PVTA	**Administrative Headquarters**
Pioneer	**Old North Main St. Firehouse**
Valley	**2808 Main Street**
Transit	**Springfield, MA 01107**
Authority	**(413) 732-6248**

MINUTES OF PVTA'S
REMOTE FINANCE & AUDIT COMMITTEE MEETING
October 2, 2025

1. CALL TO ORDER

The Finance & Audit Sub-Committee Meeting of the Pioneer Valley Transit Authority was held on Thursday, October 2, 2025 at 12:00 P.M. remotely as allowed by Chapter 2 of the Acts of 2025, an act extending certain COVID-19 measures adopted during the State of Emergency which, among other things, further extends temporary provisions pertaining to the Open Meeting Law to June 30, 2027.

MEMBERS PRESENT:
Members: Steve Huntley, Chicopee; Stephen Fay, Holyoke; David Moskin, Hadley; J.M. Sorrell, Williamsburg;

NOT PRESENT:
N/A

Call to Order: Steve Huntley, Chairman of the Finance & Audit Committee stated that the committee has a quorum and called the meeting to order at 12:04 P.M.

2. PUBLIC COMMENTS

Steve Huntley opened the floor for public comments. No Public Comments were made.

3. APPROVAL OF MINUTES OF THE FINANCE & AUDIT COMMITTEE MEETING OF MAY 19, 2025.

Chairman Huntley asked for a motion from the Finance & Audit Committee to approve the meeting minutes of May 19, 2025.

MOTION: Moved and seconded (Sorrell/Fay) to approve the minutes of PVTA's Finance & Audit Committee meeting held May 19, 2025.

Chairman Huntley asked if there was any discussion, hearing none, asked for a roll call vote.

Stephen Fay: Yes
David Moskin: Yes
J.M. Sorrell: Yes
Steve Huntley: Yes

Motion passed, 4-0 vote.

4. APPROVAL OF PVTA FY25 AUDIT REPORT

David Irwin, the Audit Director with Adelson & Company, reported on PVTA's FY25 Audit and stated the following:

PVTA's FY25 Audit has no findings. There were no material weaknesses, and we have issued a clean, unmodified opinion.

Financial highlights for the year ended June 30, 2025:

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at June 30, 2025 by $79,753,145.

- The Authority's cost of operations were fully covered with operating revenues (fixed route, paratransit and shuttle service, advertising, and other miscellaneous income) and government support (federal, state, and local operating subsidies).

- Operating revenues (fixed route and paratransit service) decreased $2,998,693 or 58% from fiscal year 2024, due to fare-free events, for which the Authority received subsidies for.

- Operating expenses increased $2,556,648 or 4% from fiscal year 2024 due to an increase in fixed route service of $1,716,273, an increase in paratransit expenses of $771,362, an increase in shuttle service expenses of $122,798, an increase in other operating costs of $467,942, and a decrease in administrative expenses of $521,727.

- The Authority's net cost of service, after applying operating assistance and revenues, for eligible reimbursable expenses for fiscal year 2025 was $57,095,925. The net cost of service was funded with local assessments of $10,376,805, state contract assistance of $39,440,070, and state fare free assistance of $7,279,050.

- The Authority expended $24,961,847 on capital assets, which were funded with federal and state capital grants.

The Authority's operations are funded annually through a state required computation of the net cost of service. Except for the establishment of a restricted reserve, as allowed under Massachusetts General Laws, the Authority's funding cannot exceed its net cost of service.

The Authority's assets exceeded its liabilities by $79,753,145 at the close of fiscal year 2025. A portion of the Authority's net position, shown as "restricted reserve", represents resources that are subject to approval of the Secretary of Transportation. As of June 30, 2025, the Authority's reserve for extraordinary expenses was $2,024,742. During fiscal year 2025, the Authority's unrestricted net position increased a net amount of $3,646,960 from fiscal year 2024 for a total negative unrestricted balance of $42,269,010 at June 30, 2025. The negative unrestricted net position of $42,269,010 is primarily the result of the Authority reporting its projected long-term obligations for its net pension liabilities of $1,486,506 and other postemployment benefits liabilities of $39,215,064. The recognition of these long-term liabilities are estimates based on actuarial valuations.

At the end of fiscal year 2025, the Authority had a revenue anticipation note payable of $18,400,000. This note provides operating cash flow until federal, state, and local appropriations are received. On July 11, 2025, the Authority issued a $16,400,000 revenue anticipation note maturing on July 10, 2026 at a rate of 4%. The Authority repaid the $18,400,000 note due on July 11, 2025.

The Authority's investment in capital assets as of June 30, 2025 amounted to $116,095,869, net of accumulated depreciation. The investment in capital assets includes land, buildings, vehicles, and equipment. The Authority primarily acquires its capital assets under federal and state capital grants.

During our audit, it was noted that capital assets additions are not entered into the fixed asset module on a timely basis.

Recommendation: For the Authority to establish a process to ensure that capital asset additions are entered into the fixed asset module on a timely basis once the purchases are finalized and properly classified. In addition, the fixed asset module should be reconciled to the general ledger on a monthly basis, with the reconciliation documented and retained as part of the Authority’s month-end close.

Status of Prior Year Recommendations:

1. Modified and repeated as Item #1.
2. As recommended, the Authority has reviewed and implemented GASB No. 101 and 102 for fiscal year 2025.

A full copy of PVTA’s FY25 Audit Report has been filed with the minutes of this meeting.

PVTA Management stepped out of the room to give the Finance & Audit Committee time to discuss any comments, questions/concerns the Committee had without PVTA Management present.

Steve Huntley asked for a motion from the Finance & Audit Committee to accept and approve PVTA’s FY 25 Audit.

MOTION: Moved and seconded (Moskin/Sorrell) to accept and approve PVTA’s FY25 Audit.

Roll call vote:
Stephen Fay: Yes
David Moskin: Yes
J.M. Sorrell: Yes
Steve Huntley: Yes

Motion passed, 4-0 vote.

5. OTHER BUSINESS

Chairman Huntley reported that there is no other business to discuss.

6. ADJOURNMENT

Steve Huntley asked for a motion from the Finance & Audit Committee to adjourn.

MOTION: Moved and seconded (Sorrell/Moskin) to adjourn.

Roll call vote:
Stephen Fay: Yes

David Moskin: Yes
J.M. Sorrell: Yes
Steve Huntley: Yes

Motion passed, 4-0 vote.

The meeting of the PVTA Finance & Audit Committee adjourned at 1:00 P.M.

A TRUE RECORD **ATTEST: ____________________**
BRANDY PELLETIER

Documents filed with Finance & Audit Committee Meeting packet:
- May 19, 2025 Finance & Audit Committee Minutes
- PVTA's FY25 Audit Report

Minutes Approved: March 9, 2026