


M E M O

Alameda Corridor Transportation Authority

To: Governing Board
Meeting Date: February 20, 2025
From: Kevin L. Scott, Chief Financial Officer 
Subject: Approve Revised Alameda Corridor Transportation Authority Investment Policy

Recommendation:

ACTA Staff recommends that the Governing Board approve the revised Alameda Corridor Transportation Authority Investment Policy.

Discussion:

ACTA's Investment Policy ("Investment Policy") provides the basis for ACTA to invest of all of its funds, including approximately \$10 million invested in the Local Agency Investment Fund and SR-47 funds. A separate but parallel investment policy, included in the Master Trust Indenture, provides authority for investment of more than \$130 million in bond related funds. The Investment Policy requires that the Governing Board review and approve the Policy annually.

Each year, staff and ACTA's Investment Manager, Chandler Asset Management, review the Investment Policy and if needed, propose updates to the Investment Policy for approval by the Governing Board. Staff is presenting one recommended change pursuant to this year's annual review. Under ACTA's current Investment Policy, Section VIII – Permitted Investments, Article I – Time Deposits, deposits are required to be collateralized as specified under Government Code Section 53630 et seq. Under the current Investment Policy, ACTA may waive the first \$100,000 of collateral security for such deposits which are insured by the Federal Deposit Insurance Corporation ("FDIC.") The FDIC has increased the amount of insurance it provides for time deposits from \$100,000 to \$250,000. Therefore, Staff recommends that the collateral requirement for time deposits in the Investment Policy be increased to \$250,000 to reflect the amount of insurance provided by the FDIC. This change is highlighted in Transmittal 1, page 6. The investment policy for bond related funds included in the Permitted Investments definition of the Master Trust Indenture will remain unchanged, as such changes require an Amendment to the Master Trust Indenture.

Budget Impact:

Approving the revised Investment Policy will have no budget impact to the approved FY2025 ACTA Program Budget.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed this board report and there are no legal issues at this time.



Transmittals:

Transmittal 1 – Revised Alameda Corridor Transportation Authority Investment Policy (Redlined version)

Transmittal 2 – Revised Alameda Corridor Transportation Authority Investment Policy not highlighting change (Clean version)