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Moraga Prepares its First Five-Year Financial Plan

By Sophie Braccini

It was among the Council's two dozen objectives for 2012 and Moraga's Administrative Services Director, Stephanie Hom, is making it a reality- Moraga will soon have its first five-year financial plan, a management tool that will aid in strategic planning. Hom presented an initial working document to the Town's Audit and Finance Committee on April 17.

The plan is a living document that will evolve as time passes, events occur and adjustments are made to reflect new conditions. Hom calculated the first projections using historical data and extrapolated trends, as well as existing projections from other sources. "Municipal Resource Consultants gave us our most recent sales tax results as well as a five-year projection," said Hom. "We also factored in an anticipated increase of the rental revenue from Town property that's used by the Country Club, using market value." It's expected those funds will increase by a factor of more than 800 percent in 2014.

The Audit and Finance Committee (Committee), which is composed of two Town Council members- Mayor Mike Metcalf and Council Member Karen Mendonca, and three members of the public-Robert Kennedy, Bradley Ward and Gary Breaux, discussed at some length the way municipal departments plan and save for capital replacement, and agreed that fund reserves need to be detailed and replenished.

Metcalf noticed that no money was set aside to update the General Plan. "We do not have an obligation to update the General Plan every ten years," said Town Manager Jill Keimach. "We agreed to do incremental revisions so we do not have to engage in a complete revision." The estimated of the cost of a comprehensive update is \$1 million.

The last section of the proposed financial plan is a 5-year capital improvement plan. Hom's document showed an astronomical amount of \$46.7 million in unfunded needs, including \$25 million for the roads RECON program, \$3.6 million for the storm drain system, \$2 million for the repair of Rheem Boulevard, \$2.5 million for Moraga Road traffic calming and beautification, and a town gymnasium and recreation center that would cost \$10 million. The latter element raised eyebrows. "This is a wonderful idea and could be very nice for our town, it fits within our Parks and Recreation Master plan, but with the reality of our roads, this is not realistic planning," said Mendonca. The Committee agreed to remove the gym/recreation center from the 5-year plan.

According to the document, the Town will still have to find \$36 million in new revenue in the next five years. The Town's current annual revenue is roughly \$6.5 million.

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