

A large, vibrant photograph of a sunset over a valley. The sun is low on the horizon, creating a bright orange and yellow glow that fills the sky. The sun's rays are visible, extending across the sky. Below the sun, a range of mountains is silhouetted against the bright light. In the foreground, a residential area with houses and trees is visible, along with a body of water in the distance. The image is partially obscured by a white diagonal shape that cuts across the top-left and bottom-right corners of the page.

ENGAGE MORGAN HILL

A conversation about services, funding, and priorities.

www.EngageMorganHill.org

Welcome to the Engage Morgan Hill Community Advisory Group First Meeting

Introductions

- Name
- Why you moved to Morgan Hill
- Something interesting about you that other's might not know

Why Engage Morgan Hill?



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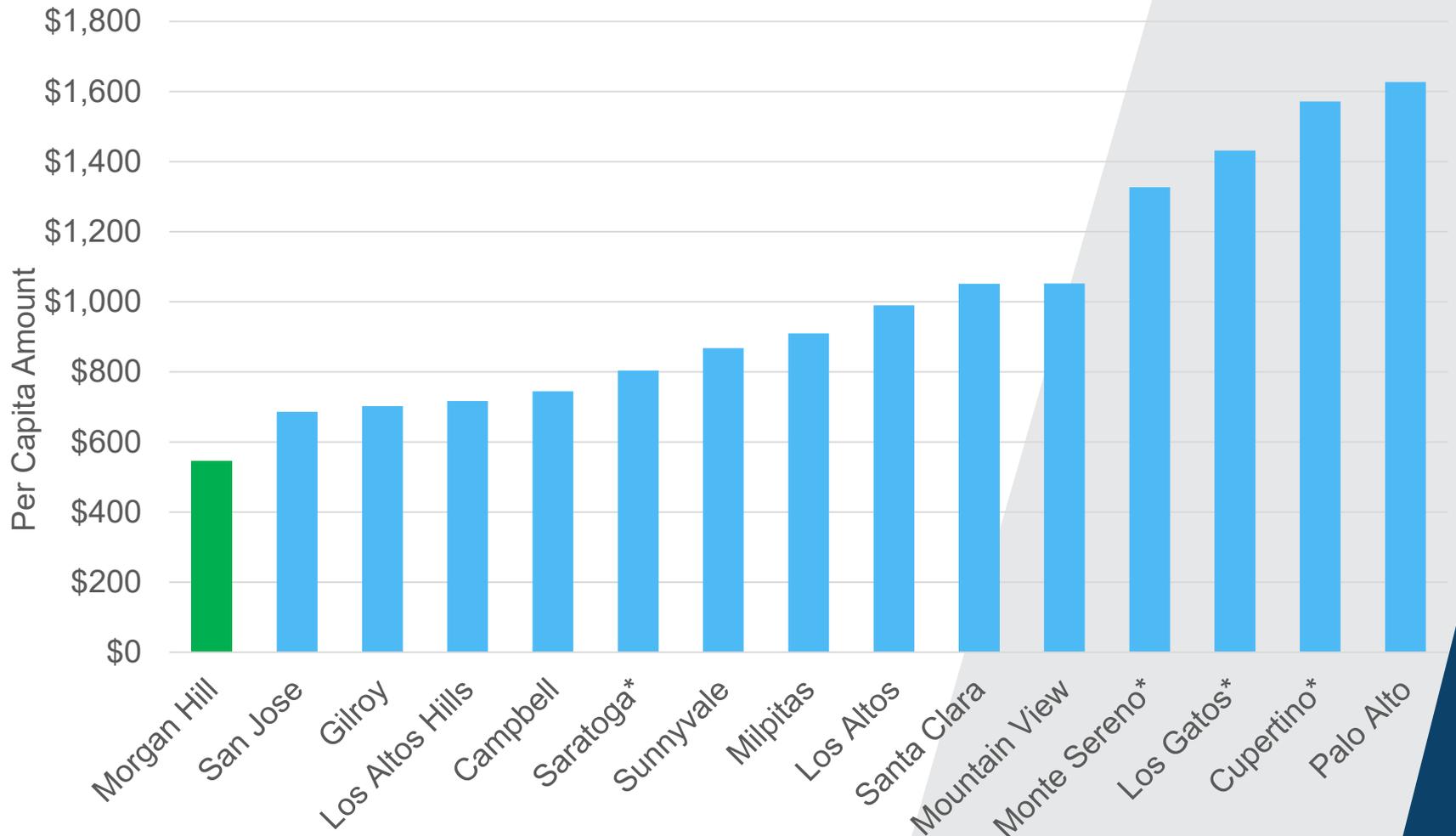
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The City has Been a Good Financial Steward



- We provide residents with high quality services for a low cost
- Morgan Hill receives the lowest per capita tax revenue of any City in the Santa Clara County

General Fund Major Tax Revenue Comparison – Per Capita



*Includes property tax revenues for Santa Clara County Central Fire District

The City Has Been Strategic



- Partnerships
- Grants
- Economic Development
- Employee Pension Cost Sharing

The City Has Been Strategic (Cont'd)



- Establishment of Pension and OPEB Trust
- Ongoing evaluation of staffing levels and organizational structure
- Citywide staffing levels per capita lower today than 10 years ago

Partnerships



HouseKeys
Unlock Opportunity

Grants Awarded (recent fiscal years)



- **Police - \$1.6M**
 - Domestic Violence
 - Mobile Command Vehicle
 - State Tobacco Grant
- **Fire - \$0.7M**
 - SVRIA Equipment
 - Fire Station Equipment
 - Chest Compression Devices
- **Community Services - \$7.4M**
 - Housing Related Parks Grants
 - Magical Bridge Playground
 - Urban Greening

Did you know?

