

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/28/2025

Staff Report No. 25-274

TO: AC Transit Board of Directors
FROM: Salvador Llamas, General Manager/Chief Executive Officer
SUBJECT: Monthly Report on Investments for February and March

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Monthly Report on Investments for February and March.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

The Monthly Investment Report is provided to the Board of Directors to demonstrate 1) the District's compliance with Investment Policy Guidelines; and 2) the District's ability to meet its liquidity needs in the near term.

BUDGETARY/FISCAL IMPACT:

There are no budgetary or fiscal impacts associated with this report.

BACKGROUND/RATIONALE:

As of February 28, 2025, the District had the following investments:

Principal Public Deposit Sweep Account (Collateralized 110%)	\$ 21.14 Million
Money Market Accounts (7 small banks - FDIC Insured)	\$ 1.81 Million
Treasury Bills and Notes	\$ 205.39 Million
LAIF	\$ 0.05 Million

As of March 31, 2025, the District had the following investments:

Principal Public Deposit Sweep Account (Collateralized 110%)	\$ 21.54 Million
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Money Market Accounts (7 small banks - FDIC Insured)	\$ 1.82 Million
Treasury Bills and Notes	\$ 205.40 Million
LAIF	\$ 0.05 Million

In compliance with Section 15.0 of Board Policy 349, Investment Policy, the Monthly Report on investments for February and March is forwarded to the Board of Directors for review.

The portfolio contained in the report is in compliance with Board Policy 349, and the District is able to meet its expenditure requirements for the next six months. Return on the District's investments has been in line with the federal funds rate, as the funds are invested mainly in Treasury bills and Money market funds. The Federal Reserve held back from cutting interest rates so far in 2025. In the coming months, inflation, growth, and the labor market will play a role in the Fed's decision. Staff continues to monitor updates from the Federal Reserve, economic reports, and analysis from financial experts in order to make good investment decisions.

ADVANTAGES/DISADVANTAGES:

This report does not recommend a course of action with notable advantages or disadvantages.

ALTERNATIVES ANALYSIS:

This report is required under state law.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy, 349, Investment Policy

ATTACHMENTS:

1. Monthly Investment Report for February 2025
2. Monthly Investment Report for March 2025

Prepared by:

Sue Lee, Director of Revenue Management

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer