

Propane Education and Research Council, Inc.

Budget for 2026



ENERGY FOR EVERYONE
propane

Propane Education and Research Council, Inc.

Budget Plan for Calendar Year 2026

The Propane Education and Research Act of 1996 (Public Law 104-284) (PERA) requires the Propane Education and Research Council, Inc. (PERC) to publish a budget plan for public comment for the coming calendar year before August 1 of each year. That budget plan, according to the Act, shall include the probable costs of all programs, projects, and contracts as well as a recommended rate of assessment sufficient to cover such costs. After public review and comment and approval by a majority of Council members, PERC must submit the proposed budget to the Secretary of Energy and to Congress.

This document constitutes PERC's proposed budget for the calendar year 2026, and public comments are hereby sought.

In accordance with PERA, this budget includes functions to develop programs and projects that will result in entering into contracts or agreements for implementing the Act, including programs to enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, to inform and educate the public about safety and other issues associated with the use of propane, and to provide for the payment of the costs thereof with funds collected pursuant to this Act. Furthermore, this budget complies with that part of the Act requiring that issues related to research and development, safety, education, and training be given priority by the Council in the development of its programs and projects. All resources and expenditures outlined in this budget plan will be audited by a certified public accountant shortly after said resources and expenditures are realized for the 2026 year.

Comments Encouraged. The propane industry and the public are invited to provide comments on this proposed budget plan. Comments may be sent to the following:

<https://24k7p.share.hsforms.com/2K8Cs-DLXQg-1pZyA6Bbsew>

Comments should be received no later than 5 p.m. EDT on August 31. All comments received by August 31 will be considered by the Council at its meeting scheduled for December 2-3, 2025 in Destin, Florida.

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EXECUTIVE SUMMARY

The 2026 Budget for the Propane Education and Research Council, Inc. (“PERC” or the “Organization”) is grounded in the Organization’s mission as outlined by the Propane Education and Research Act of 1996 (“PERA”) to “enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, to inform and educate the public about safety and other issues associated with the use of propane.” The 2026 Budget continues to build on successful programs and plans to provide support for the 2026-2028 strategic plan initiatives.

The Summary 2026 Budget is presented below:

	2026 Budget
REVENUES	
Assessment revenue	\$ 46,300,000
State rebate	(9,260,000)
Net Assessment Revenue	\$ 37,040,000
Investment income, net	\$ 1,860,000
Fulfillment, net	(153,605)
Other revenue	38,900
TOTAL REVENUES	\$ 38,785,295
EXPENSES	
General & administrative expenses	\$ 2,030,399
Program expenses	37,044,896
TOTAL EXPENSES	\$ 39,075,295
CHANGE IN NET ASSETS	\$ (290,000)

The Proposed 2026 Budget continues the strategic shift of the Organization to prepare for an increased cycle of product development and focused research initiatives while continuing to prioritize safety and training, commercialization of power generation opportunities, and continuing a robust commitment to the Propane Industry’s workforce development. The shift in budget resources for 2026 anticipates supporting a multi-year commitment to On Road product development for a Class 7 truck application and a separate Type D school bus application. These projects are significant both from their positive impact on the propane industry and environmental impacts. Resources have also been targeted to continue development of updated, current and relevant safety content delivered in a flexible module based online format. Technical research efforts are responding to the changing engine landscape with resources aimed at supporting engine development, understanding emissions relative to other fuel sources, developing renewable sources of propane, and supporting fuel quality research.

The budget is primarily funded with a \$0.005 assessment on each gallon of odorized propane, consistent with the last increase that was effective on October 1, 2017. We have estimated that in 2026, the Organization will receive \$46.3 million in assessment revenue, of which 20% will be allocated to the State Rebate Program. The budget receives supplemental funding from its investment income generated on cash balances from government securities and certificates of deposit, in addition to other income.

The planned expenses in 2026 are expected to exceed these revenue sources by approximately \$0.3 million, which will be funded from reserves and is projected to reduce the organization's net assets in 2026.

The 2026 Proposed Budget continues to enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, to inform and educate the public about safety and other issues associated with the use of propane while continuing to evolve and respond to the opportunities of a changing marketplace in the Propane Industry.

