CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES (A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

Financial Statements and Required Reports Under the Uniform Guidance, New York State Single Audit and New York State Public Authorities Law as of March 31, 2016 and 2015

Bonadio & Co., LLP
Certified Public Accountants

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

TABLE OF CONTENTS

	Page
SECTION A – CONSOLIDATING FINANCIAL STATEMENTS	
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	3-10
FINANCIAL STATEMENTS:	
Consolidating Statements of Net Position (Deficit) - March 31, 2016 and 2015	11
Consolidating Statements of Revenues, Expenses and Changes in Net Position (Deficit) - For the Years Ended March 31, 2016 and 2015	12
Consolidating Statements of Cash Flows - For the Years Ended March 31, 2016 and 2015	13-14
Notes to Consolidating Financial Statements	15-45
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios for Single Employer Pension Plans	46-48
Schedule of Contributions for Single Employer Pension Plans	49
Notes to the Schedule of Contributions for Single Employer Pension Plans	50
Schedule of Proportionate Share of Net Pension Liability (Asset) – Cost Sharing Multiple Employer Plan	51
Schedule of Contributions – Pension Plans – Cost Sharing Multiple Employer Plan	52
Schedule of Other Postemployment Benefits Plan Schedule of Funding Progress	53

TABLE OF CONTENTS (Continued)

	Page
SECTION B – REPORTS REQUIRED UNDER THE UNIFORM GUIDANCE	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	54-55
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE	56-58
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	59-60
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	61
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	62
SECTION C – REPORTS REQUIRED UNDER THE NEW YORK STATE SINGLE AUDIT	
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED	63-65
SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED	66
NOTES TO THE SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED	67
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR STATE TRANSPORTATION ASSISTANCE EXPENDED	68
SECTION D – REPORTS REQUIRED UNDER THE NEW YORK STATE PUBLIC AUTHORITIES LAW	
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS RELATED TO INVESTMENT GUIDELINES FOR PUBLIC AUTHORITIES	69

SECTION A

CENTRAL NEW YORK
REGIONAL TRANSPORTATION AUTHORITY
AND SUBSIDIARIES
(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

CONSOLIDATING FINANCIAL STATEMENTS

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

June 24, 2016

To the Board of Directors of the
Central New York Regional Transportation
Authority and Subsidiaries:

Report on the Consolidating Financial Statements

We have audited the accompanying consolidating financial statements of Central New York Regional Transportation Authority and Subsidiaries (the Authority), a discretely presented component unit of the State of New York, as of and for the years ended March 31, 2016 and 2015, and the related notes to the consolidating financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Consolidating Financial Statements

Management is responsible for the preparation and fair presentation of these consolidating financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidating financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidating financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidating financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidating financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidating financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidating financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidating financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions
In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the financial position of Central New York Regional Transportation Authority and Subsidiaries as of March 31, 2016 and 2015, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter
As described in Note 3 to the financial statements, the Authority adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Transition Date – an Amendment of GASB Statement No. 68.* Our opinion is not modified with respect to this matter.

Report on Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Other Postemployment Benefits Plan Schedule of Funding Progress, Schedules of Changes in the Net Pension Liability (Asset) and Related Ratios for Single Employer Pension Plans, Schedule of Contributions for Single Employer Pension Plans, Notes to the Schedule of Contributions for Single Employer Pension Plans, Schedule of Proportionate Share of Net Pension Liability (Asset)-Cost Sharing Multiple Employer Plan and Schedule of Contributions-Pension Plans-Cost Sharing Multiple Employer Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2016, on our consideration of Central New York Regional Transportation Authority and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central New York Regional Transportation Authority and Subsidiaries' internal control over financial reporting and compliance.

Bonadio & Co., LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This management's discussion and analysis (MD&A) of the Central New York Regional Transportation Authority and Subsidiaries (the Authority) is intended to provide an overview of the consolidating financial statements of the Authority for the fiscal years ended March 31, 2016 and 2015. We encourage readers to consider the information presented here in conjunction with the Authority's consolidating financial statements which immediately follow this section.

Overview of the Consolidating Financial Statements

The consolidating financial statements of the Authority are prepared using the accrual basis of accounting, which requires that transactions are recorded when they occur, not when the related cash receipt or disbursement occurs. The basic financial statements consist of:

- Statements of Net Position (Deficit)
- Statements of Revenues, Expenses and Changes in Net Position (Deficit)
- Statements of Cash Flows

Statements of Net Position (Deficit) present information on the assets and liabilities, with the differences reflected as net position (deficit).

Statements of Revenues, Expenses and Changes in Net Position (Deficit) report the operating revenues and expenses, and non-operating revenues and expenses for the fiscal year with the difference being net income or loss. Net income or loss combined with transfer of funds determines the change in net position (deficit) for the fiscal year. That change, combined with the previous year's net position total, reconciles to the net position (deficit) total at the end of this fiscal year.

Statements of Cash Flows report the sources and uses of cash from operating, non-capital financing, capital and related financing and investing activities. The net result of these activities, added to the beginning of the year cash and cash equivalents balance, reconciles to the total cash and cash equivalents balance at the end of the fiscal year.

The consolidating financial statements also include notes that further explain certain information in the financial statements and provide more detailed data.

Financial Analysis

Summary of Consolidating Statements of Net Position (Deficit)

	March 31	
	2016	2015
Assets and Deferred Outflows of Resources:		
Current assets	$ 26,821,293	$ 25,187,467
Net pension asset	207,769	792,194
Capital assets – net of accumulated depreciation	91,857,346	95,311,721
Total noncurrent assets	92,065,115	96,103,915
Total Assets	118,886,408	121,291,382
Deferred outflows – relating to pensions	5,255,449	273,478
Total Assets and Deferred Outflows of Resources	$ 124,141,857	$ 121,564,860
Liabilities, Deferred Inflows of Resources and Net Position:		
Current liabilities	$ 12,369,658	$ 13,130,821
Long-term liabilities	139,607,762	120,051,587
Total liabilities	151,977,420	133,182,408
Deferred inflows – relating to pensions	327,201	-
Net Position (Deficit):		
Unrestricted	(120,020,110)	(106,929,269)
Net investment in capital assets	91,857,346	95,311,721
Total net position (deficit)	(28,162,764)	(11,617,548)
Total Liabilities, Deferred Inflows and Net Position (Deficit)	$ 124,141,857	$ 121,564,860

March 31, 2016 vs. March 31, 2015

The changes in total net position (deficit) over time serve as a useful indicator of the Authority's financial position. The 2016 fiscal year ended with a decrease to net position of approximately $16.5 million from March 31, 2015 due primarily to a net effect of $1.6 million increase in current assets, $4 million decrease in noncurrent assets, $5 million increase in deferred outflows – relating to pensions, $.7 million decrease in current liabilities, $19.5 million increase in total long-term liabilities and .3 million increase in deferred inflows – relating to pensions.

Summary of Consolidating Statements of Net Position (Deficit) (Continued)

Current assets, comprised mainly of cash and cash equivalents, cash and cash equivalents - designated, receivables, materials and supplies and prepaid expenses, increased approximately $1.6 million or 6% from 2015 due primarily to a $1.5 million decrease in cash attributable mainly to the pay down of accounts payable and payment of a deferred compensation plan paid out to a retired employee, $.5 million increase in trade receivable due mainly to an administrative update in the NYS payment system resulting in a delay of payment for January-March from SUNY Upstate (payment was received in May 2016), $1.8 million increase in due from affiliates which has previously been presented as a net amount combined with due to affiliates resulting in a zero balance, and a $.8 million increase in prepaid expense due to prepaid workers compensation to Travelers Insurance Group, which is a deductible program, versus the previous insurance carrier PERMA, which is a guaranteed cost policy.

Noncurrent assets, consisting of net pension asset and net capital assets, decreased by $4 million due to a $3.4 million decrease in capital assets associated with additions offset by disposals and the related accumulated depreciation as well as the depreciation expense and a $.6 million decrease in net pension asset due to a drop in the market value of assets held by the Utica Transit Service Corporation Pension Plan.

Current liabilities decreased $.8 million or 6% due primarily to the pay down of invoices for the fare box replacement project and other various grant funded projects and a decrease in accrued salaries and benefits due to the timing of the last payroll in the fiscal year.

Long-term liabilities increased $19.6 million or 16% from 2015. This is due, in part, to a $12 million increase in the liability for other postemployment benefits (OPEB) required to be accrued by *Governmental Accounting Standards Board Statement #45 (GASB 45).* The accrual entry required for GASB 45 compliance is determined by a certified actuary, and incorporates multiple assumptions about future health care cost trends, employee retention levels, mortality rates and other technical factors. Currently there is no requirement to fund OPEB. Another contributing factor is a $5 million increase in net pension liability required by the new *Governmental Accounting Standards Board #68 (GASB 68) Accounting and Reporting for Pensions.* Prior to GASB 68 the actuarial valuation numbers were used for both accounting and funding purposes. Under the new GASB 68 accounting and funding are no longer linked. GASB 68 requires the recording of the net pension liability which is the difference between the total pension liability; measured as the portion of the actuarial present value of projected benefit payments that is provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service less the amount of the pension plan's market value of the plan assets. Currently there is no requirement to fund net pension liability. A change in benefits practice was implemented during fiscal year ended March 31, 2012 whereby newly hired employees would no longer be entitled to post-retirement health care and the defined benefit pension benefits. And lastly there was a $2.7 million adjustment to estimated claims payable for three pending claims.

