

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 4/24/2024

Staff Report No. 24-240

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

BRIEFING ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

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

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

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

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, and how to replenish when necessary. It provides direction to the District on how to maintain sufficient resources to handle short duration events, or if longer, allows time to implement orderly 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, 2022

ATTACHMENTS:

1. Board Policy 322 with no changes.

Prepared by:

Kenneth Myers, Controller

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Shayna van Hoften, Interim General Counsel/Chief Legal Officer

Linda A. Nemeroff, Board Administrative Officer/District Secretary