

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/22/2022

Staff Report No. 22-278

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Board Policy 322 - Reserve Policy

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider review of Board Policy 322 - Reserve Policy with no amendments.

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency

The policy helps to ensure financial resilience and continuity of operations in the unforeseen instances of revenue reductions and/or one-time significant expenses.

BUDGETARY/FISCAL IMPACT:

The replenishment of District financial reserves is accomplished as part of the budgetary process.

BACKGROUND/RATIONALE:

The Reserve Policy lays out the purpose of maintaining a reserve, the acceptable uses of, and its replenishment when necessary. Essentially, it provides direction to the District on how to maintain sufficient resources to handle short duration events, or if longer, the time to implement orderly and considered adjustments to the District's operations and staffing plans. Additionally, it addresses self-insurance, and provisioning for upcoming known events that are anticipated to have a significant financial impact.

Staff has reviewed the existing policy and determined that no changes are needed.

ADVANTAGES/DISADVANTAGES:

No disadvantages to keeping the existing policy have been identified.

ALTERNATIVES ANALYSIS:

There are no alternatives to the course of action recommended in this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

This Board Policy was last updated in June, 2020.

ATTACHMENTS:

1. Board Policy 322

Prepared by:

Kenneth Myers, Acting Controller

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Jill A. Sprague, General Counsel