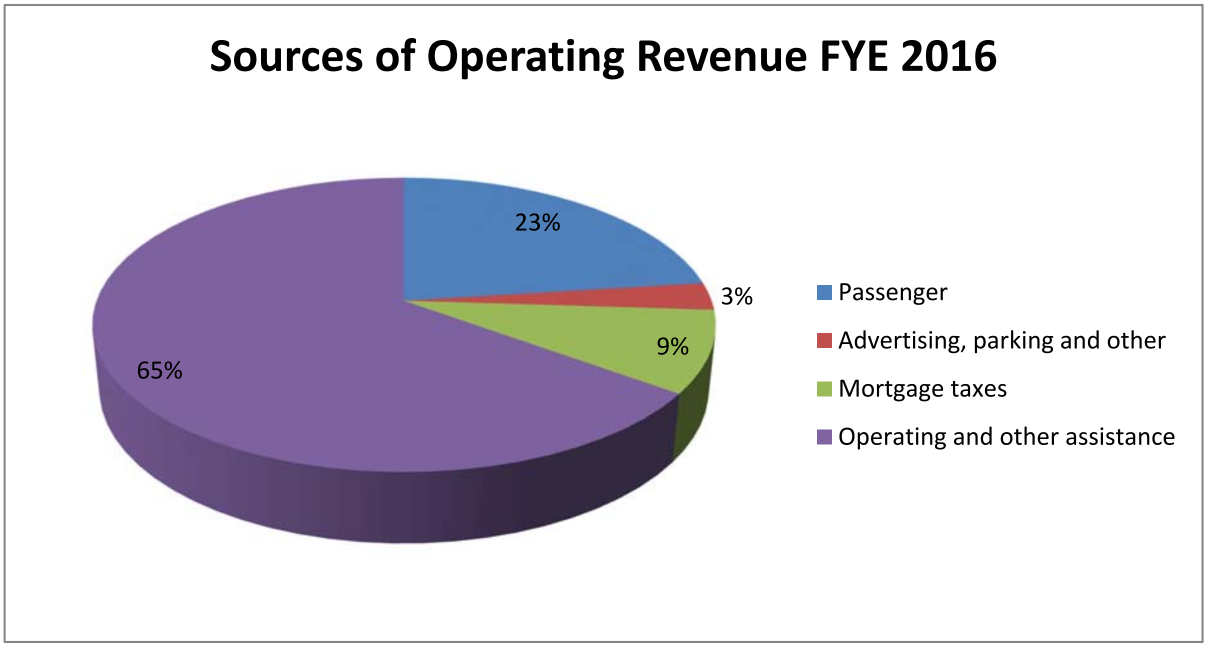
Summary of Revenues, Expenses and Changes in Net Position (Deficit)

	March 31 2016	March 31 2015
Operating Revenues:		
Passenger	$ 15,333,175	$ 15,917,943
Advertising, parking and other	1,770,655	1,140,174
Mortgage taxes	6,203,405	5,143,947
Operating and other assistance	43,414,171	42,302,932
Total operating revenues	66,721,406	64,504,996
Operating Expenses:		
Maintenance of equipment and facilities	12,977,670	13,555,980
Downtown transfer hubs	794,393	797,816
Transportation Operations	3,934,924	4,033,998
Purchased transportation	2,465,658	2,566,341
Service and Business Development	1,114,118	1,223,197
Drivers Wages	14,488,750	14,460,021
Human Resources	344,541	396,197
Information Systems	861,864	834,455
General and Administrative	2,560,037	2,584,152
Fuel	2,690,492	2,837,000
Insurance and risk management	3,916,607	1,834,588
Workers compensation	2,491,831	3,209,094
Medical and dental	8,265,047	7,798,493
Pension	3,894,229	2,968,365
Other post-employment benefits	15,545,958	13,986,821
Other employee benefits and payroll taxes	2,893,987	2,816,993
Depreciation expense	9,908,284	10,035,813
Total operating expenses	89,148,390	85,939,324
Operating loss	(22,426,984)	(21,434,328)
Non - Operating Revenues	5,881,768	3,922,570
Change in Net Position	(16,545,216)	(17,511,758)
Net Position - Beginning of Year	(11,617,548)	(5,894,210)
Net Position - End of Year	$ (28,162,764)	$ (11,617,548)

Summary of Revenues, Expenses and Changes in Net Position (Deficit) (Continued)

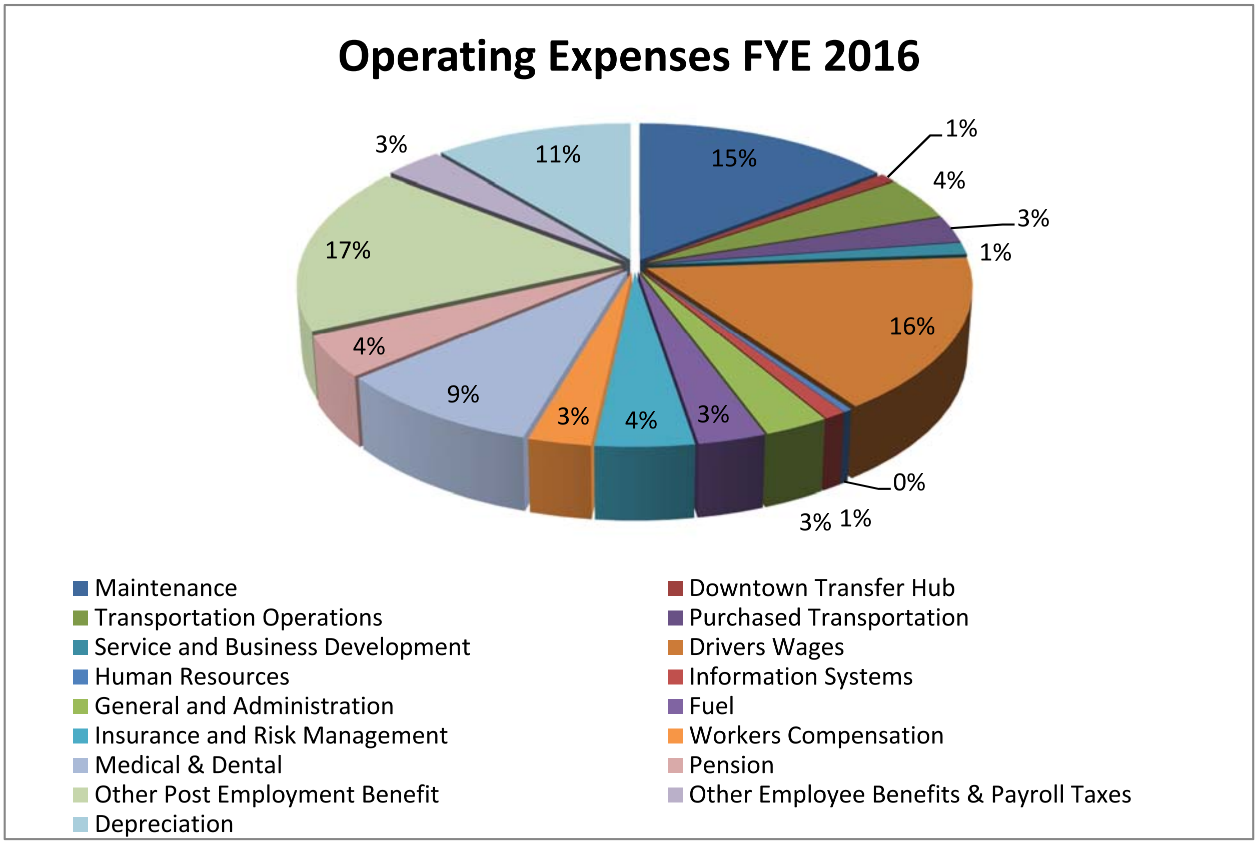
The Authority ended 2016 in a total net (deficit) of $(28) million; a $16.5 million or 58% decrease over 2015.

Significant items affecting the revenues, expenses and changes in net position (deficit) are as follows:



Operating revenues increased approximately $2.2 million or 3.4% from $64.5 million in FYE 2015 to $66.7 million in FYE 2015. This is primarily attributable to a $1 million increase in Mortgage Recording Tax Revenue and $1.6 million increase in additional NYS operating assistance offset by $.6 net decrease of federal preventive maintenance and operating assistance. Passenger revenues lagged below prior year due mainly to reduced service requested by Jobs Plus, an Onondaga County program and Syracuse University dome events; however advertising revenue offset this decrease with increased advertising sales as well as the need to book a reserve for uncollectible advertising sales receivables which was a onetime event that occurred in 2015.

Summary of Revenues, Expenses and Changes in Net Position (Deficit) (Continued)



Operating expenses increased by $3.2 million or 3.7% from $85.9 million in FY 2015 to $89.1 million in FY 2016 due to the net effect of the following:

- Maintenance expense decreased approximately $.6 or 4.27%. This variance is due primarily to a decrease in bus parts needed for repairs, lower labor expense attributable to unfilled positions as a result of retirements, deferred projects (axle and frame repairs to the fleet, trench drains & sidewalk replacement), and a drop in utilities expense in all locations due to lower rates for electric and gas and warmer weather.
- Purchased Transportation decreased $.1 million or 3.92% since there are two less subcontractors servicing the Centro Call-A-Bus operation.
- Service and Business Development decrease .1 million or 8.92% due primarily to the elimination of customer service hours on Sundays as well as an unfilled position.
- Fuel decreased $.1 million or 5.16% due to a combination of less usage and various factors reducing costs in the marketplace.
- Risk management increased $2 million or >100% as a result of two large claims that required the full reserve. Changes in reserves for claims will fluctuate year to year as certain cases develop and there were reductions in claims reserves as well as claims paid activity in FY15.
- Workers compensation decrease by $.7 million or 22.35% due to the switch from PERMA, a guaranteed cost policy, to Travelers Insurance Group, a deductible program. It was understood that with their expertise in claim management, loss control and safety expertise in the transportation industry, Travelers would assist in reducing the number of injuries and consequently overall workers compensation expense.
- The Medical & Dental expense increased $.4 million or 5.98% due to increased claim volume as well as new high dollars drugs.
- Pension expense increased $.9 million or 31.19% due to an update of the recommended contributions to the defined benefit plan for CNY Centro & Subsidiaries per the FY 2016

Summary of Revenues, Expenses and Changes in Net Position (Deficit) (Continued)

actuarial calculation that becomes available in July after the commencement of the fiscal year. Also contributing to the variance is $.8 million associated with the new GASB 68 calculation.