PROPANE MARKET AND ACTIVITY BUDGET IMPACT

The Budget Plan for 2026 includes \$30.4 million for program expenditures. This represents a \$1.3 million or 4.0% decrease in the program expenditures compared to the 2025 budget, as detailed in the Program Activity Budget Report in Appendix II on page 14. A summary of these changes by market is presented below:

	2025		2026		Change	
	Budget		Budget			
Cross Market	\$	9,899,870	\$	9,949,257	\$	49,387 0.5%
Residential		9,125,948		7,416,709	(1,709,239)	(18.7%)
Propane Industry		3,244,423		3,733,278	488,855	15.1%
On Road		3,497,051		2,974,498	(522,553)	(14.9%)
Agriculture		1,858,277		2,616,821	758,544	40.8%
Commercial		1,762,921		1,588,435	(174,486)	(9.9%)
Off Road		1,172,743		1,040,526	(132,217)	(11.3%)
Material Handling		1,047,986		1,033,940	(14,045)	(1.3%)
TOTAL BUDGET	\$	31,609,219	\$	30,353,464	\$ (1,255,755)	(4.0%)

The decrease in planned program expenditures in 2026 represents a streamlining of activities in support of strategic market driven opportunities and a reallocation and prioritization of resources to support expected future product development with an emphasis on engine development and vehicle certification in the On Road market. The decreased budget in the On Road market budget is reflective of the scheduled milestones in the Nexio Class 7 Bobtail Truck and Strip Chassis for Multiple Applications, and Bluebird Propane Powered Type D School Bus projects. The investment in the On Road product development will be greater in 2027 and 2028 based on the milestone schedules and project plans. These projects are expected to drive continued growth in the On Road market which is aligned with the strategic priorities of the industry. The 2026 budget also includes a pool of \$4.5 million proportionately distributed across all markets to be applied to support the specific initiatives and goals of the 2026-2028 strategic plan. This streamlining of activity also allows PERC to continue its commitment to safety and training programs, research and market-based communications efforts.

The majority of the Cross Market activities are focused on safety, training and education activities in 2026. The First Responder Safety Training Program will enter its second year in 2026 and remains fully funded and focused on reducing propane-related safety incidents while expanding training opportunities for first responders. PERC will match state contributions dollar-for-dollar by offering \$1 in PERC funding for every \$1 invested by state entities to hold first responder training events in their state. The technical safety and training programs for the industry continue to be fully funded with focused workplans on the modularization of CETP programs and transition to the Propane Education Program (PEP), Propane Emergencies training, and specific safety application related training such as the Forklift Course development. PERC will also continue its commitment to industry training, development and education through its Technical School Grant Program, Propane Autogas Vehicle Inspection Grant Program, Train the Trainer Programs, and distribution of continuing education content for architects and engineers.

Engine development and product development continue to be strong themes in the Agriculture market as we remain focused on expanding adoption of the Reliable Horsepower Industrial Engine that will augment the portfolio of propane powered engine options for the Agriculture market including power generation applications for the farm. The Agriculture market budget also includes funding for a strategically aligned development project and includes funding for continued support of the Propane Farm Research Program to identify more efficient, cost effective and lower emission propane-powered equipment options for the industry.

The Commercial market includes continued commitments to the Alternative Technology Research and Demonstration program in support of power generation commercialization efforts within the Commercial market. This program is gathering research and data on 4.4kW to 25kW CHP applications and propane cooling between 15 and 100-ton applications to provide evidence of their economic, environmental, and energy efficiency advantages.

