

FINANCE COMMITTEE MEETING

July 17, 2025

Board Committee Members

Ali Doyle, Chair
Bobbie Fan
Emma Shoucair
Joe Totten
Senator Lindsey Williams

Other Board Member

Tom Burgunder, in-person
Dr. Chris Brussalis, in-person
Tia McClenney
Stephanie Turman

1. Approval of Minutes

The minutes of the June 18, 2025 Finance Committee Meeting were approved.

2. Budget and Service Scenarios Presentation

Staff presented budget projection scenarios requested by certain Board members during last month's meetings. There were two budget projection scenarios presented.

The first scenario assumed postponing the current planned service cuts by eight months, from February 2026 to October 2026. This scenario illustrates service cuts increasing up to 40% with a staff reduction increasing to 40%. These represent increases from 35% and 38%, respectively, as presented in the approved fiscal year 2026 budget.

The second scenario assumed a five-year projection as opposed to the 10 years utilized in developing the operating budget adopted in June 2025. This scenario illustrates the impact of House Bill 1364 which would result in PRT's receipt of \$40 million in FY 2026, which would double in FY 2029. This would result in an estimated net deficit of \$132.6 million over a five-year period. Both scenarios assume PRT maintains three months of operating reserves.

3. May 2025 Financial Statements

Next, there was a review of the June 2025 unaudited financials. It was reported that Total Operating Income for June was below budget by approximately \$500,000 due to lower than budgeted fares and ACCESS Revenue. Total expenses for June were below budget by \$13.5 million with every category below budget. This variance will change as year-end wages and Accounts Payable accruals will be recorded. Through June, while Passenger Revenue is \$200,000 greater than last fiscal year, Total Operating Income is about \$1.9 million higher than last fiscal year due to higher Interest Income. Total Expenses through June are almost \$300,000 less than last fiscal year primarily due to a one-year reduction in Pension Expense.

Total Subsidy through June is approximately \$124.6 million lower than last fiscal year due to fully expending higher levels of federal stimulus funds.

Finally, it was reported that PRT ended June with \$394.2 million in operating reserves.

There being no further business, the meeting was adjourned.