- Contributions paid for other postemployment benefits (OPEB) increased by $1.5 million or 11.15% in FY 2016, which is determined by a certified actuary, and incorporates multiple assumptions about future health care cost trends, employee retention levels, mortality rates and other technical factors.

Capital Assets

Capital contributions are received from the Federal Government, New York State and the Authority. The following is a schedule of the Authority's capital assets:

	March 31	
	2016	2015
Not being depreciated:		
Land	$ 5,002,337	$ 5,002,337
Construction in progress	253,378	6,039,381
Subtotal	5,255,715	11,041,718
Other capital assets:		
Improvements	3,026,519	2,986,821
Buildings	69,799,459	68,742,687
Revenue vehicles	85,896,307	85,891,111
Other equipment	21,177,987	14,315,350
Furniture and office equipment	6,111,935	6,061,437
Subtotal	186,012,207	177,997,406
Total capital assets	191,267,922	189,039,124
Less accumulated depreciation	99,410,576	(93,727,403)
Net capital assets	$ 91,857,346	$ 95,311,721

To help achieve its mission, the Authority is continually investing in its transit vehicles and other capital assets and has established two primary capital goals: (1) replacement of fleet and facilities at the end of their federally mandated minimum useful lives and (2) maintenance of all capital assets in a "state of good repair." Initiatives beyond these goals are undertaken on the basis of the public interest and the cost/benefit of the project.

Signature Projects FYE 2016

New fare boxes were installed system- wide during FYE 2016. The new fare box technology eliminates the need for customers to pay with exact change and will issue credit to customers who overpay. Additionally the new fare boxes set the stage for future implementation of a smart card system.

Centro's CAD / AVL system went live in Syracuse. The system installed by Clever Devices allows greater bus tracking by Centro dispatchers and offers customers a way to track the location and receive predictive arrival information of their bus.

Signature Projects FYE 2016 (Continued)

Centro is participating in a two-year study being performed by the Syracuse Metropolitan Transportation Council to determine the feasibility of an enhanced transportation system in the City of Syracuse. The "SMART1" study will determine if Bus Rapid Transit or Rail transportation is feasible along two corridors: The James Street / Eastwood – South Avenue/ OCC corridor & Syracuse University – Destiny USA / Regional Transportation Center corridor.

Outlook for the Authority's future:

New York State Budget

New York State operating assistance (STOA) makes up a significant portion (about 46%) of the CNYRTA's operating budget. The Fiscal Year 2016-2017 budget increases in operating assistance and capital allocations reflected the work of Centro management and coordination with the New York Public Transportation Association (NYPTA). Centro, along with our NYPTA partners, worked intensely with our New York State legislative delegation to educate them on the need for upstate transportation agencies to achieve financial parity with our sister properties located in the downstate New York region. We were successful in attaining significant progress in this regard and will continue to work with our elected officials on this important issue. The results of these efforts allowed the Authority to balance its budget for FY 2017. However the unpredictable nature in state dedicated funding year over year creates an inherent challenge for future planning.

Federal Transportation Legislation – FAST Act

Similarly to our work with our New York State legislators, Centro management along with NYPTA and our partners in the American Public Transportation Association (APTA) were instrumental in the restoration of federal Section 5340 funding into the federal transportation legislation (FAST Act). The restoration of this funding into the FAST Act prevented a $500 million annual decrease in transportation funding to the seven northeastern states with high density populations. New York stood to lose $100 million and Centro $2 million annually. Our work with our federal legislators not only saw restoration of the Section 5340 funding but passage of the first federal highway bill in 10 years. Although the passage of the transportation legislation allows for a predictable funding stream for capital replacements, in Fiscal Year 2017-18 the CNYRTA will face a short fall of approximately $4 million when it is required to replace a large percentage of its fleet that have reached the end of their twelve (12) year useful life. This shortfall of capital funds is due largely to the ongoing need to use capital funds for operations.

Interstate Route 81 Project

Centro became a leading partner in the ongoing process to develop plans with the New York State Department of Transportation (NYSDOT) and many other community stakeholders regarding the replacement of Interstate Route 81. As a member of the Stakeholders Advisory Work Group (SAWG), Centro managements' role will expand as a workable solution as plans to replace the current viaduct are developed. It is anticipated that there will be a material financial impact due to the operational costs necessary to adjust Centro bus service.

HOPE Initiative to Reduce Poverty

Centro is a key participant in the HOPE Initiative to Reduce Poverty in Syracuse. As a leader and participant at the committee and sub-committee level, Centro management is educating community leaders on public transportation's role in poverty reduction. The committee's work will continue and its work is expected to be finalized in fiscal year 2017.

Community Initiatives

Centro Management has increased contact with various community organizations to educate them on public transportation services offered by Centro and to learn more about the needs of the community with respect to what the community needs from its public transportation system. Private meetings and public speaking events have been held and will continue to be held as a normal course of business in the coming years.

Copies of this report are located on www.centro.org.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

CONSOLIDATING STATEMENTS OF NET POSITION (DEFICIT)
MARCH 31, 2016 AND 2015

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2016	2015	2016	2015	2016	2015
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
CURRENT ASSETS:						
Cash and cash equivalents	$ 4,624,932	$ 6,001,219	$ 54,734	$ 31,520	$ 325	$ 325
Cash and cash equivalents - designated	3,625,000	3,746,961	-	-	-	-
Accounts receivable:						
Trade and other (net of allowance of $730,000 for 2015)	730,028	519,480	1,562,467	1,217,554	53,632	66,184
Mortgage tax	369,103	386,043	-	-	-	-
Operating assistance	-	-	61,000	-	212,750	3,750
Grants	-	-	3,753,209	3,036,080	1,717	1,717
Due from affiliates	5,233,642	1,360,428	203,701	1,993,180	-	159,482
Materials and supplies	-	-	3,061,788	2,842,893	-	-
Prepaid expenses and other current assets	13,872	35,648	1,455,475	695,207	4,808	31,182
Total current assets	14,596,577	12,049,779	10,152,374	9,816,434	273,232	262,640
NONCURRENT ASSETS:						
Net pension asset	-	-	-	-	-	-
Capital assets, net of accumulated depreciation	-	-	67,295,327	68,574,155	1,410,936	1,613,261
Total noncurrent assets	-	-	67,295,327	68,574,155	1,410,936	1,613,261
TOTAL ASSETS	14,596,577	12,049,779	77,447,701	78,390,589	1,684,168	1,875,901
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows - relating to pensions	114,219	-	3,529,076	-	194,293	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 14,710,796	$ 12,049,779	$ 80,976,777	$ 78,390,589	$ 1,878,461	$ 1,875,901
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)						
CURRENT LIABILITIES:						
Accounts payable and accrued expenses	$ 36,985	$ 35,964	$ 2,137,522	$ 3,986,483	$ 80,954	$ 53,330
Accrued salaries	20,068	32,556	266,402	503,214	19,736	35,970
Accrued liabilities and benefits	30,549	64,084	1,600,189	1,578,398	98,261	91,008
Estimated claims payable	-	-	831,400	831,400	28,436	28,436
Due to affiliates	-	-	-	-	32,396	-
Deferred compensation	-	121,961	-	-	-	-
Total current liabilities	87,602	254,565	4,835,513	6,899,495	259,783	208,744
LONG-TERM LIABILITIES						
Other postemployment benefits	1,398,702	1,279,339	68,579,384	61,656,260	4,618,904	4,045,956
Net pension liability	348,185	210,446	16,585,937	12,619,981	1,115,299	907,008
Estimated claims payable	-	-	3,101,598	1,482,231	2,114	9,000
Total long-term liabilities	1,746,887	1,489,785	88,266,919	75,758,472	5,736,317	4,961,964
TOTAL LIABILITIES	1,834,489	1,744,350	93,102,432	82,657,967	5,996,100	5,170,708
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows - relating to pensions	-	-	237,246	-	21,291	-
NET POSITION (DEFICIT):						
Unrestricted	12,876,307	10,305,429	(79,658,228)	(72,841,533)	(5,549,866)	(4,908,068)
Net investment in capital assets	-	-	67,295,327	68,574,155	1,410,936	1,613,261
Total net position (deficit)	12,876,307	10,305,429	(12,362,901)	(4,267,378)	(4,138,930)	(3,294,807)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)	$ 14,710,796	$ 12,049,779	$ 80,976,777	$ 78,390,589	$ 1,878,461	$ 1,875,901

Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
$ 350	$ 350	$ -	$ -	$ 3,462	$ 3,262	$ 2,438	$ 2,438	$ 4,686,241	$ 6,039,114
-	-	-	-	-	-	-	-	3,625,000	3,746,961
10,095	14,070	17,689	28,656	46,302	11,811	2,469	3,216	2,422,682	1,860,971
-	-	-	-	-	-	-	-	369,103	386,043
185,500	40,599	-	-	-	-	-	-	459,250	44,349
731	731	3,739	4,998	179,409	1,574,772	38,731	30,900	3,977,536	4,649,198
-	163,464	460,369	420,483	-	-	-	-	5,897,712	4,097,037
-	-	-	-	700,813	602,920	-	-	3,762,601	3,445,813
4,430	25,681	3,482	3,282	112,809	106,994	26,292	19,987	1,621,168	917,981
201,106	244,895	485,279	457,419	1,042,795	2,299,759	69,930	56,541	26,821,293	25,187,467
-	-	-	-	207,769	792,194	-	-	207,769	792,194
833,771	1,036,996	208,355	291,636	8,726,338	9,727,709	13,382,619	14,067,964	91,857,346	95,311,721
833,771	1,036,996	208,355	291,636	8,934,107	10,519,903	13,382,619	14,067,964	92,065,115	96,103,915
1,034,877	1,281,891	693,634	749,055	9,976,902	12,819,662	13,452,549	14,124,505	118,886,408	121,291,382
173,063	-	396,658	-	848,140	273,478	-	-	5,255,449	273,478
$ 1,207,940	$ 1,281,891	$ 1,090,292	$ 749,055	$ 10,825,042	$ 13,093,140	$ 13,452,549	$ 14,124,505	$ 124,141,857	$ 121,564,860
$ 54,432	$ 44,565	$ 293,972	$ 305,716	$ 195,766	$ 455,646	$ 61,256	$ 82,491	$ 2,860,887	$ 4,964,195
15,962	30,005	15,210	4,112	58,416	112,303	-	-	395,794	718,160
93,979	101,527	53,064	51,784	339,413	343,255	12,413	12,015	2,227,868	2,242,071
47,729	92,729	34,832	34,832	45,000	-	-	-	987,397	987,397
6,838	-	-	-	4,318,590	2,691,685	1,539,888	1,405,352	5,897,712	4,097,037
-	-	-	-	-	-	-	-	-	121,961
218,940	268,826	397,078	396,444	4,957,185	3,602,889	1,613,557	1,499,858	12,369,658	13,130,821
4,084,244	3,535,169	14,338,383	12,643,411	19,969,837	17,964,518	274,197	202,578	113,263,651	101,327,231
975,867	789,461	1,881,622	1,436,725	123,728	165,503	-	-	21,030,638	16,129,124
341	371	27,226	-	2,182,194	1,103,630	-	-	5,313,473	2,595,232
5,060,452	4,325,001	16,247,231	14,080,136	22,275,759	19,233,651	274,197	202,578	139,607,762	120,051,587
5,279,392	4,593,827	16,644,309	14,476,580	27,232,944	22,836,540	1,887,754	1,702,436	151,977,420	133,182,408
18,250	-	27,374	-	23,040	-	-	-	327,201	-
(4,923,473)	(4,348,932)	(15,789,746)	(14,019,161)	(25,157,280)	(19,471,109)	(1,817,824)	(1,645,895)	(120,020,110)	(106,929,269)
833,771	1,036,996	208,355	291,636	8,726,338	9,727,709	13,382,619	14,067,964	91,857,346	95,311,721
(4,089,702)	(3,311,936)	(15,581,391)	(13,727,525)	(16,430,942)	(9,743,400)	11,564,795	12,422,069	(28,162,764)	(11,617,548)
$ 1,207,940	$ 1,281,891	$ 1,090,292	$ 749,055	$ 10,825,042	$ 13,093,140	$ 13,452,549	$ 14,124,505	$ 124,141,857	$ 121,564,860

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2016	2015	2016	2015	2016	2015
OPERATING REVENUES:						
Regular line passenger	$ -	$ -	$ 6,471,177	$ 6,640,673	$ 343,230	$ 331,682
Special line passenger	-	-	6,003,041	6,291,538	480,072	424,998
Subcontract charter	-	-	63,736	21,474	-	-
Advertising, parking and other (net of bad debt allowance of $730,000 for 2015)	316,175	315,487	534,456	(2,133)	10,690	353
Mortgage taxes	6,203,405	5,143,947	-	-	-	-
Operating and other assistance:						
Local assistance	-	-	2,280,989	2,280,763	105,573	105,646
State assistance	-	-	18,901,650	18,321,537	1,851,700	1,938,300
Federal assistance	-	-	6,074,089	5,469,104	209,000	189,800
Total operating and other assistance	-	-	27,256,728	26,071,404	2,166,273	2,233,746
Total operating revenues	6,519,580	5,459,434	40,329,138	39,022,956	3,000,265	2,990,779
OPERATING EXPENSES:						
Maintenance of equipment and facilities	84,926	80,021	8,050,513	8,593,119	724,431	713,891
Downtown transfer hubs	-	-	591,868	612,117	-	-
Transportation operations	-	-	1,306,347	1,508,235	326,036	309,544
Purchased transportation	-	-	-	-	-	-
Service and business development	-	-	614,681	721,115	67,488	65,385
Drivers wages	-	-	9,253,550	9,235,229	1,057,236	1,041,600
Human resources	-	-	164,127	196,132	21,000	23,083
Information Systems	-	-	681,997	636,793	20,004	20,600
General and administrative	542,621	506,858	185,755	100,357	233,359	250,744
Fuel	-	-	903,827	915,007	411,222	390,620
Insurance and risk management	15,096	31,397	2,553,254	1,148,274	39,237	81,008
Workers compensation	4,949	1,062	1,832,439	2,450,592	101,613	156,846
Medical and dental	41,790	35,514	6,078,104	5,956,350	432,341	178,387
Pension	94,546	79,259	2,769,805	2,020,902	162,958	130,018
Other post employment benefits	119,363	119,338	10,065,063	8,864,551	679,775	505,600
Other employee benefits and payroll taxes	39,401	29,691	2,115,674	2,068,621	118,374	113,771
Depreciation expense	-	-	7,196,371	7,147,452	348,776	349,865
Total operating expenses	942,692	883,140	54,363,375	52,174,846	4,743,850	4,330,962
OPERATING INCOME (LOSS)	5,576,888	4,576,294	(14,034,237)	(13,151,890)	(1,743,585)	(1,340,183)
NON-OPERATING REVENUES:						
Grants received for capital additions	-	-	5,392,450	3,240,673	87,721	62,279
Gain on disposal of capital assets	-	-	39,105	17,142	3,240	2,400
Total non-operating revenues	-	-	5,431,555	3,257,815	90,961	64,679
NET INCOME (LOSS) BEFORE TRANSFERS	5,576,888	4,576,294	(8,602,682)	(9,894,075)	(1,652,624)	(1,275,504)
TRANSFER OF FUNDS:						
Transfer of funds - operating	(2,439,346)	(3,441,783)	-	-	786,571	567,210
Transfer of funds - capital	(566,664)	(246,062)	507,159	186,726	21,930	15,570
Total transfers	(3,006,010)	(3,687,845)	507,159	186,726	808,501	582,780
CHANGES IN NET POSITION	2,570,878	888,449	(8,095,523)	(9,707,349)	(844,123)	(692,724)
NET POSITION (DEFICIT) - BEGINNING OF YEAR, as restated	10,305,429	9,416,980	(4,267,378)	5,439,971	(3,294,807)	(2,602,083)
NET POSITION (DEFICIT) - END OF YEAR	$ 12,876,307	$ 10,305,429	$ (12,362,901)	$ (4,267,378)	$ (4,138,930)	$ (3,294,807)

Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
$ 398,348	$ 393,564	$ 438,563	$ 406,370	$ 1,084,187	$ 1,224,142	$ -	$ -	$ 8,735,505	$ 8,996,431
24,956	21,634	24,819	160,564	1,046	1,304	-	-	6,533,934	6,900,038
-	-	-	-	-	-	-	-	63,736	21,474
13,689	253	3,027	-	90,143	4,332	802,475	821,882	1,770,655	1,140,174
-	-	-	-	-	-	-	-	6,203,405	5,143,947
162,396	162,391	128,888	128,888	515,154	515,150	-	-	3,193,000	3,192,838
1,938,600	1,878,204	5,520,900	4,356,996	3,500,000	3,500,004	-	-	31,712,850	29,995,041
185,500	168,500	14,729	15,250	2,025,003	3,272,399	-	-	8,508,321	9,115,053
2,286,496	2,209,095	5,664,517	4,501,134	6,040,157	7,287,553	-	-	43,414,171	42,302,932
2,723,489	2,624,546	6,130,926	5,068,068	7,215,533	8,517,331	802,475	821,882	66,721,406	64,504,996
802,821	790,202	654,970	690,614	2,082,102	2,199,498	577,907	488,635	12,977,670	13,555,980
-	-	-	-	202,525	185,699	-	-	794,393	797,816
338,989	344,846	1,107,305	1,041,505	852,347	826,172	3,900	3,696	3,934,924	4,033,998
16,000	3,750	2,449,658	2,562,591	-	-	-	-	2,465,658	2,566,341
72,696	67,000	187,296	198,600	127,104	122,140	44,853	48,957	1,114,118	1,223,197
819,816	815,988	829,982	782,417	2,528,166	2,584,787	-	-	14,488,750	14,460,021
23,244	23,750	58,704	69,200	77,466	84,032	-	-	344,541	396,197
21,696	21,700	55,896	64,500	75,559	79,839	6,712	11,023	861,864	834,455
250,237	251,535	787,398	880,458	402,815	438,728	157,852	155,472	2,560,037	2,584,152
365,033	367,941	253,237	286,978	756,789	875,510	384	944	2,690,492	2,837,000
26,219	26,831	71,236	21,516	1,114,054	448,122	97,511	77,440	3,916,607	1,834,588
94,824	125,476	57,123	67,321	398,090	407,797	2,793	-	2,491,831	3,209,094
238,929	260,773	295,728	273,863	1,178,155	1,093,606	-	-	8,265,047	7,798,493
168,871	115,030	285,056	165,145	412,993	458,011	-	-	3,894,229	2,968,365
657,784	486,690	1,694,972	1,866,014	2,257,382	2,122,930	71,619	21,698	15,545,958	13,986,821
102,150	101,933	70,573	60,442	436,943	437,198	10,872	5,337	2,893,987	2,816,993
203,225	203,767	83,281	289,818	1,367,822	1,336,861	708,809	708,050	9,908,284	10,035,813
4,202,534	4,007,212	8,942,415	9,320,982	14,270,312	13,700,930	1,683,212	1,521,252	89,148,390	85,939,324
(1,479,045)	(1,382,666)	(2,811,489)	(4,252,914)	(7,054,779)	(5,183,599)	(880,737)	(699,370)	(22,426,984)	(21,434,328)
-	1,880	-	2,667	324,773	561,752	21,116	6,331	5,826,060	3,875,582
6,127	-	-	5,046	7,236	22,400	-	-	55,708	46,988
6,127	1,880	-	7,713	332,009	584,152	21,116	6,331	5,881,768	3,922,570
(1,472,918)	(1,380,786)	(2,811,489)	(4,245,201)	(6,722,770)	(4,599,447)	(859,621)	(693,039)	(16,545,216)	(17,511,758)
695,152	777,489	957,623	2,097,084	-	-	-	-	-	-
-	1,940	-	296	35,228	40,826	2,347	704	-	-
695,152	779,429	957,623	2,097,380	35,228	40,826	2,347	704	-	-
(777,766)	(601,357)	(1,853,866)	(2,147,821)	(6,687,542)	(4,558,621)	(857,274)	(692,335)	(16,545,216)	(17,511,758)
(3,311,936)	(2,710,579)	(13,727,525)	(11,579,704)	(9,743,400)	(5,184,779)	12,422,069	13,114,404	(11,617,548)	5,894,210
$ (4,089,702)	$ (3,311,936)	$ (15,581,391)	$ (13,727,525)	$ (16,430,942)	$ (9,743,400)	$ 11,564,795	$ 12,422,069	$ (28,162,764)	$ (11,617,548)

