**Motions being presented by the Area 29 Finance Committee to Area Assembly 3/20/21.**

1. **Request that the Area assembly approve an incremental increase in the mileage reimbursement rate from $.35 to $.40 in the 2021 Area Operating Budget. This incremental increase continues the Finance Committee’s effort to align the MGS mileage reimbursement rate with the average rate for nonprofits.**

Background: As part of the 2020 operating budget presentation, we included our recommendation to incrementally increase the mileage reimbursement rate for Area-related travel. At that time, it was $.25 while the average nonprofit mileage reimbursement rate is currently $.55. The Assembly approved the budget including an increase in the mileage reimbursement rate from $.25 to $.35, or a ten cent increase per mile. The understanding was that MGS would continue to take an incremental approach to gradually bring the mileage rate into alignment with an average mileage reimbursement rate provided by non-profits. Budget should accurately reflect the actual cost of doing business.

The budget as approved for this year does include an incremental estimated mileage increase from $.35 to $.40. The Finance Committee is asking for the motion to be approved so that there is a record in the Minutes of the intent to align the MGS reimbursement rate with the average rate for nonprofit reimbursement. It is expected that we will build a $.10 per mile increase into the proposed 2022 operating budget.

1. **Request that the Area assembly approve moving $10,000 from the Operating Account to the Prudent Reserve Account, bringing our current Prudent Reserve to $20,000**.

Background: The Finance Committee recommends the Prudent Reserve amount be adjusted to cover four months of MGS operating expenses. Current amount covers approximately two months of operating expenses. Covering four months of operating expenses will provide a healthier level of cushioning to protect from unexpected events.

Respectfully submitted by the Area 29 Finance Committee