Tax revenue from new businesses helps our community.

 TAX Revenue



1 Hotel



1.5 Police Officers



 TAX Revenue



1 Dealership



2.5 Police Officers



 TAX Revenue



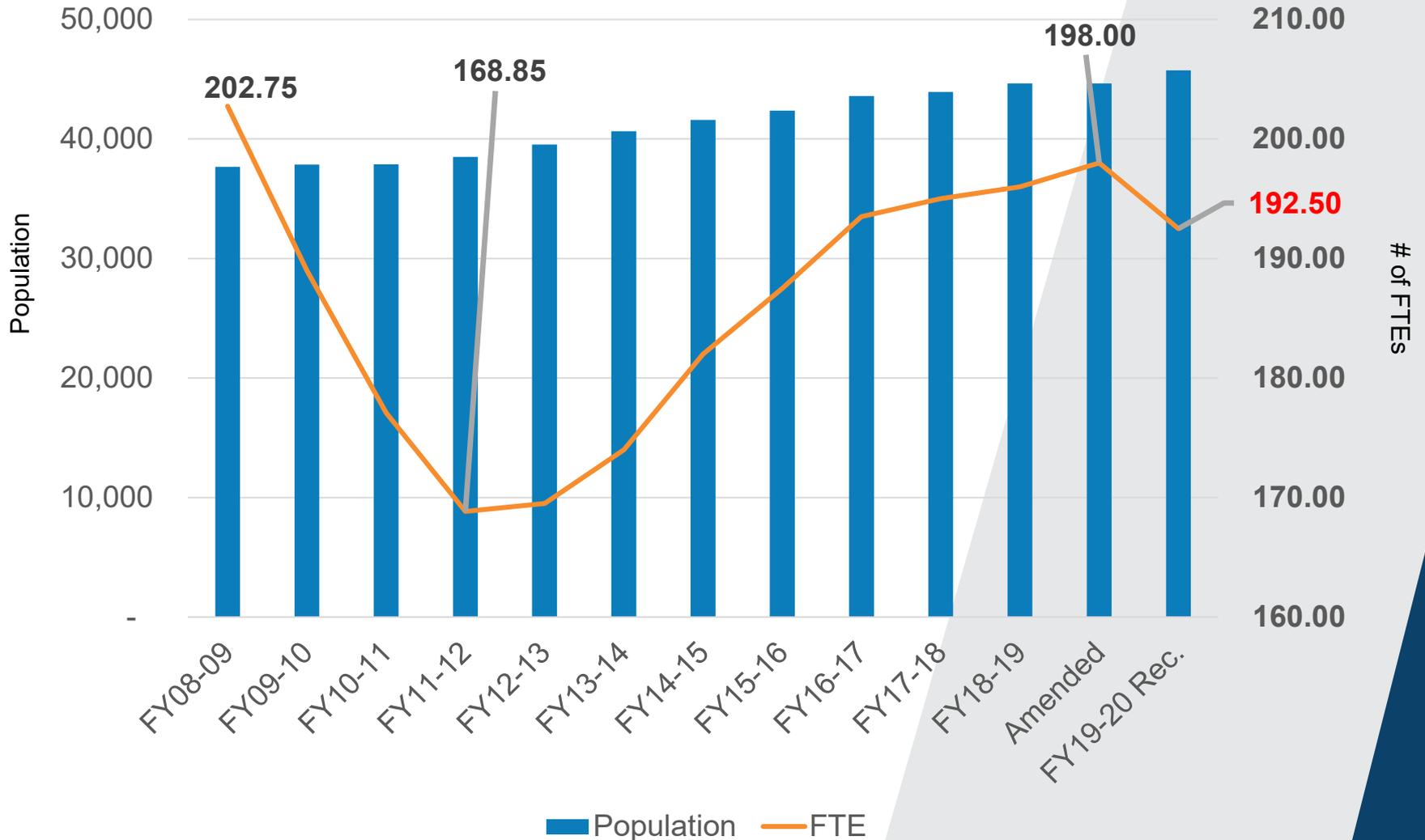
1 Costco



4.5 Police Officers

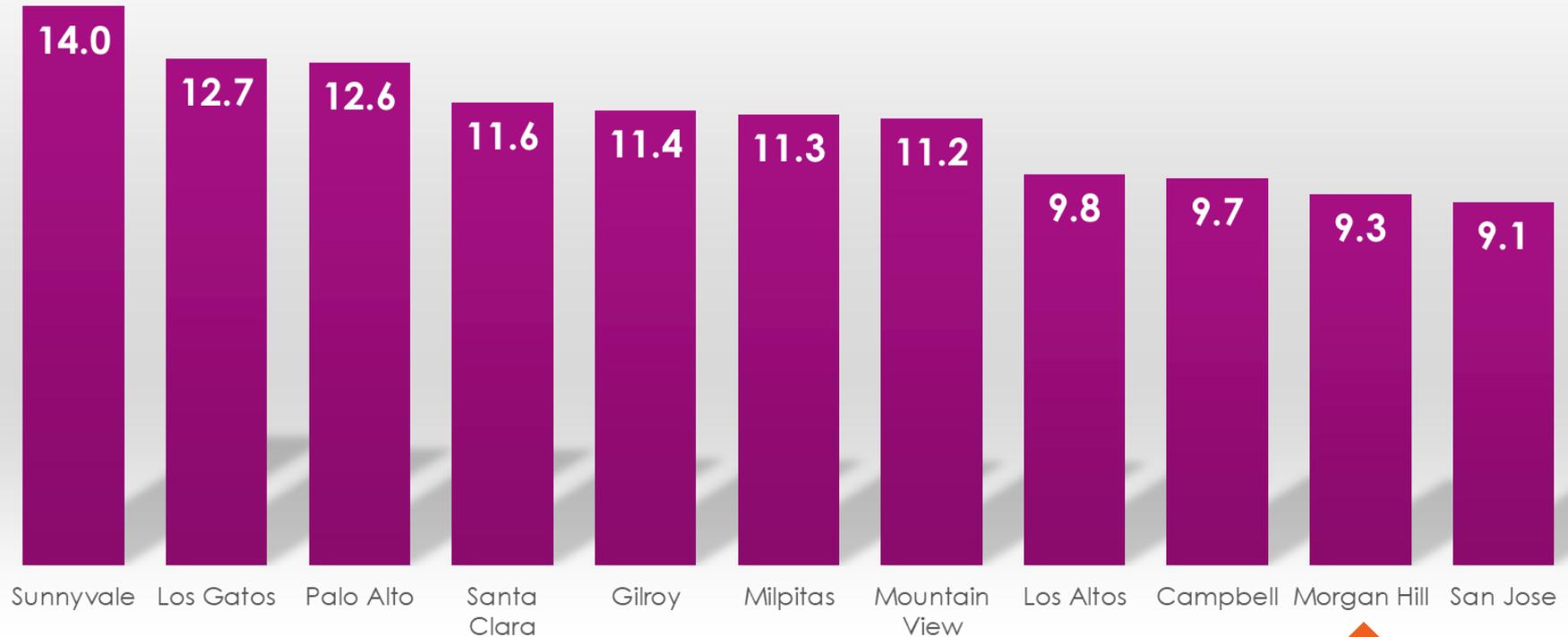


Personnel vs. Population



Police Officers Per Capita

Santa Clara County Agencies:
Officers per 10,000 Residents (2017)



Just Like All California Cities, We Have Challenges Ahead



- State impacts on local control and funding
 - (Example: Redevelopment Agency and Housing)
- Decrease in funds from our growth control system -Residential Development Control System (RDCCS)
- Deferred maintenance through economic downturn
- Rising pension costs

Unfunded General Fund Needs



Total Annual Unfunded General Fund Needs
= \$7.0M

- Police \$1.3M
- Fire \$2.3M
- Building Maintenance \$0.2M
- Pavement Rehabilitation \$2.3M
- Street Maintenance \$0.2M
- Park Maintenance \$0.7M

