovering from the 2016 sinkhole repair and 2017 replacement of the Canyon Road bridge by receiving Federal Emergency Relief reimbursements in FY 2017/18 and FY 2018/19 respectively. The Town has been able to fund development and implementation of a Storm Drain Operations and Maintenance program.

Despite the continuing challenges of insufficient funding for infrastructure needs, the Town is currently able to make choices and provide minimal government services to the community, given current revenue. A review of the Town's as yet unfunded needs this fiscal year will enable the Town to determine future requirements and develop a strategy moving forward.

Moraga Town Council



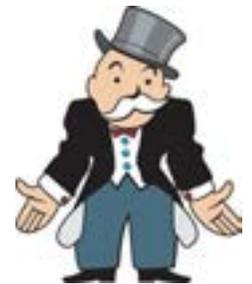
**STREETS
RATED "GOOD"**

The Town's Pavement Condition Index (PCI) was 49 (Poor) in 2012, increased to 70 (Good) in 2015 (thanks to the 1% Measure K local sales tax), and increased to 74 in 2018 due to higher Garbage Vehicle Impact Fees and new Gas Tax Revenue (SB1/RMRA) funding. Go to the Town's website to read the 2018 Pavement Management Report.

Unfunded Needs Being Assessed

Consistent with the Town's 2019 Goals of increasing trust and transparency, improving fiscal discipline and positioning the Town for long-term fiscal sustainability, the FY 2019/20 Budget includes projects to:

- 1) Identify any additional expenditure reductions through a study by the Audit and Finance Committee;
- 2) Conduct expert analyses to quantify the Town's infrastructure funding needs and shortfalls for its aging storm drains and asset replacement program; and
- 3) Conduct an unfunded pension liability obligation study.



\$2.65 Million Received for the Temporary Canyon Road Bridge

After years of belt tightening, the Town received a second large Federal Highway Administration Emergency Relief reimbursement. With this bulk reimbursement, the Town repaid a \$1 million loan from the One Time Developer/Palos Colorados fund and a \$1.65 million loan from the General Fund which enabled the following:

- Restoration of the General Fund Reserve level to 50% consistent with Town policy;
- Assignment of \$325,000 for the Bollinger Valley Study Area General Plan Amendment and Rezone and \$195,000 to the Storm Drain Maintenance Fund;
- Transfer of \$233,000 to the Asset Replacement Fund to complete needed maintenance and repairs to buildings and facilities;
- Appropriation of \$45,000 for a 2019 Addendum to the Storm Drain Master Plan to update the capital and annual operations and maintenance needs assessment, in light of improved system information, maintenance records, and lower prioritization of capacity-related capital projects; and
- Expenditure of \$14,595 to complete a Capital Asset Replacement Study.

2019 TOWN AND COMMUNITY GOALS

Strengthening Trust and Transparency

1 - Maintain and improve fiscal discipline and position the Town for long-term fiscal sustainability and operational efficiency.

2 - Enhance Moraga's business environment: work collaboratively with the Chamber of Commerce and other stakeholders.

3 - Revise the Town's Zoning Code to implement the Moraga Center Specific Plan.

4 - Implement the Storm Drain System Operations and Maintenance Program.

5 - Work aggressively to obtain \$2.9 million in reimbursements for the Town's temporary Canyon Road bridge project.

6 - Implement the 2019 Neighborhood Streets and Roads Repair Program.

7 - Maintain and improve public safety through the provision of high-quality Police and emergency response services.

8 - Develop written guidelines for Ad Hoc Committees and Council roles and responsibilities.

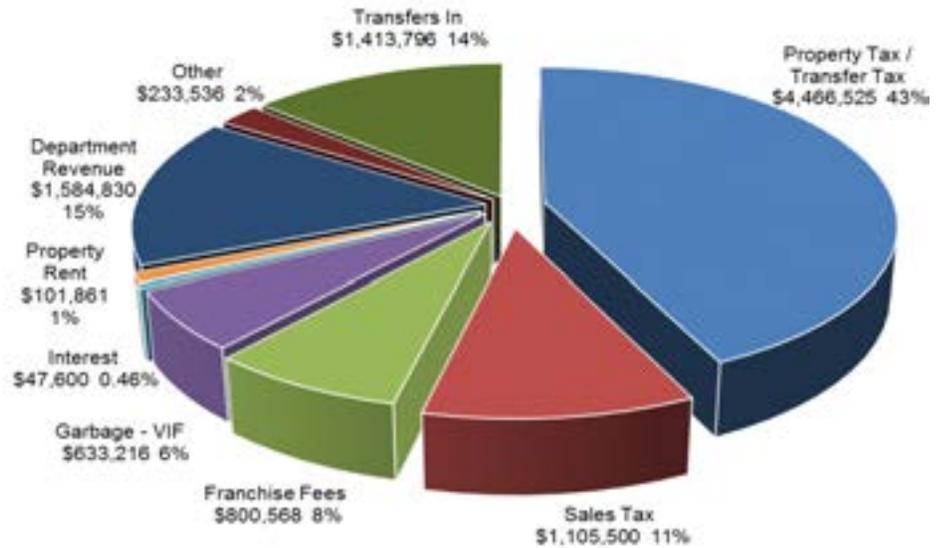
9 - Complete improvements to the Hacienda and pursue commercial and other public uses of the Hacienda de las Flores.

