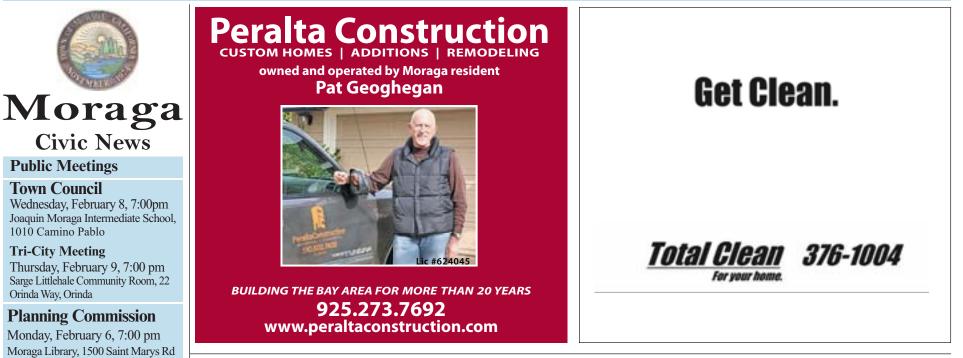
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Finance Committee Recommends Dipping into Palos Money

By Sophie Braccini

he Moraga Audit and Fitasked with considering options the state of the Town's finances. to finance a \$450,000 note on the Its members are Administrative purchase of the Town's corporation vard at 331 Rheem Boulevard. The original plan called for selling two Town-owned properties to finance the purchase of the new building-the plan fell through when no buyer could be Mendonca. found for one property and the sale of the other met with overwhelming opposition from residents. Faced with the prospect of having to borrow nearly half of a million dollars to pay the note that's coming due in March, the Committee recommended that the Town use part of its reserve, either from the General Fund or from the \$2 million in developer fees for Palos Colorados, known as "Palos money" or "the Palos bank," that's been sitting for years and is earning less than half a percent interest.

The Town Council will decide next week whether or not to accept the recommendation. In the past, the Council has considered the Palos money to be untouchable until a long-term financial strategy is agreed upon.

The Audit and Finance Com-Services Director Stephanie Hom, Town Manager Jill Keimach, the Town's volunteer Treasurer, Bob Kennedy, resident Bradley Ward, Mayor Mike Metcalf, and Council Member Karen

At its January meeting, the Committee reviewed Hom's midyear financial report that indicated that the earnings and expenses of the Town are on track, with a probable increase in the property tax revenue. That presentation was followed by a decision regarding the Town's surplus, now predicted to be slightly higher than expected.

"We have reached our goal of 50 percent of the General Fund set aside as a reserve by allocating our surplus to that fund," said the Director. "Now the question is how we allocate the rest of the surplus." The Committee agreed that it should be saved for road repairs. "We need to tell voters that we are trying to save money for the roads as fast as we can," said the Mayor.

nance Committee was mittee meets quarterly to review the \$2 million in developer fees money for a one-time expenditure the Town received as part of the is a good decision." Mendonca agreement to develop 123 homes agreed, noting that the Town now on the Palos Colorados property along Moraga Road next to the an account that bears a very minimal interest rate, less than 0.5 percent according to Hom. So far, the Council's position has always been to consider this money to be a "bank" for the Town, a sum that it could borrow against, but must repay, until a complete strategy is agreed upon.

> The Committee also discussed a goal that's been articulated by both Hom and Mendonca: the necessity for the Town to have a five-year strategic financial plan. "This should include the Palos Colorados money," said Mendonca, "we need to have a strategy on how to invest that money for the best interest of the Town."

Council to make decisions regarding this money before a fiveyear plan is approved. "We have the Palos money sitting," said Metcalf, "paying for 331 Rheem loan for itself until it secures a is a one-time purchase of a good bank loan.

The Palos money represents Town asset. Paying one-time has a healthy reserve.

Town Manager Jill Keimach Lafayette border. The funds are in said that she believes that the community expects that the Palos money would be used for Parks and Recreation purposes. No one on the Committee was sure of the exact wording of the agreement with the Developer. "If we pay off the loan for 331 Rheem with that money, we will complete the restoration of the Hacienda de las Flores to its original purpose," said Mendonca, "and that is a part of the Parks and Recreation master plan."

