

**Metropolitan Transportation Commission
Administration Committee**

March 11, 2026

Agenda Item 3a-26-0090

MTC Resolution No. 4751 – Authorization of MTC Operating Reserve Policy

Subject:

Staff requests that the Committee authorize the referral of MTC Resolution No. 4751, to the Commission for the authorization of the MTC Operating Reserve Policy.

Background:

As part of prudent fiscal management, the Operating Reserve Policy (“Policy”) is intended to provide guidelines to establish reserve targets and ensure that sufficient financial resources are maintained for unforeseen expenditures and revenue shortfalls of MTC.

The Policy defines the level of operating reserve to be maintained in the unrestricted fund balance, a minimum of six months or 50% of budgeted operating expenditures. If the operating reserve balance falls below the minimum amount, Finance Department staff will work with MTC’s Executive Team to consider budgeting for the replenishment of the operating reserve in the following year.

Issues:

None identified.

Recommendation:

Refer MTC Resolution No. 4751, to the Commission for reauthorization.

Attachments:

- MTC Resolution No. 4751
 - Operating Reserve Policy



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