10 - Identify funding needs and develop a process to re-zone the Bollinger Valley area.

11 - Develop a plan and initiate a re-evaluation of the Town's planned development process, development regulations and needs, and design guidelines.

12 - Continue implementation of viable strategies in Moraga's Climate Action Plan to lessen the Town's impact on the environment.

General Fund Revenues \$10,387,432



WHAT IS THE GENERAL FUND?

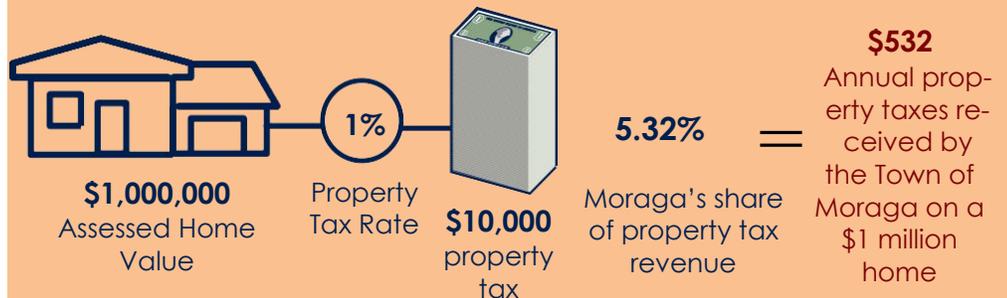
The Town receives revenue from numerous sources. Some sources, like Gas Tax, Public Safety fees, transportation and grant funds are restricted funds, meaning they can only be spent on specific types of expenditures. Unrestricted funds that can be spent on anything are called General Funds.

WHERE DOES THE TOWN GET ITS MONEY?

The two primary General Fund revenue sources, which account for 54% of total revenue, are property tax and sales tax. Unfortunately, the Town only receives 5.32% of the property taxes that property owners pay. The rest of the property tax dollars go to fund public schools and colleges (40%), Contra Costa County (29%), Moraga-Orinda Fire District (19%), and Special Districts (7%). The percentage of property tax Moraga receives was set in 1978 and is the lowest percentage received by any Contra Costa city.

Moraga Residents and the Budget: Property Taxes

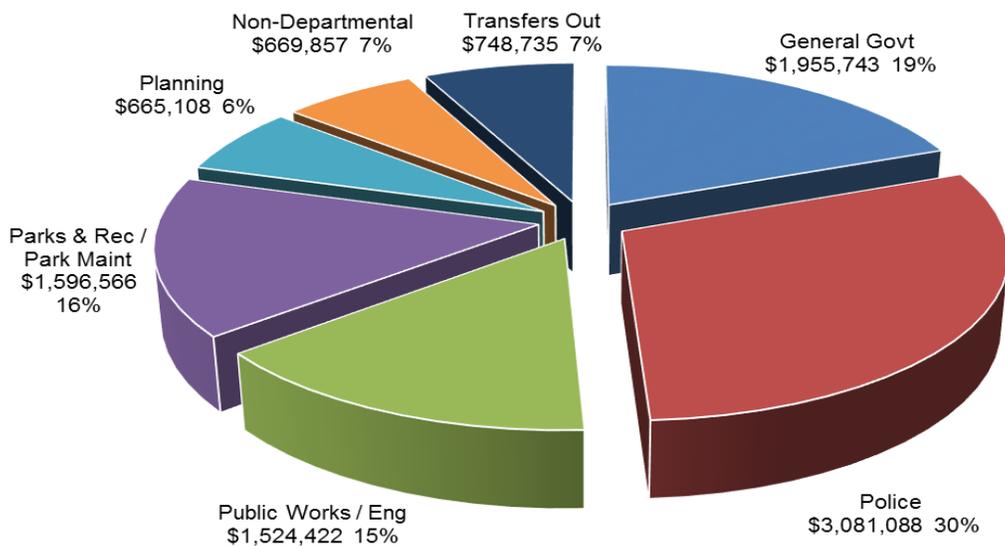
How much of your property tax does the Town receive?



The second largest source of funds is sales tax revenue. The Town receives approximately \$1.1 million annually from the 1% local portion of the State sales tax, which is based on the point of sale. In 2012, Moraga voters approved Measure K, a 1% local sales tax measure. Measure K is a destination based tax that is projected to generate \$1.97 million in FY 2019/20. Based on current Council policy, Measure K funds are used exclusively for the Town's Pavement Management Program.

General Fund Expenditures

\$10,241,519



WHERE DOES THE TOWN SPEND ITS MONEY?

