METROPOLITAN
TRANSPORTATION
COMMISSION

METROPOLITAN TRANSPORTATION COMMISSION OPERATING RESERVE POLICY

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AGENDA

1. Purpose
2. Definition of Terms
3. Operating Reserve
4. Procedures
5. Summary

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PURPOSE & OBJECTIVE

To provide guidelines to establish reserve targets:

Financial stability by mitigating current or future financial risks.

DEFINITION OF TERMS

Fund Balance Components:

-Net Investment in Capital Assets
-Restricted Fund Balance
-Unrestricted Fund Balance

Net Investment in Capital Assets

- Reflects the value of capital assets after depreciation.

Restricted

-Use have constraints place by external parties (creditors, grantors, or laws/regulations)

Unrestricted

-Available for ongoing operations of MTC

RESERVE POLICY DETAILS

Minimum

MTC ensures financial stability by keeping at least six months of budgeted operating expenditures in reserve for emergencies.

Replenishment Procedures

Any use of the Operating Reserve requires immediate reporting and must be replenished in subsequent fiscal years for sustainability.

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PROCEDURES & DATA

METROPOLITAN TRANSPORTATION COMMISSION	
FY 2025-26 OPERATING BUDGET EXPENDITURES	
SUMMARY	
BUDGETED OPERATING EXPENDITURES SUMMARY	
	FY 2025-26
I. Salaries and Benefits	$ 40,995,224
II. Travel and Training	$ 1,729,400
III. Printing, Reproduction, and Graphics	$ 174,500
IV. Computer Services	$ 8,992,816
V. Commissioner Expense	$ 150,000
VI. Advisory Committees	$ 30,000
VII. General Operations	$ 6,328,773
Subtotal of Operating Expenses Before Contractual Service	$ 58,400,713
VIII. Contractual Services	$ 17,716,127
Total Operating Expense	**$ 76,116,840**
Minimum:	***$ 38,058,420***

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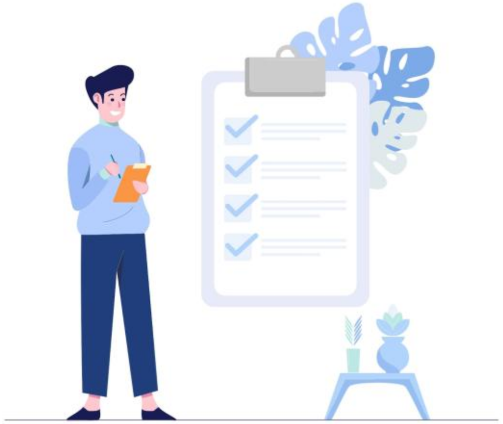

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SUMMARY & KEYS TAKEAWAYS

- The Reserve Policy ensures financial stability for MTC during policy and economic fluctuations.
- Procedures in place guide the effective management of reserve funds.
- Annual calculations are crucial for aligning reserves with operating expenditures.