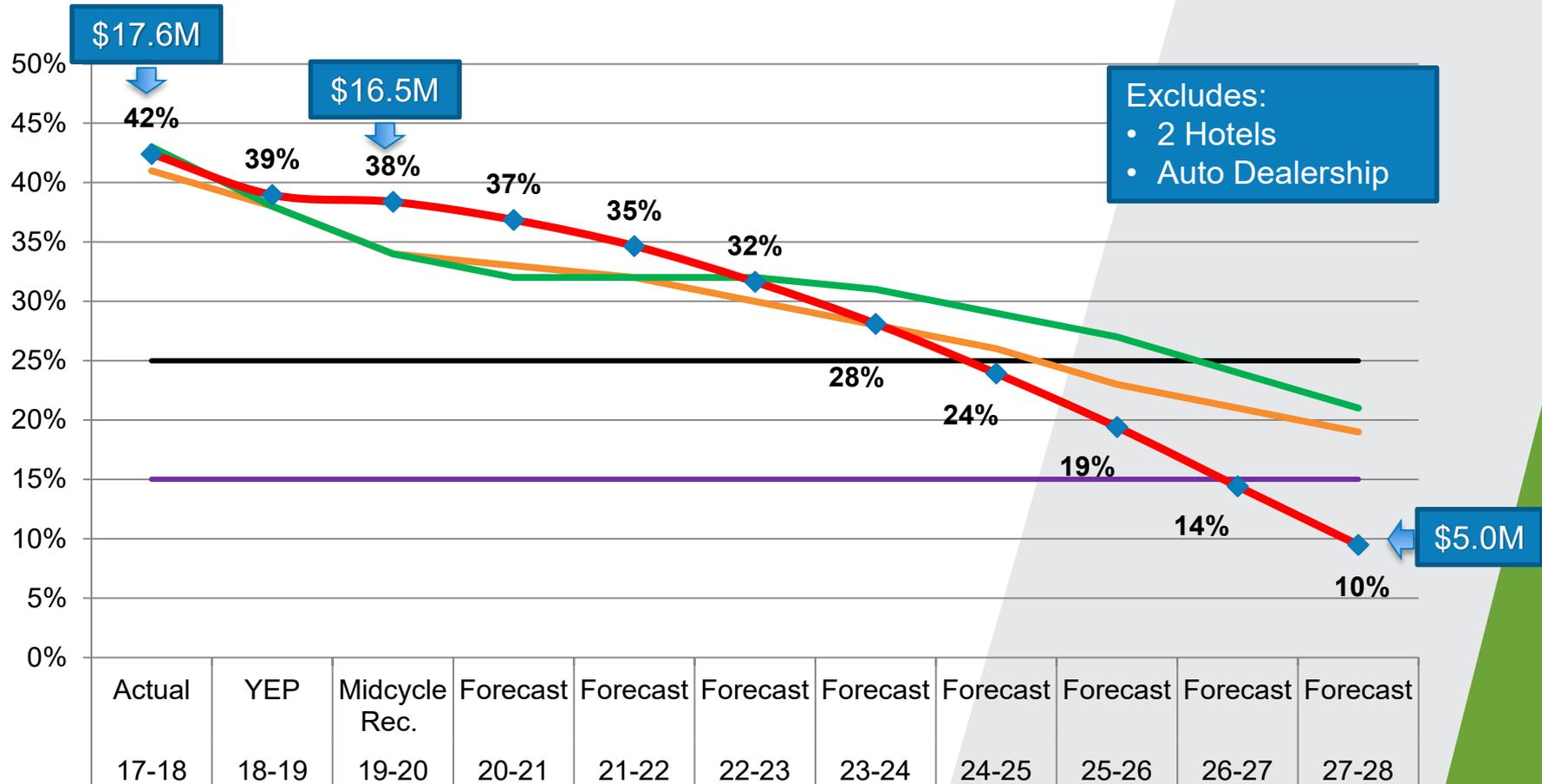
Unfunded General Fund Needs (Cont'd)



Other General Fund Considerations:

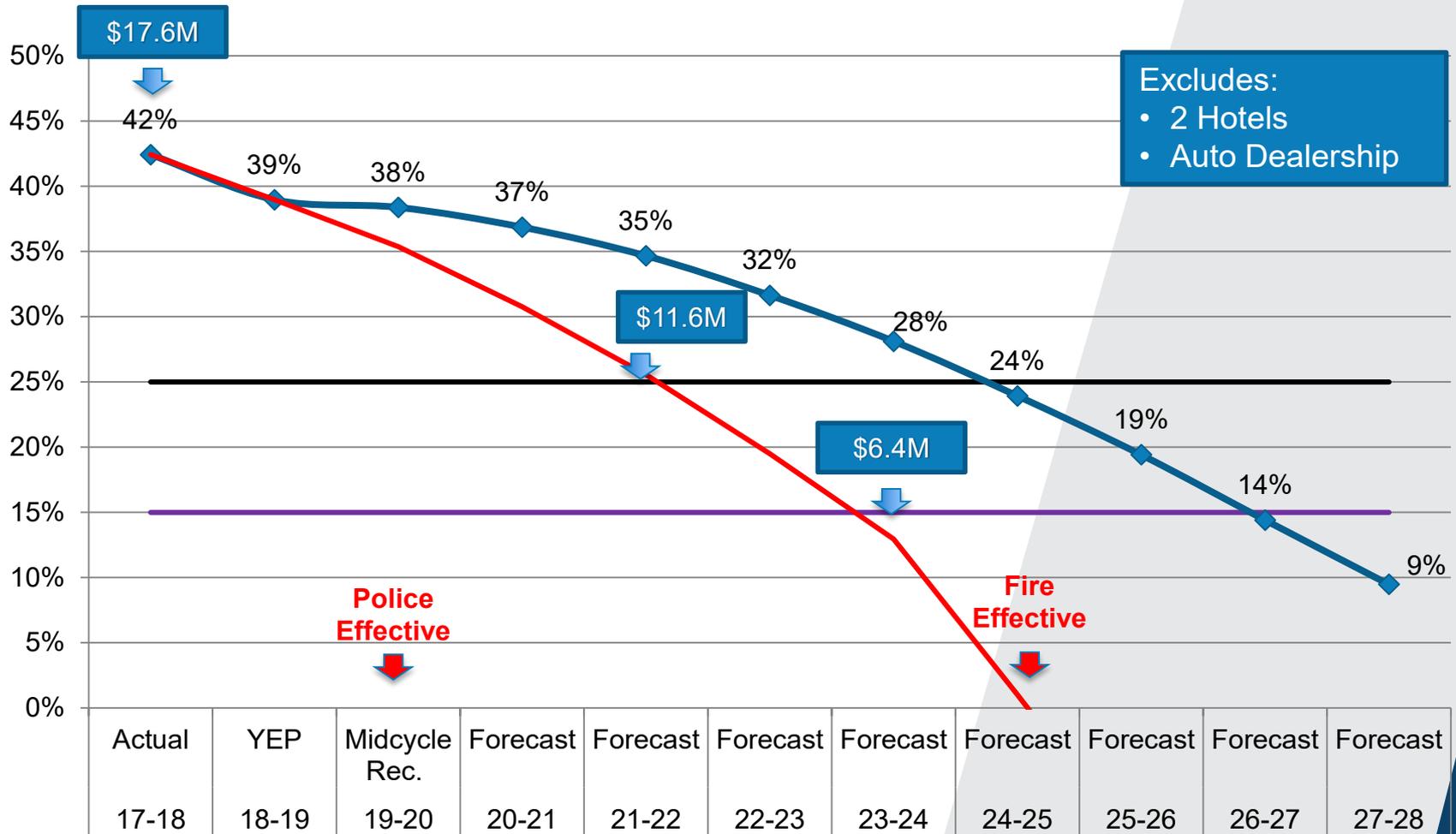
- Development Services Fund Support
- Regional Housing Need Allocation (RHNA) and housing impacts by potential legislations (Impact Fee Cap, and elimination of growth control system)
- Long Range Planning

