

Town of Moraga  
**Audit and Finance Committee**

**ACTION MINUTES**

Wednesday, June 2, 2021  
5:30 P.M.

**TELECONFERENCED MEETING LOCATION ONLY**

**\*COVID-19 NOTICE\***

**THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20, WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND PURSUANT TO THE ORDERS OF THE HEALTH OFFICER OF CONTRA COSTA COUNTY INCLUDING THE MOST RECENT ORDER DATED FEBRUARY 25, 2021, AND OTHER SUBSEQUENT ORDERS, WHICH PERMIT THE TOWN TO CONDUCT ESSENTIAL BUSINESS AND IS PERMITTED UNDER THE ORDERS AS AN ESSENTIAL GOVERNMENTAL FUNCTION**

Consistent with Executive Orders Nos. N-25-20 and N-29-20 from Governor Gavin Newsom and the Contra Costa County Health Officer Orders including the most recent dated February 25, 2021, the June 2, 2021 Audit and Finance meeting was not physically open to the public.

*All Audit and Finance Committee members and Town staff participated in this meeting via teleconference. (Zoom webinar)*

**1. CALL TO ORDER**

The meeting was called to order at **5:30 PM**.

**2. ROLL CALL**

Committee Members Present: Bob Kennedy (Town Treasurer), Stephen Huxley, (AFC Member), Mike McCluer, (Mayor), and Steve Woehleke (Vice Mayor)  
Committee Members Absent: Tim Freeman (AFC Member)

Staff Present: Cynthia Battenberg (Town Manager), Marty McInturf, (Town Clerk), Norman Veloso (Administrative Services Director), Cecilia Nguyen (Accountant), Bret Swain (Senior Civil Engineer)

**3. PUBLIC COMMENTS**

No public comments received.

**4. APPROVAL OF ACTION MINUTES – AFC Meeting of Tuesday, February 2, 2021**

ACTION: It was M/S (McCluer/Woehleke) to approve the meeting minutes.  
VOTE: 4-0-0

## 5. CONSIDER PROPOSED FISCAL YEAR 2021/22 OPERATING BUDGET

The Audit and Finance Committee is responsible for the review of the annual proposed budget prior to the completion of the document for presentation to the Town Council.

Norm Veloso, Administrative Services Director, provided a PowerPoint presentation on the 2021/22 Operating Budget and General Fund Five-Year Financial Projection. Budget highlights and Other Funds highlights were included.

**Committee Member Huxley and Vice Mayor Woehleke** questioned the restrictions and eligibility standards for American Rescue Plan Act (ARPA) funding and the confidence level of staff with the projected revenue from ARPA included in the proposed budget.

Administrative Services Director Norm Veloso explained he worked closely with consultants and experts regarding the projections and was confident it would be helpful to include in the budget certain projects that will be funded by ARPA funds the Town could start planning the project and securing the contractors needed for the project. Staff felt strategically planning and preparing the design work would keep the Town of Moraga ahead of other cities competing for the same contractors.

**Mayor McCluer** questioned the projections of the CalPERS unfunded liability and requested staff speak to the work of the outside consultant report completed by Bartel in 2019. He felt a discussion on a Pension Trust should be revisited.

**Vice Mayor Woeleke** indicated discussions regarding the Pension Trust option would require a stakeholder engagement plan.

Administrative Services Director Norm Veloso indicated the projections were based on CalPERS' annual evaluations which included the discount rate as well as the savings by taking advantage of the prepayment discount.

**Vice Mayor Woeleke** requested looking into the refinancing of the 2013 Citizen Option for Public Safety (COPS) funding.

**Treasurer Kennedy** commented on the Measure K fund ending year balance and questioned why there was such a large ending balance.

Town Manager Battenberg reiterated the staff had been directed by the Town Council to prioritize worst streets first and it should include stormwater drains and other infrastructure. To develop the plan would take approximately two years to coordinate with other cities and municipalities to accomplish the projects. It was projected next year spending would be approximately \$3.6 million.

**Committee Member Huxley and Vice Mayor Woehleke** suggested an analysis on the increasing head count in Town staff compared to previous years.

Town Manager Battenberg referred to the AFC Charter which indicated the Town Council should direct any subcommittee assignments to address any special projects needing a subcommittee review. The committee indicated it would be available if the Town Council so directed.

## 6. **CONSIDER PRELIMINARY FISCAL YEAR 2021/22 CAPITAL IMPROVEMENT BUDGET**

Bret Swain, Senior Civil Engineer presented the Preliminary Draft Capital Improvement Program FY 2021/22 to FY 2025/26 Project Lists which were divided as follows:

- Funded and Ongoing CIP Project List
- Completed CIP Project List
- Recommended for Funding CIP Project List
- Unfunded CIP Project List

A summary of the annual projected expenses by project category and a summary of the project funding sources and detailed project sheets were provided. Some of the proposed projects require initial investment to develop technical studies, conceptual plans and reports to successfully secure future grant funding or implementation of the project. These initial investments (studies) should result in refinements to preliminary projects and/or creation of new projects as more detailed and specific information was developed.

Staff recommended the Committee consider the preliminary Fiscal Year 2021/22 Capital Improvement Program budgets and provide direction to staff.

**Committee Member Huxley** suggested a cost/benefit analysis for the Hacienda.

**Vice Mayor Woehleke** wanted to know if the Hacienda parking lot was scheduled for rehabilitation and staff indicated funding was not budgeted for this fiscal year.

Town Manager Cynthia Battenberg reminded the committee that parks did not pay for themselves and the staff had developed and provided after-school programs and camps which benefited the community.

**Committee Member Huxley** inquired if the roundabouts at St. Mary's Road and Bollinger Canyon Road were necessary.

Senior Civil Engineer Swain explained the first stage of the project was design. The design of the project needed to be completed to use the Contra Costa Transportation Authority (CCTA) grant funds provided for the design stage of the roundabout project.

By consensus, the Committee accepted the Proposed Fiscal Year 2021/22 Operating Budget and Fiscal Year 2021/22 Proposed Capital Improvement Budget and recommended forwarding the reports to the Town Council for their June 9, 2021 Council Meeting.

**7. ESTABLISH NEXT MEETING OF AFC**

The next committee meeting was tentatively scheduled for October 2021.

**8. ADJOURN**

The meeting was adjourned at 7:29 PM.

ACTION: It was M/S (McCluer/Woehleke)  
VOTE: 4-0