The change in budgeted activities across all markets are summarized in the following table:

	2025 Budget	2026 Budget	Change	% Var.
Communications	10,272,200	9,475,800	(796,400)	(7.8%)
Safety & Training	5,549,449	5,251,402	(298,047)	(5.4%)
Industry Supporting Activities	2,483,100	3,054,800	571,700	23.0%
Business Development	2,583,405	2,919,737	336,333	13.0%
Incentivized Research	2,734,500	2,535,100	(199,400)	(7.3%)
Product Development	2,789,808	2,221,000	(568,808)	(20.4%)
General/Admin & IT Allocations	2,162,583	1,880,148	(282,436)	(13.1%)
Technical Research	1,156,773	1,411,073	254,300	22.0%
Thought Leadership	700,000	831,400	131,400	18.8%
Market Research	725,000	651,404	(73,596)	(10.2%)
Digital Strategy & Analytics	452,400	121,600	(330,800)	(73.1%)
TOTAL BUDGET	\$ 31,609,219	\$ 30,353,464	\$ (1,255,755)	(4.0%)

The strategic shift in the budget priorities and streamlined focus is clear in the breakdown of the activities with most categories showing a decrease in budgeted activities. As noted in the breakdown of the market activities, the decrease in product development is representative of the project plans and milestone schedules related to the Nexio Class 7 Bobtail Truck and Strip Chassis for Multiple Applications, and Bluebird Propane Powered Type D School Bus projects. This decrease follows a significant increase in 2025 for product development focusing on engine development in the On Road, Agriculture, and Off Road markets to support diesel displacement opportunities across midsize applications. This continued emphasis on product development and technical research aligns with the strategic priorities and goals of the industry.

Technical Research plans for 2026 continues to support fuel and engine development programs. These projects are focused on measuring contaminants in propane fuels, supporting renewable propane

research and continued research efforts for middle market engines across various applications. Incentivized research continues to collect, analyze, and report on results of propane equipment installations across various industries, regions and consumers. We will track the total addressable market and segmentation of the prime power generation for propane, update the economic impact for propane, and focus on the insourcing of market research efforts to drive cost efficiencies.

The budgeted activities for 2026 include a reduction of budgeted resources to Safety and Technical Training, but this relates more towards a shift in timing of the First Responder Safety Training Program than a material decrease in efforts. This program was originally planned as a one-year program in the 2025 budget, but its implementation now stretches into 2026, spreading that funding stream over the two fiscal years. In 2025, PERC will actually spend approximately \$4.8 million on safety, training and education related activities and the 2026 budget is a natural marginal decrease, in that funding efforts are based the development schedule of programming. Overall, the safety and training activities and program development will be on a very comparable trajectory.

The communications activities, including market communications and digital strategy and analytics were streamlined and focused to support market-based communications and align with the strategic opportunities across the markets. Some activities will be insourced to staff, while general awareness communication efforts will be reduced in an effort to align the resources with the highest priority strategic opportunities.

The program activities of the 2026 budget plan will align with the 2026-2028 strategic plan. The resource allocation prepares the organization for a robust product development cycle in the On Road market, building on years of research in that area. The 2026 plan also continues an emphasis on safety, education and training, continuing technical research efforts that support commercialization trends, while continuing to communicate the important messages about propane's affordability, reliability, and environmental benefits for both consumer and business application decision makers.

DETAILED LINE-ITEM BUDGET

The Detailed Line-Item Budget Report is provided in Appendix II. Budget Reports on page 13. This perspective of the budget breaks down the material individual line items of the Proposed 2026 Budget and provides comparison to the 2025 year-end forecast as of May 31, 2025 and the December 31, 2024 audited results.

Proposed 2026 Revenue Budget

The 2026 Proposed Budget estimates total revenues of \$38,785,295 sourced from net assessment revenue \$37,040,000 (gross assessments, less 20% allocation to fund State Rebate Programs in accordance with PERA), and \$1,745,295 in other revenues which are primarily sourced from investment income and program support services provided to state PERC foundations. The budgeted revenues are detailed in the following schedule:

	2024 Audited	2025 Forecast	2026 Budget	2025F V. 2026B \$Variance %Variance
REVENUES				
Assessment revenue	\$ 44,050,326	\$ 48,046,725	\$ 46,300,000	\$(1,746,725) (3.6%)
State rebate	(8,810,065)	(9,609,345)	(9,260,000)	349,345 (3.6%)
Net Assessment Revenue	\$ 35,240,261	\$ 38,437,380	\$ 37,040,000	\$(1,397,380) (3.6%)
Investment income, net	\$ 2,123,949	\$ 1,776,185	\$ 1,860,000	\$ 83,815 4.7%
Fulfillment, net	(263,128)	(280,089)	(153,605)	126,484 (45.2%)
Other revenue	1,125,422	100,306	38,900	(61,406) (61.2%)
TOTAL REVENUES	\$ 38,226,504	\$ 40,033,782	\$ 38,785,295	\$(1,248,487) (3.1%)