General Fund Balance: Mid-Cycle



- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- General Fund 10 Year Forecast - Adopted (June 2018)
- General Fund 10 Year Forecast - Goal Setting (January 2019)
- General Fund 10 Year Forecast - Mid-Cycle (May 2019)

General Fund Balance (With Public Safety Master Plan)

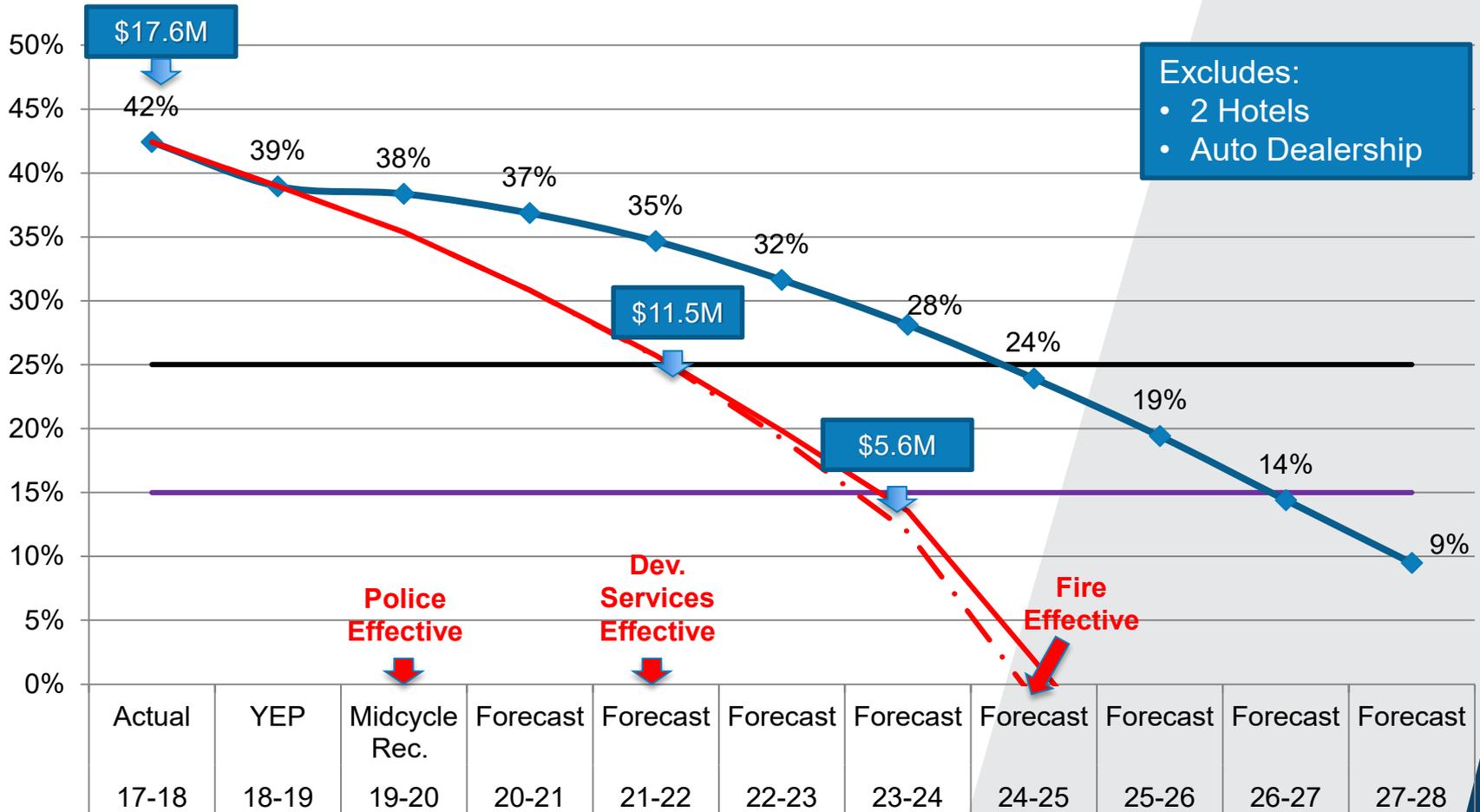


Excludes:
 • 2 Hotels
 • Auto Dealership

- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- ◆ General Fund 10 Year Forecast - Mid-Cycle (May 2019)
- General Fund 10 Year Forecast - with Additional PD and Fire

General Fund Balance

(With Public Safety Master Plan and Development Services Support)



- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- ◆ General Fund 10 Year Forecast - Mid-Cycle (May 2019)
- General Fund 10 Year Forecast - with Additional PD and Fire
- General Fund 10 year Forecast - With PD, Fire, and Development Services Support

And That Is Why...



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We Need Your Input



- We need to hear from the community
- We need the community to have an understanding of services and funding
- We need the community to be part of the solution

What's Your Why?



- Why are you interested in being part of the Engage Morgan Hill Community Advisory Group?
- Share at your table, choose a scribe and a presenter
- Share with all

Role and Responsibilities of the Community Advisory Group



- Review
- Will this level of commitment work for you?

Ongoing Meetings Day/Time



- Results from RSVPs
 - Saturdays 9am – 11am
 - Thursdays 7pm – 9pm

Educational Topics Priority

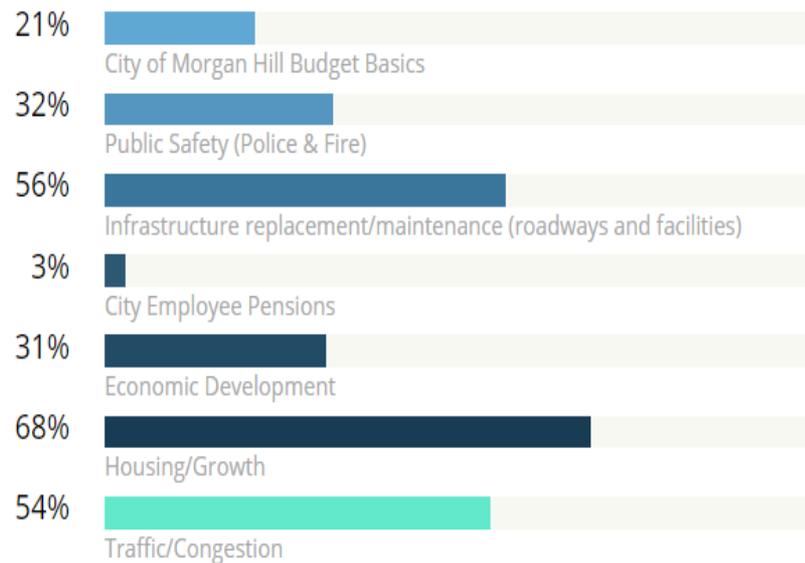


- Results from Polco

Polco Educational Topics Results



What topics are of most interest to you in better understanding the City of Morgan Hill's services, funding and priorities?



Do You Agree?