The accompanying notes are an integral part of these statements.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

CONSOLIDATING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2016	2015	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:						
Passenger receipts	$ -	$ -	$ 12,537,954	$ 12,953,685	$ 835,854	$ 710,711
Mortgage tax receipts	6,220,345	5,073,315	-	-	-	-
Operating assistance	-	-	27,195,728	26,641,871	1,957,273	2,256,316
Receipts from grants	-	54,231	-	-	-	101,350
Other operating receipts	105,627	305,787	189,543	60,621	10,690	353
Payments to vendors and suppliers	(250,446)	(276,367)	(6,664,614)	(2,978,918)	(1,307,740)	(1,368,625)
Payments and benefits to employees	(696,281)	(426,260)	(32,279,720)	(28,605,955)	(2,319,604)	(1,822,714)
Payments for insurance and risk management	1,731	(13,698)	(2,766,327)	(6,805,904)	(121,362)	(321,283)
Net cash from operating activities	5,380,976	4,717,008	(1,787,436)	1,265,400	(944,889)	(443,892)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Operating transfers	(6,312,560)	(3,711,406)	1,789,479	(1,354,693)	978,449	441,492
Net cash from noncapital financing activities	(6,312,560)	(3,711,406)	1,789,479	(1,354,693)	978,449	441,492
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from grants received for capital additions	-	-	5,392,450	3,240,673	87,721	62,279
Transfers in (out) - capital	(566,664)	(246,062)	507,159	186,726	21,930	15,570
Purchase of capital assets	-	-	(5,923,123)	(3,401,709)	(146,451)	(77,849)
Payments on long-term debt	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	44,685	17,142	3,240	2,400
Net cash from capital and related financing activities	(566,664)	(246,062)	21,171	42,832	(33,560)	2,400
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,498,248)	759,540	23,214	(46,461)	-	-
BALANCES - beginning of year	9,748,180	8,988,640	31,520	77,981	325	325
BALANCES - end of year	$ 8,249,932	$ 9,748,180	$ 54,734	$ 31,520	$ 325	$ 325
Reconciliation of operating income (loss) to net cash from operating activities:						
Operating income (loss)	$ 5,576,888	$ 4,576,294	$ (14,034,237)	$ (13,151,890)	$ (1,743,585)	$ (1,340,183)
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation	-	-	7,196,371	7,147,452	348,776	349,865
Bad debt	-	-	-	360,000	-	-
Changes in operating assets and liabilities:						
Accounts receivable:						
Trade and other	(210,548)	(80,332)	(344,913)	(297,246)	12,552	(45,968)
Mortgage tax	16,940	-	-	-	-	-
Operating assistance	-	-	(61,000)	570,467	(209,000)	22,570
Grants	-	54,231	(717,129)	(1,560,548)	-	101,350
Materials and supplies	-	-	(218,895)	395,660	-	-
Prepaid expenses and other current assets	21,776	18,761	(760,268)	(28,633)	26,374	(2,833)
Accounts payable and accrued expenses	1,021	(36,804)	(1,848,961)	2,138,954	27,624	30,692
Other accrued expenses	(46,023)	42,715	(215,021)	20,310	(8,981)	10,407
Other postemployment benefits	119,363	119,338	6,923,124	6,031,998	572,948	423,108
Pension	23,520	-	674,126	-	35,289	-
Estimated claims payable	-	-	1,619,367	(361,124)	(6,886)	7,100
Deferred compensation	(121,961)	22,805	-	-	-	-
Total adjustments	(195,912)	140,714	12,246,801	14,417,290	798,696	896,291
Net cash from operating activities	$ 5,380,976	$ 4,717,008	$ (1,787,436)	$ 1,265,400	$ (944,889)	$ (443,892)

Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
$ 427,279	$ 418,984	$ 463,382	$ 566,933	$ 1,085,233	$ 1,225,445	$ -	$ -	$ 15,349,702	$ 15,875,758
-	-	-	-	-	-	-	-	6,220,345	5,073,315
2,141,595	2,209,099	5,664,517	4,533,359	6,040,157	7,416,341	-	-	42,999,270	43,056,986
-	33,683	1,259	10,160	1,395,363	-	-	5,191	1,396,622	204,615
13,689	253	13,994	-	55,652	77,415	803,222	820,737	1,192,417	1,265,166
(1,402,991)	(1,299,077)	(5,521,674)	(5,203,098)	(2,906,528)	(3,256,088)	(681,678)	(607,480)	(18,735,671)	(14,989,653)
(1,906,331)	(1,876,224)	(1,437,882)	(1,890,964)	(6,902,973)	(6,687,316)	(77,853)	(83,839)	(45,620,644)	(41,393,272)
(144,822)	(239,208)	(101,333)	(88,890)	(394,395)	(657,059)	(178,227)	(80,184)	(3,704,735)	(8,206,226)
(871,581)	(752,490)	(917,737)	(2,072,500)	(1,627,491)	(1,881,262)	(134,536)	54,425	(902,694)	886,689
865,454	752,490	917,737	2,067,446	1,626,905	1,859,096	134,536	(54,425)	-	-
865,454	752,490	917,737	2,067,446	1,626,905	1,859,096	134,536	(54,425)	-	-
-	1,880	-	2,667	324,773	561,752	21,116	6,331	5,826,060	3,875,582
-	1,940	-	296	35,228	40,826	2,347	704	-	-
-	(3,820)	-	(2,955)	(366,451)	(602,812)	(23,463)	(7,035)	(6,459,488)	(4,096,180)
-	-	-	-	-	-	-	-	-	-
6,127	-	-	5,046	7,236	22,400	-	-	61,288	46,988
6,127	-	-	5,054	786	22,166	-	-	(572,140)	(173,610)
-	-	-	-	200	-	-	-	(1,474,834)	713,079
350	350	-	-	3,262	3,262	2,438	2,438	9,786,075	9,072,996
$ 350	$ 350	$ -	$ -	$ 3,462	$ 3,262	$ 2,438	$ 2,438	$ 8,311,241	$ 9,786,075
$ (1,479,045)	$ (1,382,666)	$ (2,811,489)	$ (4,252,914)	$ (7,054,779)	$ (5,183,599)	$ (880,737)	$ (699,370)	$ (22,426,984)	$ (21,434,328)
203,225	203,767	83,281	289,818	1,367,822	1,336,861	708,809	708,050	9,908,284	10,035,813
-	-	-	-	-	-	-	-	-	360,000
3,975	3,786	10,967	(15,589)	(34,491)	73,083	747	(1,145)	(561,711)	(363,411)
-	-	-	-	-	-	-	-	16,940	-
(144,901)	4	-	32,225	-	128,788	-	-	(414,901)	754,054
-	33,683	1,259	10,160	1,395,363	(725,857)	(7,831)	5,191	671,662	(2,081,790)
-	-	-	-	(97,893)	(43,881)	-	-	(316,788)	351,779
21,251	(1,603)	(200)	(53)	(5,815)	(7,299)	(6,305)	(2,744)	(703,187)	(24,404)
9,867	(8,309)	(11,744)	(380)	(259,880)	252,645	(21,235)	22,054	(2,103,308)	2,398,852
(21,591)	(2,933)	12,378	(1,781)	(57,729)	(15,687)	397	692	(336,570)	53,723
549,075	401,410	1,694,972	1,866,014	2,005,319	1,985,352	71,619	21,697	11,936,420	10,848,917
31,593	-	75,613	-	(8,972)	-	-	-	831,169	-
(45,030)	371	27,226	-	1,123,564	318,332	-	-	2,718,241	(35,321)
-	-	-	-	-	-	-	-	(121,961)	22,805
607,464	630,176	1,893,752	2,180,414	5,427,288	3,302,337	746,201	753,795	21,524,290	22,321,017
$ (871,581)	$ (752,490)	$ (917,737)	$ (2,072,500)	$ (1,627,491)	$ (1,881,262)	$ (134,536)	$ 54,425	$ (902,694)	$ 886,689

CENTRAL NEW YORK REGIONAL
TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

CONSOLIDATING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

RECONCILIATION OF DESIGNATED AND UNRESTRICTED CASH AND CASH EQUIVALENTS TO TOTAL CASH AND CASH EQUIVALENTS

	Unrestricted	Current Designated	Total
March 31, 2016	$ 4,686,241	$ 3,625,000	$ 8,311,241
March 31, 2015	$ 6,039,114	$ 3,746,961	$ 9,786,075

1. THE ORGANIZATION

The Central New York Regional Transportation Authority (the Authority or CNYRTA) was created in 1970 by an act of the New York State Legislature to provide for the continuance, further development and improvement of public transportation and other related services within Onondaga County. In ensuing years, Oswego, Cayuga and Oneida joined the Authority which is now Central New York Regional Transportation Authority and Subsidiaries. The Authority is considered a discretely presented component unit of the State of New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statements
The consolidating financial statements include the accounts of the Authority and its public benefit subsidiary corporations, CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc., Centro of Oneida, Inc., Centro Call-A-Bus, Inc. and the Intermodal Transportation Center, Inc. CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc., Centro of Oneida, Inc. and Centro Call-A-Bus provide public bus transportation. Intermodal Transportation Center, Inc. owns and operates the William F. Walsh Regional Transportation Center, which serves as a hub for local and intercity bus and passenger rail transportation.