Gross Assessments in the 2026 Proposed Budget are \$46.3 million and assume 9.3 billion gallons of odorized propane in the upcoming year. This estimate is a conservative estimate looking over the trailing 6 years of assessments and the current trend in 2025. The following patterns are evident from the trailing 6 years of history:

- The 2026 Approved Budget is less than the actual collections in three of the last six completed years with 2020, 2023 and 2024 falling short of 9.3 billion gallons of odorized propane production.
- The minimum assessment over the past completed six years was \$44.1 million in 2024 with 8.8 billion gallons of odorized propane. The maximum assessment over the same time period was \$49.6 million in 2019 with 9.9 billion gallons of odorized propane production. The forecast for 2025 has PERC on track for \$48.0 million in assessment revenue with 9.6 billion gallons of odorized propane production. The proposed assessment budget for 2026 is approximately 1% below the trailing 6-year average and approximately 7% below the maximum assessment over the past 6 complete years.
- In 2025, PERC implemented an updated model to estimate remittance collections based upon HDD's and gas supply. Based on the NOAA forecast for 2026 HDD's and historical propane gas supply averages the odorized propane forecast model estimated 9.4 billion gallons of odorized propane consumption.

The State Rebates are 20% of the gross assessment and are set aside for funding requests from the state and regional PERC foundations.

Investment income is budgeted at \$1.86 million for the 2026 Proposed Budget. This income stream represents the interest income the Organization receives from investments of its reserves in cash, U.S. Government Securities and FDIC insured certificates of deposit. The increase in investment income for the 2026 budget reflects expected forecast cash balances and considers a declining interest rate environment.

The Fulfillment, net, income line represents the net earnings from the fulfillment operation which sells training references, marketing materials and other products primarily to propane industry members. This has been presented in the 2026 Proposed Budget at (\$153,605) showing a decrease in the loss due to the planned digitization of certain products and updated allocation of personnel costs supporting the activity.

Other revenue represents miscellaneous services and income primarily derived from services we provide to the state and regional PERC foundations. The 2026 Proposed Budget estimates this at \$38,900 for the services currently contracted.

Proposed 2026 General & Administrative Expense Budget

The 2026 Proposed Budget includes \$2,030,399 for general and administrative expenses. These expenses are subject to a 10% cap in accordance with PERA, and the current budgeted expenses are in compliance, comprising approximately 4.4% of gross assessment revenue. The general and administrative expense budget proposed for 2026 is as follows:

	2024 Audited	2025 Forecast	2026 Budget	2025F V. 2026B \$Variance	%Variance
G&A Expenses					
Salaries & payroll taxes	\$ 1,038,108	\$ 1,111,550	\$ 1,131,496	\$ 19,946	1.8%
Benefits	59,492	162,892	140,740	(22,152)	(13.6%)
Accounting & bank fees	517,673	391,861	381,975	(9,886)	(2.5%)
Legal fees	41,133	152,600	152,600	-	0.0%
Professional services	29,805	58,256	58,351	95	0.2%
Computer maintenance & services	13,906	46,081	46,589	508	1.1%
Insurance	24,160	25,496	26,342	846	3.3%
Rent expense	108,904	75,682	16,133	(59,549)	(78.7%)
Other expenses	104,913	110,931	76,174	(34,757)	(31.3%)
Total G&A Expense	\$ 1,938,094	\$ 2,135,349	\$ 2,030,399	\$ (104,950)	(4.9%)

The decrease in general and administrative expenses for the 2026 proposed budget is driven by several factors including the termination of the office lease in Washington, DC in August 2025, and streamlining of certain administrative support, accounting and information technology costs.

Proposed 2026 Program Expense Budget

The 2026 Proposed Program Expense Budget includes \$6,691,432 for personnel salaries, payroll taxes, and benefits related to supporting PERC's program activities. These costs have increased due to several vacant program positions being filled and a shift in allocations toward the program activities, reflecting the increased active headcount supporting program.

