



## AGENDA

MBTA ADVISORY BOARD

# BUDGET & AUDIT COMMITTEE

December 08, 2025

10:00 AM – 11:00 AM

**A. Call to order & Roll Call:** Colette Aufranc (Wellesley) – Chair, called the meeting to order at 10:05AM. Members present: C. Aufranc, Chair; Frank Tramontozzi (Quincy); Hon. Sean Reardon (Newburyport); Erin Chute (Brookline); and Dan Carty (Sudbury). A quorum was established.

**B. Public Comment.** There was none.

**C. Minutes:** Discussion and action on the minutes of the [09/09/2024](#) and [12/09/2024](#) committee meeting minutes. F. Tramontozzi moved approval of both sets of minutes. E. Chute seconded this motion, which was approved unanimously.

**D. Financial Update:**

1. Budget v Actual for the period 1/1/2025 - 11/30/2025. Executive Director Brian Kane discussed this item. Revenue through the period is \$558,855.56 compared to a projected budgeted amount of \$603,705.00. MBTA actual revenue is \$40,725 below budget, and interest revenue is at \$10,608.94 compared to budgeted amount of \$15,000. The revenue projection does include a \$100,000 grant from the Barr Foundation, which was received.

Expenses are favorable to budget by \$86,489.89. Almost all line items are underspent compared to budget. With one month to go in the fiscal year, the Executive Director is confident it will end with a surplus to budget.

2. Monthly reconciliation report update. Executive Director Brian Kane discussed this item. The organization's bookkeeper, Monica Fernandes, CPA took several months off of maternity leave. The MBTA Advisory Board continued to pay Ms. Fernandes the same monthly fee



in the belief that all people deserve paid maternity leave. Prior to taking leave, Ms. Fernandes completed monthly financial reports for the MBTA Advisory Board through May. She returned to full time work in November, and promised to provide full reporting packages for all months of 2025 by the end of the calendar year.

3. Projected 2025 surplus and cash reserves: B. Kane discussed this item. Under the Advisory Board's approved Reserve Policy, a 10-15% reserve of the current period's statutory revenue is required. In CY2025, the total statutory revenue is \$488,705. 15% of this is \$73,305. The CY26 statutory revenue amount is \$500,923, and 15% of this is \$75,138.

Bank Balances as of 11/30/2025:

Santander Treasury:	\$ 98,236.35
Santander Money Market:	\$ 5,003.64
MMDT:	<u>\$ 80,390.86</u>
SUBTOTAL:	\$183,630.85
Projected December expense:	<u>(\$45,506.00)</u>
Projected cash 12/31/25:	\$138,124.85

B. Kane noted that this amount is about 27% of CY26 projected revenue, which is greater than the amount required by the policy. B. Kane further noted that he expected a second grant from the Barr Foundation in the amount of \$150,000 in January 2026, and a payment from the MBTA of \$218,627.13 by late December 2025 or early December 2026. He suggested that from a cash flow perspective, all was within tolerance.

4. Reserve Policy Review: B. Kane noted that the Advisory Board's Reserve Policy was approved by the MBTA Advisory Board in September 2024, and that it was working well, with the organization never falling below required reserves.

**E. 2026 Draft Internal Budget Review:** Brian Kane presented this item.



The 2026 MBTA Advisory Board budget projects revenue of \$660,000 and expenses of \$649,384 yielding a projected surplus to budget of \$11,538. Revenue includes 0.25% of all municipal assessments collected by the MBTA, projected at \$500,923; a promised \$150,000 grant from the Barr Foundation, and an expected \$10,000 in bank interest.

The largest expense item is payroll and payroll related costs such as health and dental insurance, retirement contributions, and payroll taxes. \$397,201 in employee costs, or 61% of all expenses are budgeted for employee costs. The staff is expected to remain the same through most of 2026, until August when Budget & Policy Analyst Isabella MacKinnon is expected to depart for graduate school.

Other expenses include public relations (13.4%), rent (5.6%, bookkeeping and IT professional services (6.0%), and expenses related to municipal and legislative visits (3.1%).

Following scrutiny by committee members, and with all queries answered, S. Reardon moved to approve the Draft 2026 MBTA Advisory Board budget, and recommend its acceptance and approval to the full Advisory Board. D. Carty seconded this motion, which was approved unanimously.

**F. Old Business:** CY2022, and/or CY2023 audit/review discussion. Committee members recommended no changes to the Committee's original response to the last audit, and expressed contentment with it and the way it was done.

**G. New Business:** Procurement of an independent accounting entity to conduct an audit/review of the organization's financials for the period 01/01/2024-12/31/2024 and 01/01/2025-12/31/2025. B. Kane noted that in 2026 audited financial statements for the periods noted above are due. He also discussed how the municipal auditing universe in Massachusetts is smaller in 2026 due to consolidation than it was the last time a firm was sought. Based on this, he requested authorization from the Budget & Audit Committee to procure a firm to complete any and all audit work required in 2026. Following discussion, S. Reardon moved to authorize the Executive Director to begin



the procurement process to find an audit firm to conduct all required audits in 2026. F. Tramontozzi seconded this motion, which was approved unanimously.

- H. Upcoming Meetings:** Full MBTA Advisory Board meeting December 16, 10AM via zoom.
  
- I. Adjourn:** With all business transacted, Chair C. Aufrac requested a motion to adjourn. E. Chute moved to adjourn. D. Carty seconded this motion, which was approved without objection and the meeting adjourned at 10:52 AM.