The General Fund is the primary funding source for many of the core town services Moraga residents receive every day.

Police: The Town invests heavily in Police services, with 30% of the budget dedicated to crime prevention and suppression efforts, and emergency readiness.

General Government: Town administration costs constitute 19% of the budget, one-third of which supports the Town Council, Town Manager and Town Clerk functions. Another third pays for finance, human resources, risk management and IT. The remaining third covers legal fees, which are projected to increase in FY 2019/20 due to multiple lawsuits the Town is involved in (including for defense of the Hillside and Ridgeline Ordinance).

Parks and Recreation: Aligned with the community's love of parks and open space, 16% of the budget funds recreation activities, parks and library maintenance. Certain activities such as classes and facility rentals generate revenue that offsets 38% of the costs of operating this department.

Public Works/Engineering: 15% of the General Fund budget pays for maintenance of the Town's public assets, including facilities, 56 miles of streets and 27 miles of storm drains. Transportation and Clean Water restricted funds and fees for services result in 70% cost recovery.

Non-Departmental: The Town budgets \$277,000 for liability and other types of insurance, and \$393,000 to pay the Town's annual unfunded CalPERS pension liability contribution.

Planning: 7% of the budget covers planning services with 86% of the costs being offset by fees for service.

Transfers Out: The Town transfers the \$633,000 received for Garbage Vehicle Impact Fees to the Pavement Management Program, and \$115,000 to pay debt for the purchase of the Town offices.

MOBILE MORAGA

The Town launched Mobile Moraga which enables citizens to report non-emergency concerns to the Town. The FREE app is now available for download in the App Store and in Google Play. Citizens can also report concerns through Mobile Moraga on the Town's website under "Quick Links." Mobile Moraga also puts a comprehensive listing of Town services right at your fingertips. The functionality of the work order system also allows the Town to streamline the work order process, improving efficiencies.



Staffing Levels

In the past ten years, the number of Town employees has remained relatively stable despite an increased demand for services due to additional regulations, infrastructure failures, growth, and quality of life concerns. When comparing Moraga's staffing levels to those of similar jurisdictions, Moraga's levels are substantially lower. For example, the City of Orinda, with a population of 19,470, has 51.4 full-time equivalent (FTE) employees while the Town of Moraga with a population of 17,416 has 37 FTEs. If Moraga had the same number of positions per capita, Moraga would have 46 FTEs. Similarly, the City of Lafayette has 66.5 FTEs and a population of 26,103. If Moraga had the same number of positions per capita as Lafayette, Moraga would have 44.4 FTEs.

Highlights of Capital Improvement Projects

Capital Improvement Projects (CIP) help maintain or improve the Town's infrastructure. For example, (i) "Complete Streets" projects improve pedestrian, bicycle and vehicular safety; (ii) parks and open space projects enable maintenance and enhancements to local parks; and, (iii) building and facility projects repair, replace and upgrade Town assets as necessary. The Town's FY 2019/20 \$7.97 million CIP budget is robust, representing 44% of the Town's \$18.21 million budget. The majority of CIP funding comes from Federal, State and local grants, development impact fees, Gas Tax and Measure K local sales tax revenue. Highlighted below are several key projects included in the FY 2019/20 budget.



MORAGA ROAD/ALTA MESA CROSSWALK IMPROVEMENTS

- Install Pedestrian flashing beacon, pedestrian lighting and advance speed feedback signs; and
- Improve pedestrian safety with sidewalk corner bulb-outs and a pedestrian center median refuge to shorten and split the crosswalk length.

Funded by a \$110K transportation grant and Measure K revenue



MORAGA WAY AND CANYON ROAD/CAMINO PABLO IMPROVEMENTS

- Resurface street, close sidewalk gap, and extend existing bicycle and pedestrian improvements on Moraga Way from Orinda to Canyon Road; and
- Improve pedestrian crossing safety at the intersection of Canyon Road and Camino Pablo.

Funded by \$1.3M in Safe Routes to Schools grants, County transportation funds, Measure K and other grants



MORAGA COMMONS PARK IMPROVEMENTS

- Apply basketball court micro surface seal;
- Install two publicly-available electric vehicle charging stations;
- Install hydration station, seat wall and complete pathway repairs to skatepark (thanks to the fundraising efforts of a local teen); and
- Complete parking lot repairs and resurfacing.

Funded by donations, development impact fees, Palos Colorados, other grant funds and the Town's Asset Replacement Fund



STREAMLINE PLANNING REVIEW AND APPROVAL PROCESS

- Complete a comprehensive update to the planning and zoning chapters of the Moraga Municipal Code to streamline the review and approval process with an emphasis on the Town's three-step planned development process.

Funded by a State SB2 Planning Grant

Please email your feedback on this Budget at a Glance to:
feedback@moraga.ca.us



Mayor Roger Wykle
Vice Mayor Kymberleigh Korpus
Councilmembers: Mike McCluer
Renata Sos and Steve Woehleke