The full program expense line item 2026 Proposed Budget is presented below and compared to the 2025 forecast and 2024 audited results:

	2024 Audited	2025 Forecast	2026 Budget	2025F V. 2026B	
				\$Variance	%Variance
Program Expenses					
Personnel Program Expenses					
Salaries & payroll taxes	\$ 4,732,459	\$ 5,364,874	\$ 5,806,723	\$ 441,849	8.2%
Benefits	730,583	755,706	884,709	129,003	17.1%
Total Program Salaries & Benefits	\$ 5,463,042	\$ 6,120,580	\$ 6,691,432	\$ 570,852	9.3%
Direct Program Expenses					
Cross Market	\$ 14,683,622	\$ 9,297,664	\$ 9,949,257	\$ 651,593	7.0%
Off road	646,954	1,163,482	1,040,526	(122,956)	(10.6%)
Agriculture	1,806,796	2,059,469	2,616,821	557,352	27.1%
Propane Industry	3,307,829	3,414,422	3,733,278	318,856	9.3%
On Road	2,021,862	2,943,097	2,974,498	31,401	1.1%
Residential	9,762,165	9,113,637	7,416,709	(1,696,928)	(18.6%)
Commercial	1,156,319	1,749,575	1,588,435	(161,140)	(9.2%)
Material handling	769,514	1,046,257	1,033,940	(12,317)	(1.2%)
Total Direct Program Expenses	\$ 34,155,062	\$ 30,787,603	\$ 30,353,464	\$ (434,139)	(1.4%)
Total Program Expenses	\$ 39,618,104	\$ 36,908,183	\$ 37,044,896	\$ 136,713	0.4%

The direct program expenses are discussed and analyzed in detail in the Propane Market and Activity Budget Impact section on page 3 of this document.

2026 Proposed Budget Change in Net Assets

The planned expenses in the 2025 Proposed Budget of \$39.1 million are expected to exceed the net revenues of \$38.8 million, resulting in a decrease in net assets of \$0.3 million, which will be funded from PERC's existing reserves in 2026. This reduction in general and undesignated cash reserves will not reduce the Council-designated reserve fund or adversely impact the organization's solvency.

APPENDIX I. PROGRAM AND ACTIVITY DESCRIPTIONS

Propane Education and Research Council (PERC) Programs

PERA requires PERC to *"develop programs and projects and enter into contracts or agreements for implementing this Act, including programs to enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, to inform and educate the public about safety and other issues associated with the use of propane..."*.

The projects and initiatives described in the following sections are based on a recommendation from PERC's Budget and Finance Committee in collaboration with PERC's Executive Committee, the staff, and other sources.

Other requirements under PERA included in the program budget initiatives are as follows:

- ☐ Not less than 5 percent of the funds collected through assessments pursuant to the Act will be used for programs and projects intended to benefit the agriculture industry in the United States. The Council will coordinate its activities in this regard with agriculture industry trade associations and other organizations representing the agriculture industry.
- ☐ The percentage of funds collected through assessments pursuant to this Act to be used for projects relating to the use of propane as an over-the-road motor fuel shall not exceed the percentage of the total market for odorized propane that is used as a motor vehicle fuel, based on the historical average of such use over the previous 3-year period.
- ☐ The Council shall coordinate its activities with industry trade associations and others as appropriate to provide efficient delivery of services and to avoid unnecessary duplication of activities.

Agriculture Market Activities

The Council supports the agriculture market by advancing research and development efforts, consumer awareness, and the adoption of propane-fueled agricultural applications to increase the efficiency of farming operations and promote environmentally clean practices.

On Road Market Activities

The Council supports the on road or Autogas market through research and development projects, consumer awareness, business development initiatives to grow the application of propane-fueled vehicles, and a robust service network and refueling infrastructure necessary to provide a viable and environmentally clean alternative to other on road energy sources.

Residential Market Activities

The Council supports the safe operation of propane appliances and the development of new uses of propane in the residential market offering programs for homeowners, home-builders and residential professionals that provide consumer awareness, research and development and product development within the market.