The accounts of the Authority include the activities of Centro Parking, Inc., a public benefit subsidiary corporation. Revenue and expenses for Centro Parking, Inc. are as follows:

	2016	2015
Parking revenues	$ 312,039	$ 310,718
Facility maintenance	(84,926)	(80,499)
General and administrative	(37,930)	(35,269)
Net income	$ 189,183	$ 194,950
Assets	$ 2,989,254	$ 2,792,789
Liabilities	$ 256,424	$ 249,143

Measurement Focus and Basis of Accounting
The Authority's financial statements have been prepared in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board. The Authority operates as a proprietary fund and utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset is used. Fund equity is classified as net position (deficit).

Cash and Cash Equivalents
Cash equivalents include money market accounts and all highly liquid investments with a maturity of three months or less when purchased.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable consist primarily of amounts due from customers for services provided and for advertising. Management records an allowance for doubtful accounts based on past collection experience and an analysis of outstanding amounts. When appropriate collection efforts are exhausted, the account is written off. Management had established an allowance for doubtful accounts of $730,000 for the year ended March 31, 2015. No allowance for doubtful accounts was deemed necessary for the year ended March 31, 2016.

Mortgage Recording Tax

The Authority receives a portion of mortgage recording tax equal to $.25 for every $100 of borrowings in the form of new mortgages and the refinancing of existing mortgages from the counties in which the component units conduct operations, not including mortgages of tax-exempt organizations. The amounts earned during the year have been recorded as mortgage recording tax in the accompanying statements of revenue, expenses and changes in net position. Any amounts due but not yet collected have been recorded as mortgage tax receivable in the accompanying statements of net position. Management considers the mortgage tax receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

Materials and Supplies Inventory

Materials and supplies inventory consists primarily of replacement parts for revenue vehicles and parts for the CNG fueling station. Materials and supplies are valued at the lower-of-cost or market with cost determined using the first-in, first-out method.

Capital Assets and Depreciation

Assets acquired by the Authority are recorded at cost, including the Authority's local share of a grant, if any. In general, the Authority capitalizes all expenditures for capital assets in excess of $5,000; however, any item procured with any portion of federal or state funds is capitalized regardless of cost. Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the assets, as determined by industry standards, range from 5 to 40 years.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority reports deferred outflows of resources for its pension amounts as described in Note 11.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has deferred inflows of resources resulting from its pension amounts as described in Note 11.

Pension Plans

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to the various defined benefit pension plans, and pension expense, information about the fiduciary net position of the defined benefit pension plans and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the various plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair market value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

GASB requires the classification of net position into three components – net investment in capital assets, restricted and unrestricted. The Authority does not have restricted net position as of March 31, 2016 or 2015. The classifications the Authority has are defined as follows:

- Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Unrestricted - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted."

Operating Revenues and Expenses

Operating revenues and expenses include all revenues and expenses used to fund the general operations of the Authority. Grants received for capital additions, along with funds used to finance the Authority's local share of additions, are considered non-operating revenues.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidating financial statements and accompanying notes. Actual results could differ from those estimates.

3. CHANGE IN ACCOUNTING PRINCIPLE

The Authority adopted the following accounting standards for the year ended March 31, 2016:

GASB Statements No. 67, Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25, and No. 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27. The objective of Statement No. 67 is to improve financial reporting by state and local governmental pension plans. Statement No. 67 replaces the requirements of Statements No. 25 and No. 50 as they related to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68, as well as for non-employer governments that have a legal obligation to contribute to those plans.

GASB issued Statement No. 71, Pension Transitions for Contributions Made Subsequent to the Transition Date – an Amendment of GASB Statement No. 68 that addresses an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions.* The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension lability.

3. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

This statement required the addition of several lines to the Authority's financial statements and a cumulative change in accounting principle adjustment to net position as shown in the table below:

	Net Pension Asset	Net Pension Liability	Deferred Outflows	Net Position
Balance at March 31, 2014, as previously reported	$ -	$ -	$ -	20,957,662
Restatement of beginning balance - Adoption of GASB Statements No. 68 and No. 71				
Centro Non-Salaried Pension Plan	-	11,754,713	-	(11,754,713)
Centro Salaried Pension Plan	-	4,208,908	-	(4,208,908)
Utica Transit Service Pension Plan	(792,194)	-	(66,614)	858,808
NYS Employees' Retirement System Plan	-	165,503	(206,864)	41,361
	(792,194)	16,129,124	(273,478)	(15,063,452)
Balance at April 1, 2014, as restated	$ (792,194)	$ 16,129,124	$ (273,478)	$ 5,894,210

4. CASH AND CASH EQUIVALENTS

New York State governs the Authority and its subsidiaries' investment policies. Permitted investments are subject to various conditions and include bank certificates, certificates of deposit, and obligations of the State of New York or the United States government, certain repurchase agreements and permitted bonds and notes.

Designated cash and cash equivalents

Designated cash and cash equivalents are used to fund the self-insurance reserve (see Note 7) and to fund a supplemental deferred compensation plan (see Note 6).

	2016	2015
Self-insurance reserve	$ 3,625,000	$ 3,625,000
Deferred compensation plan	-	121,961
Total Designated Cash and Cash Equivalents	$ 3,625,000	$ 3,746,961

Deposits

At March 31, 2016 and 2015, the carrying amount of the Authority and its subsidiaries' bank deposits was $8,311,241 and $9,786,075, respectively and the bank balances were $9,824,177 and $10,223,645, respectively. These bank balances were fully insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by qualifying investments held in the pledging bank's trust department by a third-party trustee.

5. CAPITAL ASSETS AND DEPRECIATION

Capital assets consisted of the following:

	March 31, 2016							
						Intermodal		
	CNY	Centro of	Centro of	Centro	Centro of	Transportation	2016	2015
	Centro, Inc	Oswego, Inc	Cayuga, Inc	Call-A-Bus, Inc	Oneida, Inc.	Center, Inc.	Total	Total
Land	$ 4,275,143	$ 6,400	$ 8,052	$ -	$ -	$ 712,742	$ 5,002,337	$ 5,002,337
Construction in progress	128,878	-	-	-	124,500	-	253,378	6,039,381
Improvements	181,507	53,348	59,295	-	635,371	2,096,998	3,026,519	2,986,821
Buildings	45,047,019	1,961,490	1,577,478	84,075	1,063,797	20,065,600	69,799,459	68,742,687
Revenue vehicles	64,533,001	3,026,043	3,313,786	4,522,434	10,501,043	-	85,896,307	85,891,111
Other equipment	17,372,827	692,187	283,206	29,016	2,771,411	29,340	21,177,987	14,315,350
Furniture and office equipment	4,993,849	38,749	46,553	50,017	754,149	228,618	6,111,935	6,061,437
Total	136,532,224	5,778,217	5,288,370	4,685,542	15,850,271	23,133,298	191,267,922	189,039,124
Less: accumulated depreciation	69,236,897	4,367,281	4,454,599	4,477,187	7,123,933	9,750,679	99,410,576	93,727,403
Total	$67,295,327	$1,410,936	$ 833,771	$ 208,355	$ 8,726,338	$ 13,382,619	$91,857,346	$95,311,721

Capital asset activity for the year ended March 31, 2016:

	Total Balance at March 31, 2015	Increases	Decreases	Total Balance at March 31, 2016
Not being depreciated:				
Land	$ 5,002,337	$ -	$ -	$ 5,002,337
Construction on progress	6,039,381	1,570,347	(7,356,350)	253,378
Subtotal	11,041,718	1,570,347	(7,356,350)	5,255,715
Other capital assets:				
Improvements	2,986,821	39,698	-	3,026,519
Buildings	68,742,687	1,056,772	-	69,799,459
Revenue Vehicles	85,891,111	3,990,237	(3,985,041)	85,896,307
Other Equipment	14,315,350	7,104,299	(241,662)	21,177,987
Furniture and Office Equipment	6,061,437	54,485	(3,987)	6,111,935
Subtotal	177,997,406	12,245,491	(4,230,690)	186,012,207
Total capital assets	189,039,124	13,815,838	(11,587,040)	191,267,922
Accumulated depreciation:				
Improvements	933,867	195,204	-	1,129,071
Buildings	31,280,273	2,101,391	-	33,381,664
Revenue Vehicles	48,221,605	6,186,190	(3,985,041)	50,422,754
Other Equipment	7,928,218	1,195,139	(236,083)	8,887,274
Furniture and Office Equipment	5,363,440	230,360	(3,987)	5,589,813
Total	93,727,403	9,908,284	(4,225,111)	99,410,576
Net capital assets	$ 95,311,721	$ 3,907,554	$ (7,361,929)	$ 91,857,346

5. CAPITAL ASSETS AND DEPRECIATION (Continued)

Capital asset activity for the year ended March 31, 2015:

	Total Balance at March 31, 2014	Increases	Decreases	Total Balance at March 31, 2015
Not being depreciated:				
Land	$ 5,002,337	$ -	$ -	$ 5,002,337
Construction on progress	2,961,669	3,077,712	-	6,039,381
Subtotal	7,964,006	3,077,712	-	11,041,718
Other capital assets:				
Improvements	2,986,821	-	-	2,986,821
Buildings	68,428,996	313,691	-	68,742,687
Revenue Vehicles	86,528,371	-	(637,260)	85,891,111
Other Equipment	19,200,968	623,343	(5,508,961)	14,315,350
Furniture and Office Equipment	5,980,003	81,434	-	6,061,437
Subtotal	183,125,159	1,018,468	(6,146,221)	177,997,406
Total capital assets	191,089,165	4,096,180	(6,146,221)	189,039,124
Accumulated depreciation:				
Improvements	740,269	193,598	-	933,867
Buildings	29,198,325	2,081,948	-	31,280,273
Revenue Vehicles	42,623,759	6,235,106	(637,260)	48,221,605
Other Equipment	12,260,560	1,176,619	(5,508,961)	7,928,218
Furniture and Office Equipment	5,014,898	348,542	-	5,363,440
Total	89,837,811	10,035,813	(6,146,221)	93,727,403
Net capital assets	$ 101,251,354	$ (5,939,633)	$ -	$ 95,311,721

Total depreciation expense charged to operating expenses was $9,908,284 and $10,035,813 for the years ended March 31, 2016 and 2015, respectively.