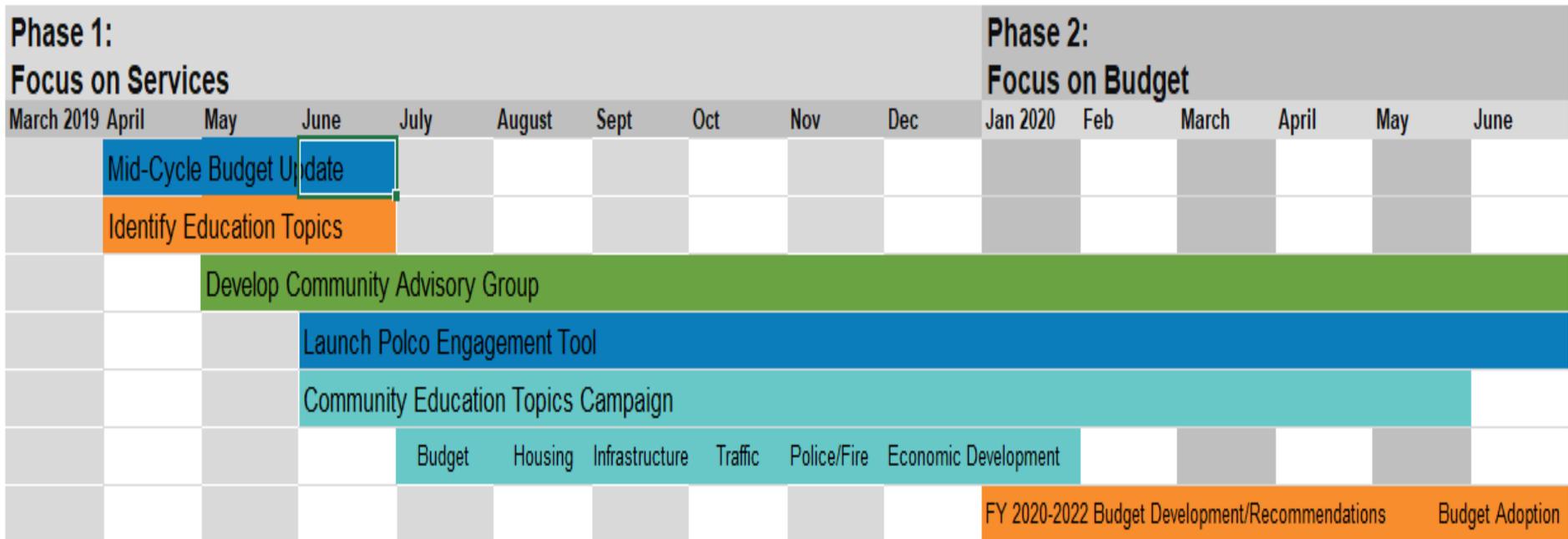
- Real-time quick survey tool

Overall Schedule



Engage Morgan Hill Timeline

a conversation about services, funding, and priorities



Communication Tools



Email

Website

Closed Facebook Group

Google group

Dropbox

Other?

Comments and Feedback



Speak openly!

Homework

- Mid-cycle budget update video – will send link
- Mid-cycle budget update presentation – will send link
- Updated budget in brief –will send link
- Sign up for Planning Commission, Parks and Recreation Commission, and Library, Culture and Arts Commission Agenda posting notifications –will send link

Thank You!