Commercial Market Activities

The Council supports new users and uses of propane in the commercial sector by offering consumer awareness, and research and development programs for business owners and commercial construction professionals targeting the safe installation, operation and maintenance of propane appliances, including the deployment of new technologies in the market.

Material Handling/Industrial Market Activities

The Council supports research and development, consumer awareness and product development programs in the material handling market to develop and commercialize propane-fueled solutions for handling industrial materials, emissions treatments, and propane hybrid technologies. These technologies include power generation, terminal tractors, heavy-duty forklifts, container handlers, light-duty vehicles and refueling infrastructure.

Off-Road Market Activities

The Council supports research and development, consumer awareness and business development programs to foster the use of propane as a preferred energy for fixed engine applications other than agricultural engines.

Cross Market Activities

Cross Market activities support safety, training, consumer awareness and research and development programs that provide benefits to multiple market segments which benefit consumer and industry professionals.

Industry Market Activities

The Council engages with propane marketers and supporting professionals to collectively provide critical industry research, training, and workforce development to help the propane industry adjust to fast-changing competitive dynamics and capitalize on new opportunities to better serve propane consumers.

APPENDIX II. BUDGET REPORTS

Propane Education and Research Council, Inc.
2026 Proposed Budget Summary Report

	2024 Audited	2025 Budget	2025 Forecast	2026 Budget	2025F V. 2026B	
					\$Variance	%Variance
REVENUES						
Assessment revenue	\$ 44,050,326	\$ 46,000,000	\$ 48,046,725	\$ 46,300,000	\$ (1,746,725)	(3.6%)
State rebate	(8,810,065)	(9,200,000)	(9,609,345)	(9,260,000)	349,345	(3.6%)
Net Assessment Revenue	\$ 35,240,261	\$ 36,800,000	\$ 38,437,380	\$ 37,040,000	\$ (1,397,380)	(3.6%)
Other Revenue	\$ 2,986,243	\$ 2,592,242	\$ 1,596,402	\$ 1,745,295	\$ 148,893	9.3%
TOTAL REVENUES	\$ 38,226,504	\$ 39,392,242	\$ 40,033,782	\$ 38,785,295	\$ (1,248,487)	(3.1%)
EXPENSES						
General & Administrative Expenses						
Salaries & payroll taxes	\$ 1,038,108	\$ 1,090,677	\$ 1,111,550	\$ 1,131,496	\$ 19,946	1.8%
Benefits	59,492	135,815	162,892	140,740	(22,152)	(13.6%)
Other General & Administrative Expenses	840,494	862,885	860,907	758,164	(102,743)	(11.9%)
Total General & Administrative Expenses	\$ 1,938,094	\$ 2,089,376	\$ 2,135,349	\$ 2,030,399	\$ (104,950)	(4.9%)
Program Expenses						
Salaries & payroll taxes	\$ 4,732,459	\$ 5,506,312	\$ 5,364,874	\$ 5,806,723	\$ 441,849	8.2%
Benefits	730,583	848,334	755,706	884,709	129,003	17.1%
Direct Program Expenses	34,155,062	31,609,219	30,787,603	30,353,464	(434,139)	(1.4%)
Total Program Expenses	\$ 39,618,104	\$ 37,963,866	\$ 36,908,183	\$ 37,044,896	\$ 136,713	0.4%
TOTAL EXPENSES	\$ 41,556,199	\$ 40,053,242	\$ 39,043,532	\$ 39,075,295	\$ 31,763	0.1%
CHANGE IN NET ASSETS	\$ (3,329,695)	\$ (661,000)	\$ 990,250	\$ (290,000)	\$ (1,280,250)	(129.3%)