6. DEFERRED COMPENSATION PLANS

The Authority and subsidiaries offer their employees participation in the New York State Deferred Compensation Plan which was created under Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their wages until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

6. DEFERRED COMPENSATION PLANS (Continued)

Amendments by the Small Business Jobs Protection Act of 1996 and the Internal Revenue Code require the deferred amounts to be set aside in trust for the exclusive benefit of the participants. During the year ended March 31, 1998, the Authority adopted Government Auditing Standards Board No. 32, *Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Under this standard, plan assets and the related liability are no longer the Authority's property. The Plan Administrator manages all investments and makes payments upon employees' retirement. The Section 457 Deferred Compensation designated cash and investment account and the related deferred compensation liability are no longer recorded on the financial statements of the Authority. For salaried and non-salaried full time employees participating in the defined contribution plans, there is a mandatory employee contribution of 3% of the employees' salary to the State Deferred Compensation Plan.

Additionally, the Authority established a deferred compensation plan in 2009. For the years ended March 31, 2016 and 2015 contributions to the plan were $17,552 and $22,500, respectively. For the year ended March 31, 2016 the deferred compensation plan had a balance of $139,572 and was paid out to a retired employee.

7. ESTIMATED CLAIMS PAYABLE AND SELF-INSURANCE RESERVE

The Authority is self-insured for individual, personal injury and property damage claims up to $1,500,000 for automobile liability and $1,000,000 for general liability for any one occurrence. In addition, the Authority is self-insured for employee health benefits claims up to $250,000, for any one occurrence, with a $1,250,000 lifetime claim maximum. The Authority utilizes a third-party administrator to oversee their self-insured health program. The Authority was self-insured for worker's compensation claims until June 1, 2000 at which time it became fully insured. In August 2015 the Authority changed its worker's compensation carrier. The Authority is still insured, however, they now have a $150,000 deductible which is per accident, per employee. The Authority funds the insurance reserve monthly with the insurance carrier to cover all deductibles that they are responsible for.

The Authority is involved in several lawsuits which have arisen in the ordinary course of its business. The Authority believes it has meritorious defenses and intends to vigorously defend these cases. However, the ultimate outcome of this litigation cannot presently be determined. Management believes that the reserves for claims payable, established by third party administrators, are sufficient to cover any probable claims.

Reserves for outstanding claims, which include specific incremental costs, are included in estimated claims payable at March 31, 2016 and 2015. The Authority has designated $3,625,000 of net position at March 31, 2016 and 2015 as a special reserve (See Note 4).

The changes in estimated claims payable:

Balance March 31, 2015	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2016	Amount Due Within One Year
$ 3,582,629	$ 11,564,456	$ 8,846,215	$ 6,300,870	$ 987,397

Balance March 31, 2014	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2015	Amount Due Within One Year
$ 3,617,950	$ 10,683,787	$ 10,719,108	$ 3,582,629	$ 987,397

8. INTER-COMPANY BORROWINGS AND COST ALLOCATIONS

For cash management purposes, most disbursements are made from one bank account which is recorded on Central New York Regional Transportation Authority's books. A single payroll cash account is maintained on CNY Centro, Inc.'s books and is used to pay payroll for all companies. These cash management practices are one of the main reasons why inter-company due from and due to affiliates exist. The other main reason inter-company due from and due to affiliates exist is that certain administrative costs are allocated from CNY Centro, Inc. to the various companies. These costs are originally recorded in CNY Centro, Inc. and allocated based on estimates of time incurred or revenue vehicle miles, as appropriate. These due from and due to affiliate accounts are short-term in nature.

The following schedule summarizes inter-company net receivables and payables at March 31:

	2016	
	Due From Affiliates	Due To Affiliates
Central New York Regional Transporation Authority	$ 5,233,642	$ -
CNY Centro, Inc.	203,701	-
Centro of Oswego, Inc.	-	32,396
Centro of Cayuga, Inc.	-	6,838
Centro Call-A-Bus, Inc.	460,369	-
Centro of Oneida, Inc.	-	4,318,590
Intermodal Transportation Center, Inc.	-	1,539,888
Total	$ 5,897,712	$ 5,897,712

	2015	
	Due From Affiliates	Due To Affiliates
Central New York Regional Transporation Authority	$ 1,360,428	$ -
CNY Centro, Inc.	1,993,180	-
Centro of Oswego, Inc.	159,482	-
Centro of Cayuga, Inc.	163,464	-
Centro Call-A-Bus, Inc.	420,483	-
Centro of Oneida, Inc.	-	2,691,685
Intermodal Transportation Center, Inc.	-	1,405,352
Total	$ 4,097,037	$ 4,097,037

9. OPERATING ASSISTANCE FUNDS AND AUTHORITY TRANSFERS

The Authority administers and disburses all operating assistance funds received from various governmental agencies. The funds are recorded upon notification from the agency of the amount of assistance, and are reflected in income in accordance with the terms and periods covered by the specific assistance notification.

In addition to the operating assistance received from the various governmental agencies, the Authority transfers funds to its subsidiaries to meet the unsubsidized cost of operations.

The following amounts were used to fund the service costs of the operating companies:

	2016					
	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Total
Operating assistance:						
United States Department of Transportation:						
Rural and Small Urbanized Area Operating	$ 61,000	$ 209,000	$ 185,500	$ -	$ 2,000,003	$ 2,455,503
New Freedom	67,889	-	-	14,729	-	82,618
Special Reimbursements – Maintenance and Tire Leasing	5,945,200	-	-	-	-	5,945,200
New York State Department of Transportation:						
Regular operating – STOA	18,158,500	1,851,700	1,938,600	5,520,900	3,500,000	30,969,700
Special Reimbursements – Maintenance and Tire Leasing	743,150	-	-	-	-	743,150
Other New York State:						
Temporary Assistance for Needy Families (TANF)	-	-	-	-	25,000	25,000
City of Oswego	-	15,000	-	-	-	15,000
Onondaga County	2,280,989	-	-	128,888	-	2,409,877
Oneida County	-	-	-	-	515,154	515,154
Oswego County	-	90,573	-	-	-	90,573
Cayuga County	-	-	162,396	-	-	162,396
Subtotal	27,256,728	2,166,273	2,286,496	5,664,517	6,040,157	43,414,171
Authority transfers	-	786,571	695,152	957,623	-	2,439,346
TOTAL	$ 27,256,728	$ 2,952,844	$ 2,981,648	$ 6,622,140	$ 6,040,157	$ 45,853,517

	2015					
	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Total
Operating assistance:						
United States Department of Transportation:						
Rural and Small Urbanized Area Operating	$ 54,900	$ 189,800	$ 168,500	$ -	$ 3,247,399	$ 3,660,599
New Freedom	83,508	-	-	15,250	-	98,758
Special Reimbursements – Maintenance and Tire Leasing	5,330,696	-	-	-	-	5,330,696
New York State Department of Transportation:						
Regular operating – STOA	17,655,204	1,938,300	1,878,204	4,356,996	3,500,004	29,328,708
Special Reimbursements – Maintenance and Tire Leasing	666,333	-	-	-	-	666,333
Other New York State:						
Temporary Assistance for Needy Families (TANF)	-	-	-	-	25,000	25,000
City of Oswego	-	15,000	-	-	-	15,000
Onondaga County	2,280,763	-	-	128,888	-	2,409,651
Oneida County	-	-	-	-	515,150	515,150
Oswego County	-	90,646	-	-	-	90,646
Cayuga County	-	-	162,391	-	-	162,391
Subtotal	26,071,404	2,233,746	2,209,095	4,501,134	7,287,553	42,302,932
Authority transfers	-	567,210	777,489	2,097,084	-	3,441,783
TOTAL	$ 26,071,404	$ 2,800,956	$ 2,986,584	$ 6,598,218	$ 7,287,553	$ 45,744,715

10. GRANT ASSISTED PROJECTS

Grant assisted projects in progress at March 31, 2016 consisted of:

	Total Amount of Project	Total Amount Expended	Balance March 31, 2016
Expansion paratransit vehicles	$ 257,000	$ 256,962	$ 38
Replacement CAD/AVL system	5,118,750	5,106,838	11,912
Bus replacements, maintenance and office rehabilitation	11,507,000	11,500,920	6,080
Oneida Call-A-Bus replacement vehicles	600,000	598,220	1,780
Bus stop signs and posts, replacement bus shelters, computer hardware and software, replacement support vehicles Onondaga and Oneida, maintenance facility renovations Oneida, engineering services	9,088,660	8,444,750	643,910
Bus stop signs and posts, computer hardware, Syracuse service trucks, Syracuse supervisory vehicles, Onondaga preventive maintenance	12,357,670	12,185,240	172,430
Bus replacements	1,780,000	-	1,780,000
Onondaga preventive maintenance, Oneida operating assistance	17,328,392	9,323,283	8,005,109
Renovation and rehabilitation of Oneida facility	645,000	642,051	2,949
Utica garage renovations	532,000	12,780	519,220
Replacement farebox system	2,561,191	2,365,215	195,976
New Freedom funding	416,802	403,376	13,426

In connection with the above projects, the Authority is committed to participate with its own funds in amounts not to exceed approximately $1,100,000.

