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Moraga's Budget and the Future of Infrastructure

By Sophie Braccini

With an operating budget that's projected to be in surplus both now and for five years to come, Moraga might appear to be in a good financial situation. But this positive balance hides the dangerous under-funding of the maintenance of both roads and drains. Capital improvement is likely to remain inadequate until new revenue sources are found; a fate shared by most communities in the Bay Area, according to Town Manager Mike Segrest.

On June 9th, at the bi-monthly meeting of the Moraga Town Council, Segrest presented an update to the 2009/2010 budget as well as the projections for next year. This budget cycle's operating budget presents a positive balance, though somewhat less than expected. "Our revenue was slightly lower than we anticipated, mainly sales tax revenue, and we incurred additional expense, such as legal fees," said Segrest. The surplus should total \$192,545 by the end of the fiscal year; for the 2010/2011 year the excess is projected at \$255,439 before one-time expenditures. The capital budget that funds road and drain maintenance remains greatly below what would be needed to simply keep the roads from deteriorating further. In the Capital Plan Summary presented by Public Works Director Jill Mercurio, the status of many line items is: "Schedule dependent on funding." The Revenue Enhancement Committee that studied needs, as well as proposed avenues for improvement, assed an annual supplemental need of about \$2 million for years to come in order to maintain the roads at an acceptable level of service.

But new sources of revenue were not on the agenda for the June 9th meeting. Instead, the Council was asked to make decisions regarding some one-time or new expenditures; among them, increasing the hours of a part-time parks and recreation assistant. The Moraga Movers (Movers), an active senior group, spoke in favor of transforming the position into a full-time position. Mover's president Philip Arth explained that this would permit planning for more trips with the van that was given to the Town by the Movers last year, both for seniors and for other residents of all ages. Parks and Recreation Director Jay Ingram agreed that increasing the assistant's number of working hours could translate into more recreation planning and therefore additional revenue.

A second one-time expenditure proposed by staff was the construction of diagonal parallel parking on Moraga Road by the Moraga Commons Park. David Kruegel, of the Friends of the Moraga Library, spoke in favor of this investment; the library's Friends have been advocating for years for more parking at the Commons. The cost of construction of these spaces is projected at about \$200,000. Council members were divided on how to fund the improvement - whether or not to use the "Palos Colorados Bank;" the development impact fees paid by the Palos Colorados developer that currently amount to more than \$2 million.

The Hacienda de las Flores was discussed as well. The facility has a projected net loss of \$175,357, mostly due to maintenance costs. Council Member Dave Trotter proposed that the wedding rental fees be increased for non-residents from \$2,750 to \$3,250.

The budget will be brought back to Council for final approval before the summer break.

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