The Committee voted to recommend that the note be paid off now with the Town's money, using either the Palos bank or the General Fund reserve. The Council will discuss the issue at its February 8th meeting. If the But necessity may push the Council does not support that decision, and some Council Members have been on record strongly opposing touching the reserves, the Town could create a bridge-

Rancho Laguna Litigation Delays Playground Construction

By Sophie Braccini

o one wants to comment on public knowledge that a law suit space at Rancho Laguna Park and including the replacement of the it; pending litigation has a has been filed against the Town of create a dedicated area for off- play structure that was removed

Design Review

School Auditorium

www.moraga.k12.ca.us

notes and announcements

Town of Moraga:

www.moragachamber.org

www.moraga.ca.us

Monday, February 13, 7:00 pm

Moraga School District Tuesday, February 14, 7:30 pm

Moraga Library, 1500 Saint Marys Rd **School Board Meeting**

Joaquin Moraga Intermediate

See also AUHSD meeting page A2

Check online for agendas, meeting

Chamber of Commerce:

Moraga Citizens' Network:

www.moragacitizensnetwork.org

1010 Camino Pablo, Moraga

Police Report

Parked with pot, 1/18/2012And no medical marijuana card. Two people were sitting in a car parked on Williams Drive after midnight, not a crime in Moraga, but unusual. An officer questioned the subjects, the driver admitted to possessing marijuana and gave the cop a package with 8.5 grams of the evil weed. A search netted an additional 3.11 grams. Driver was cited for possession of less than an ounce, the passenger ended up driving both of them home.

Hit and run, 1/18/2012 At approximately 2:00 p.m. a gray Chevy Tahoe ran a red light at the intersection of Moraga Road and Rheem Boulevard and clipped a Ford truck pulling a trailer. Chevy didn't stop, although it was later located on Buckingham Drive after colliding with a parked car. The driver was arrested for misdemeanor hit and run and for being unlicensed.

Uncontrollable youth, 1/19/2012 A juvenile ransacked his residence and had become a danger to himself and others. The subject eventually agreed to cooperate with police and was taken to Contra Costa Regional Medical Center by the fire department.

D.U.I., 1/20/2012 A twenty-year-old drove his car approximately fifteen feet off the road into a ditch near the Valle Staging Area on Canyon Road. The car's airbags deployed and the young man was found in the back seat. His blood shot watery eyes and slurred speech indicated to police that an alcohol screening test was in order. His test came up just past the legal limit. He was cited then later released to sober driver to head home.

Car vs. sign, 1/20/2012 Both lost. A car travelling southbound on Moraga Road jumped the curb at the entrance to the Rheem shopping center and hit a stop sign and parking light. No injuries to the driver, but the car required towing from the scene.

Kids caught smoking, 1/21/2012 At the top of Ascot Drive, around 10:30 at night, six juveniles were sitting in a car. One young man in the back seat admitted he had been drinking earlier. He was later released to his dad. One of the two young ladies in the front seat was in possession of an open package of cigarettes, her friend in the driver's seat was caught lying to cops. Both agreed to participate in the Juvenile Diversion Program.

way of silencing even the Town's Moraga over the plan the Town leash dogs. All projects for the from the park last spring due to most vocal officials. But it is now Council approved to partition the park have now been put on hold, decay.

Moraga Residents Request Clarification on Selection Process

By Sophie Braccini

faith," said David Shapiro, referring to the way Moraga's Vice Mayor was chosen by the Town Council last December. The issue was raised by resident Ellen Beans at the Town's Goal Setting session on January 28.

here is a risk of lack of Beans said that she, and many res- or among Council members." idents, had been stunned when Howard Harpham was nominated and elected Vice Mayor. "This has nothing to do with that specific choice," clarified Beans, "but a 30-plus year tradition was broken with no discussion with the public

Other residents indicated that they were also surprised when they heard the news.

According to an unwritten rule, those who sit in the mayor and vice mayor seats are those who receive the majority of the

public votes in the election that sends them to the Council. Most agreed that changing a rule, even an unwritten one, is worth a public debate. The issue will be put on the agenda of an upcoming Council meeting and will then be discussed at length.