Propane Education and Research Council, Inc.
2026 Proposed Budget Detail Report

	2024 Audited	2025 Budget	2025 Forecast	2026 Budget	2025F V. 2026B	
					\$Variance	%Variance
REVENUES						
Assessment revenue	\$ 44,050,326	\$ 46,000,000	\$ 48,046,725	\$ 46,300,000	\$ (1,746,725)	(3.6%)
State rebate	(8,810,065)	(9,200,000)	(9,609,345)	(9,260,000)	349,345	(3.6%)
Net Assessment Revenue	\$ 35,240,261	\$ 36,800,000	\$ 38,437,380	\$ 37,040,000	\$ (1,397,380)	(3.6%)
Investment income, net	\$ 2,123,949	\$ 1,650,000	\$ 1,776,185	\$ 1,860,000	\$ 83,815	4.7%
Fulfillment, net	(263,128)	(236,658)	(280,089)	(153,605)	126,484	(45.2%)
Other revenue	1,125,422	1,178,900	100,306	38,900	(61,406)	(61.2%)
TOTAL REVENUES	\$ 38,226,504	\$ 39,392,242	\$ 40,033,782	\$ 38,785,295	\$ (1,248,487)	(3.1%)
EXPENSES						
G&A Expenses						
Salaries & payroll taxes	\$ 1,038,108	\$ 1,090,677	\$ 1,111,550	\$ 1,131,496	\$ 19,946	1.8%
Benefits	59,492	135,815	162,892	140,740	(22,152)	(13.6%)
Accounting & bank fees	517,673	398,125	391,861	381,975	(9,886)	(2.5%)
Legal fees	41,133	152,600	152,600	152,600	-	0.0%
Professional services	29,805	60,687	58,256	58,351	95	0.2%
Computer maintenance & services	13,906	46,869	46,081	46,589	508	1.1%
Insurance	24,160	25,650	25,496	26,342	846	3.3%
Rent expense	108,904	74,171	75,682	16,133	(59,549)	(78.7%)
Other expenses	104,913	104,782	110,931	76,174	(34,757)	(31.3%)
Total G&A Expense	\$ 1,938,094	\$ 2,089,376	\$ 2,135,349	\$ 2,030,399	\$ (104,950)	(4.9%)
Program Expenses						
Personnel Program Expenses						
Salaries & payroll taxes	\$ 4,732,459	\$ 5,506,312	\$ 5,364,874	\$ 5,806,723	\$ 441,849	8.2%
Benefits	730,583	848,334	755,706	884,709	129,003	17.1%
Total Program Salaries & Benefits	\$ 5,463,042	\$ 6,354,646	\$ 6,120,580	\$ 6,691,432	\$ 570,852	9.3%
Direct Program Expenses						
Cross Market	\$ 14,683,622	\$ 9,899,870	\$ 9,297,664	\$ 9,949,257	\$ 651,593	7.0%
Off road	646,954	1,172,743	1,163,482	1,040,526	(122,956)	(10.6%)
Agriculture	1,806,796	1,858,277	2,059,469	2,616,821	557,352	27.1%
Propane Industry	3,307,829	3,244,423	3,414,422	3,733,278	318,856	9.3%
On Road	2,021,862	3,497,051	2,943,097	2,974,498	31,401	1.1%
Residential	9,762,165	9,125,948	9,113,637	7,416,709	(1,696,928)	(18.6%)
Commercial	1,156,319	1,762,921	1,749,575	1,588,435	(161,140)	(9.2%)
Material handling	769,514	1,047,986	1,046,257	1,033,940	(12,317)	(1.2%)
Total Direct Program Expenses	\$ 34,155,062	\$ 31,609,219	\$ 30,787,603	\$ 30,353,464	\$ (434,139)	(1.4%)
Total Program Expenses	\$ 39,618,104	\$ 37,963,866	\$ 36,908,183	\$ 37,044,896	\$ 136,713	0.4%
TOTAL EXPENSES	\$ 41,556,199	\$ 40,053,242	\$ 39,043,532	\$ 39,075,295	\$ 31,763	0.1%
CHANGE IN NET ASSETS	\$ (3,329,695)	\$ (661,000)	\$ 990,250	\$ (290,000)	\$ (1,280,249)	(129.3%)

Propane Education and Research Council, Inc.
2026 Proposed Budget - Program Activity Budget