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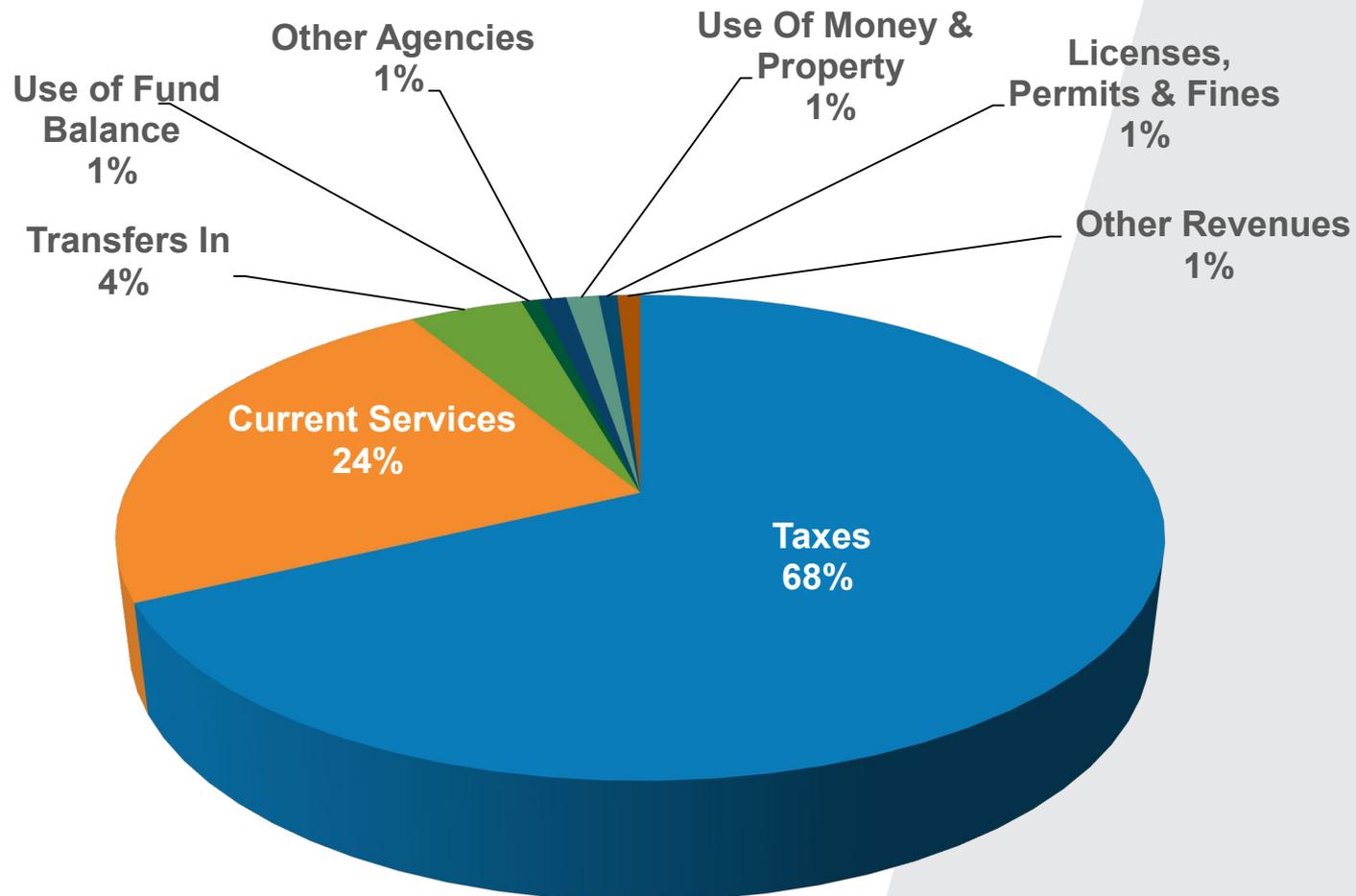
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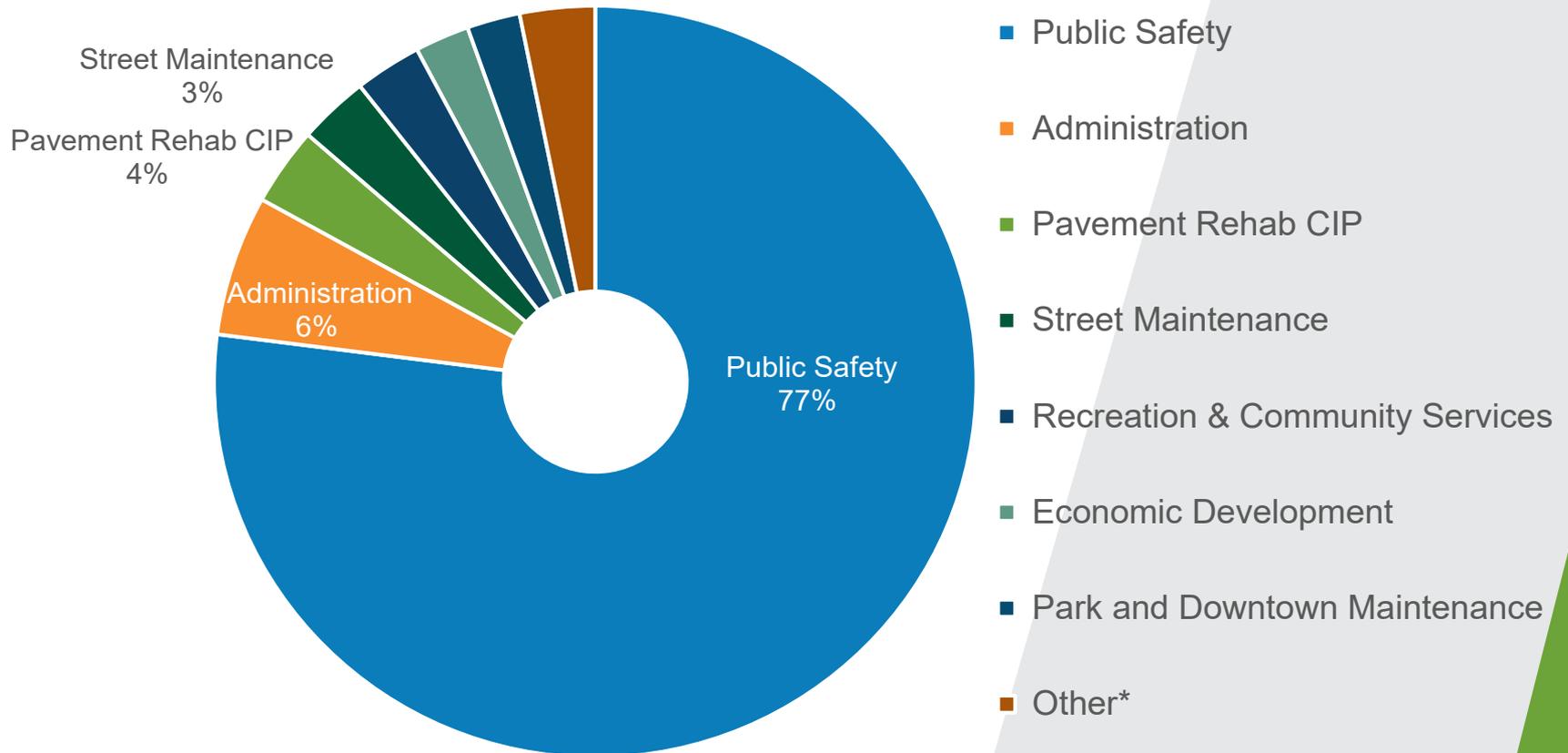
General Fund (GF) Revenues



FY 2019-20 = \$43.1M



General Fund – Discretionary Expenditures



*Other: Environmental Programs & Services, OPEB, Code Compliance, Infrastructure and Traffic Planning, and GF support for Long Range Planning and Pedestrian Safety

General Fund – Property Tax

FY 2019-20 = \$13.1M, 30% of GF

Morgan Hill Property Tax 1% Distribution



44%
School K-12

12%
County

11%
RDA
Excess

10%
City of
MH

7%
Comm.
College

6%
Special
District

10%
Other

General Fund – Sales Tax

FY 2019-20 = \$10.1M, 24% of GF

Allocation of Sales Tax Rate (Current Sales Tax Rate 9.0%)

