



May 12, 2021

Governing Board Communication

Agenda Item D-1

TO: MERA Governing Board
FROM: Mary Morris-Mayorga, Interim Executive Officer
SUBJECT: PROPOSED FY20-21 MERA OPERATING BUDGET AND ZERO-RATE FEE SCHEDULE FOR NON-MEMBER SYSTEM USERS

Recommended Action

Upon recommendation of the Finance Committee and Executive Board on March 10, 2021, approve the Proposed MERA FY21-22 Operating Budget and a Zero-Rate Fee Schedule for Non-Member Users.

Background

Total Proposed Preliminary Operating Budget for FY21-22 is \$2,391,490 which represents a 14.2% increase over prior year's budget. A recent history of total annual Operating Budgets and percentage changes over prior years is as follows:

Fiscal Year	Annual Operating Budget	Variance	
		\$	%
2007-08	\$1,716,926		
2008-09	1,647,000	(69,926)	-4.1%
2009-10	1,642,000	(5,000)	-0.3%
2010-11	1,496,105	(145,895)	-8.9%
2011-12	1,499,630	3,525	0.2%
2012-13	1,591,930	92,300	6.2%
2013-14	1,651,432	59,502	3.7%
2014-15	1,707,654	56,222	3.4%
2015-16	1,811,251	103,597	6.1%
2016-17	1,888,142	76,891	4.2%
2017-18	1,923,710	35,568	1.9%
2018-19	1,932,154	8,444	0.4%
2019-20	1,991,510	59,356	3.1%
2020-21	2,093,592	102,082	5.1%
2021-22	2,391,490	297,898	14.2%

This proposed Operating increase primarily reflects rent changes for certain existing sites plus addition of new site rents (OTA, Wolfback, Muir Beach and Mill Valley Water Tank) along with related utility costs (including Coyote Peak). Some of the line items have been updated from the initial presentations in March to reflect new/revised site leases and new contract with RGS and TCM; however, the total remains unchanged:

Contract Services	+\$9,242
Site Rentals/Leases	+\$2,600
Site Maintenance	+\$5,000
Legal Services	-\$5,000
Site Lease Administration/New License Fees	+\$25,000

General Contingencies	-\$36,842
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On December 14, 2011, the MERA Governing Board formally approved System use by mutual aid and automatic backup agencies as critical to MERA Member operations and established a Zero-Rate Fee Schedule.

Per Section 4 of Article VIII of the MERA Bylaws, the Executive Officer recommends, as part of the annual budget approval for FY21-22, continuation of the Zero-Rate Fee Schedule for Non-Member agencies. In 2016, the Non-Member Subcommittee recommended inclusion of a six-month advance notice of a fee schedule change in the Letters of Agreement (LOA) with Non-Member System Users. Fee changes will be reviewed by the Executive Board each November.

Member Agencies will be invoiced by MERA after June 1 – payment due after July 1.

ATTACHMENTS:

- D-1a Proposed MERA FY21-22 Operating Budget with Exhibits 1 & 2
- D-1b FY21-22 Member Agency Contributions – Fund 70030 – Operating