FY26 Draft Budget Matrix	Incentivized Research	Product Development	Business Development	Technical Research	Communications - Business	Communications - Consumer	Digital Strategy & Analytics	Thought Leadership	Industry Supporting Activities	Market Research	Safety & Technical Training	General & Admin / IT Allocations	Market Total
Agriculture	207,800	415,700	984,620	77,200	801,700	-	-	-	-	-	-	129,801	2,616,821
On Road	-	1,603,400	550,310	-	534,500	-	-	-	-	-	142,500	143,788	2,974,498
Residential	2,004,200	130,600	389,537	83,100	475,100	4,097,600	-	-	-	-	115,800	120,772	7,416,709
Commercial	323,100	-	419,650	-	641,400	-	-	-	-	-	89,100	115,185	1,588,435
Material Handling/Industrial	-	-	391,450	-	549,900	-	-	-	-	-	-	92,590	1,033,940
Off Road	-	-	184,170	-	777,900	-	-	-	-	-	-	78,456	1,040,526
Cross Market	-	71,300	-	1,250,773	778,700	819,000	121,600	831,400	-	320,704	4,892,102	863,678	9,949,257
Industry	-	-	-	-	-	-	-	-	3,054,800	330,700	11,900	335,878	3,733,278
Activity Total	2,535,100	2,221,000	2,919,737	1,411,073	4,559,200	4,916,600	121,600	831,400	3,054,800	651,404	5,251,402	1,880,148	30,353,464

FY25 Draft Budget Matrix	Incentivized Research	Product Development	Business Development	Technical Research	Communications - Business	Communications - Consumer	Digital Strategy & Analytics	Thought Leadership	Industry Supporting Activities	Market Research	Safety & Technical Training	General & Admin / IT Allocations	Market Total
Agriculture	175,000	316,000	402,420	65,000	750,000	-	-	-	-	-	-	149,857	1,858,277
On Road	-	2,003,808	604,835	-	500,000	-	-	-	-	-	222,600	165,808	3,497,051
Residential	2,287,500	180,000	437,250	-	600,000	5,200,000	-	-	-	-	280,000	141,198	9,125,948
Commercial	272,000	30,000	497,350	24,000	690,000	-	-	-	-	-	115,000	134,571	1,762,921
Material Handling/Industrial	-	-	433,850	-	508,000	-	-	-	-	-	-	106,136	1,047,986
Off Road	-	200,000	207,700	-	675,000	-	-	-	-	-	-	90,043	1,172,743
Cross Market	-	60,000	-	1,067,773	-	1,349,200	452,400	700,000	-	345,000	4,931,849	993,647	9,899,870
Industry	-	-	-	-	-	-	-	-	2,483,100	380,000	-	381,323	3,244,423
Activity Total	2,734,500	2,789,808	2,583,405	1,156,773	3,723,000	6,549,200	452,400	700,000	2,483,100	725,000	5,549,449	2,162,583	31,609,219

FY25 Budget v FY24 Budget Variances	Incentivized Research	Product Development	Business Development	Technical Research	Communications - Business	Communications - Consumer	Digital Strategy & Analytics	Thought Leadership	Industry Supporting Activities	Market Research	Safety & Technical Training	General & Admin / IT Allocations	Market Total
Agriculture	32,800	99,700	582,200	12,200	51,700	-	-	-	-	-	-	(20,056)	758,544
On Road	-	(400,408)	(54,525)	-	34,500	-	-	-	-	-	(80,100)	(22,020)	(522,553)
Residential	(283,300)	(49,400)	(47,713)	83,100	(124,900)	(1,102,400)	-	-	-	-	(164,200)	(20,426)	(1,709,239)
Commercial	51,100	(30,000)	(77,700)	(24,000)	(48,600)	-	-	-	-	-	(25,900)	(19,386)	(174,486)
Material Handling/Industrial	-	-	(42,400)	-	41,900	-	-	-	-	-	-	(13,545)	(14,045)
Off Road	-	(200,000)	(23,530)	-	102,900	-	-	-	-	-	-	(11,587)	(132,217)
Cross Market	-	11,300	-	183,000	778,700	(530,200)	(330,800)	131,400	-	(24,296)	(39,747)	(129,969)	49,387
Industry	-	-	-	-	-	-	-	-	571,700	(49,300)	11,900	(45,445)	488,855
Activity Total	(199,400)	(568,808)	336,332	254,300	836,200	(1,632,600)	(330,800)	131,400	571,700	(73,596)	(298,047)	(282,436)	(1,255,755)