11. PENSION PLANS

The Authority and its subsidiaries provide retirement benefits to substantially all full-time employees through salaried and non-salaried pension plans. In addition, the Authority participates in the New York State and Local Employees' Retirement System (ERS) for certain employees of Centro of Oneida, Inc.

Pension Plans for Salaried and Non-Salaried Employees of CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc. and Centro Call-A-Bus (Referred to as the Centro Plans)

CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc. and Centro Call-A-Bus provide retirement benefits to salaried and non-salaried full-time employees (hired before the dates where these plans were closed, as noted below) through non-contributory defined benefit salaried and non-salaried plans. The non-salaried and salaried pension plans issue stand-alone financial reports. Benefits become fully vested after five years of credited service for the salaried plan and ten years of credited service for the non-salaried plan. Salaried employees hired after September 1, 2011 are not eligible to participate in the defined benefit salaried plan. Non-salaried employees hired after August 3, 2011 are not eligible to participate in the defined benefit non-salaried plan. Full-time employees hired after these dates must participate in the new 401(a) defined contribution plans created for the 3% employer contributions made and are further required by labor agreement or company policy to contribute at least 3% of their wages to the New York State Deferred Compensation Plan (see Note 6) .

Centro Defined Benefit Plans

Centro Non-Salaried Employees Retirement Plan

Plan Description

The Authority administers the Centro Non-Salaried Employees Retirement Plan (CNSERP), a single employer non-contributory defined benefit pension plan that provides pensions for employees of CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc. and Centro Call-A-Bus who are members in good standing with the Amalgamated Transit Union, Local Division 580 (the union), hired before August 3, 2011.

Plan Membership

At April 1, 2015, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	242
Inactive plan members entitled to but not yet receiving benefits	40
Active plan members	225
	507

Benefits Provided

Retirement benefits for plan members who complete at least 25 years of service is equal to \$68.98 (\$57.86 if less than 25 years of benefit service) times the number of years of benefit service. Normal retirement age is age 62. Plan members may retire as early as age 55 with 25 years of service but benefits will be reduced by .5% for each month that the actual retirement date precedes the normal retirement date.

11. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

Contributions

Retirement benefits are negotiated with the Union. The Board of Directors appoints a Retirement Committee and the Committee establishes the funding policy and reviews this policy annually. Although not required, it has been the policy of the Authority to fund between the minimum and the maximum actuarially determined contribution, which consists of the normal cost, plus the amortization of the unfunded accrued liability, including liabilities arising from plan amendments and changes in actuarial assumptions, over 10 years for the maximum and 30 years for the minimum contribution.

Contributions made to this plan were $1,464,070 and $1,302,004 for the years ended March 31, 2016 and 2015, respectively. These amounts represent the minimum contribution actuarially calculated for these fiscal years.

Net Pension Liability

The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2016 was performed as of April 1, 2015. Resulting amounts were rolled forward to the measurement date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of April 1, 2015 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0 percent
Salary increases	3.5 percent average, including inflation
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Unit Credit Method

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, as appropriate.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The policy, in regard to the allocation of investment assets, is established and may be amended by the Authority's Board of Directors by a majority vote. It is the policy of the Authority's Board of Directors to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

11. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

The Board of Director's target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Total equities (Domestic and International)	55%	6.0%
Fixed income	45%	2.5%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that the Authority will continue to make contributions such that the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)–(b)
Balances at March 31, 2015	$ 39,320,330	$ 27,565,617	$ 11,754,713
Changes for the Year:			
Service cost	546,762	-	546,762
Interest	2,687,185	-	2,687,185
Differences between expected and actual experience	(354,854)	-	(354,854)
Contributions – employer	-	1,464,070	(1,464,070)
Net investment income	-	(747,434)	747,434
Benefit payments, including refunds of employee contributions	(2,074,856)	(2,074,856)	-
Administrative expense	-	(26,062)	26,062
Other changes	-	-	-
Net Changes	804,237	(1,384,282)	2,188,519
Balances at March 31, 2016	$ 40,124,567	$ 26,181,335	$ 13,943,232

11. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority, calculated using the discount rate of 7%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability	$ 18,074,577	$ 13,943,232	$ 10,396,217

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended March 31, 2016, the Authority recognized pension expense of $1,833,812. At March 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 304,161
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	2,122,938	-
Total	$ 2,122,938	$ 304,161

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended March 31:	
2017	$ 480,041
2018	480,041
2019	480,041
2020	480,040
2021	(50,693)
Thereafter	(50,693)
	$ 1,818,777

11. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan

Plan Description
The Authority administers the Centro Salaried Employees Pension Plan (CSEPP), a single employer non-contributory defined benefit pension plan that provides pensions for full-time, non-union employees of CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc. and Centro Call-A-Bus, hired before September 1, 2011.

Plan Membership
At April 1, 2015, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	55
Inactive plan members entitled to but not yet receiving benefits	24
Active plan members	80
	159

Benefits Provided
Retirement benefits for plan members who complete at least 25 years of service is equal to 1/50th (1/60th if less than 25 years of benefit service) of average monthly earnings times the years of benefit service. Maximum benefit is equal to 70% of average monthly earnings. Normal retirement age is the earlier of age 62 with 5 years of service, or, age 57 with 30 years of service. Plan members may retire as early as age 55 with 5 years of service but benefits will be reduced by .5% for each month that the actual retirement date precedes the normal retirement date.

Contributions
The Board of Directors appoints a Retirement Committee and the Committee establishes the funding policy and reviews this policy annually. Although not required, it has been the policy of the Authority to fund between the minimum and the maximum actuarially determined contribution, which consists of the normal cost, plus the amortization of the unfunded accrued liability, including liabilities arising from plan amendments and changes in actuarial assumptions, over 10 years for the maximum and 30 years for the minimum contribution.

Contributions made to the plan were $1,069,524 and $1,130,634 for the years ended March 31, 2016 and 2015, respectively. These amounts represent the minimum contribution actuarially calculated for these fiscal years.

Net Pension Liability
The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2016 was performed as of April 1, 2015. Resulting amounts were rolled forward to the measurement date.

Actuarial Assumptions
The total pension liability was determined by an actuarial valuation as of April 1, 2015 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0 percent
Salary increases	3.5 percent average, including inflation
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Entry age normal, level percent of payroll

11. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, as appropriate.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The policy, in regard to the allocation of investment assets, is established and may be amended by the Authority's Board of Directors by a majority vote. It is the policy of the Authority's Board of Directors to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

The Board of Director's target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Total equities (Domestic and International)	55%	6.0%
Fixed income	45%	2.5%
Total	100%	

Discount Rate
The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that the Authority will continue to make contributions such that the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

Changes in the Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)–(b)
Balances at March 31, 2015	$ 28,309,669	$ 24,100,761	$ 4,208,908
Changes for the Year:			
Service cost	647,997	-	647,997
Interest	2,019,610	-	2,019,610
Differences between expected and actual experience	458,893	-	458,893
Contributions - employer	-	1,069,524	(1,069,524)
Net investment income	-	(665,111)	665,111
Benefit payments, including refunds of employee contributions	(1,043,035)	(1,043,035)	-
Administrative expense	-	(32,683)	32,683
Other changes	-	-	-
Net Changes	2,083,465	(671,305)	2,754,770
Balances at March 31, 2016	$ 30,393,134	$ 23,429,456	$ 6,963,678

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability of the Authority, calculated using the discount rate of 7%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability	$ 10,406,387	$ 6,963,678	$ 4,025,427

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report.

11. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended March 31, 2016, the Authority recognized pension expense of $1,539,923. At March 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 401,531	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	1,882,840	-
Total	$ 2,284,371	$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended March 31:	
2017	$ 528,072
2018	528,072
2019	528,072
2020	528,072
2021	57,362
Thereafter	114,721
	$ 2,284,371

Centro Defined Contribution Plans

Salaried employees of CNY Centro, Centro of Oswego, Centro of Cayuga and Centro Call-A-Bus hired after September 1, 2011 and non-salaried employees of those companies hired after August 3, 2011 must participate in the new 401(a) defined contribution pension plans to which the employer will make a maximum contribution of 3% of wages on behalf of each employee. Separately, by collective bargaining agreement or by company policy, employees must contribute at least 3% of wages into the New York State Deferred Compensation Plan (see Note 6) on their own behalf. Only full-time employees are eligible to participate in the 401(a) plans. Benefits in the 401(a) employer contributions vest after ten years of service for the non-salaried plan and after five years of service for the salaried plan. For the years ended March 31, 2016 and 2015, employer contributions to the 401(a) plans were $103,790 and $84,151, respectively.

11. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan

Plan Description

The Utica Transit Service Corporation Pension Plan (UTSCPP) is administered by the Administrative Committee consisting of persons designated by Centro of Oneida, Inc. and participants who are eligible employees to administer the plan. UTSCPP is a single employer defined benefit pension plan that provides pensions for any employees who are members of the United Public Service Employees Union Local 424 and make mandatory employee contributions pursuant to the terms of the plan.

Plan Membership

At December 31, 2015, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	16
Inactive plan members due to transfer out of union	6
Active plan members	62
	124

Benefits Provided

The monthly retirement benefit for active plan members is equal to $62.50 (effective January 1, 2014) times years of credited service, plus one-twelfth of 10% of employee contributions, accumulated without interest. Normal retirement age is the later of age 65 or 5 years of service. Plan members may retire as early as age 55 with 10 years of service but benefits will be reduced by 4% for each year that the actual retirement date precedes age 60.

The benefit rate for active plan members was increased from $60 to $62.50 as of January 1, 2015. As required by GASB Statement No.67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*, the resulting increase in total pension liability was immediately recognized in pension expense for the measurement period ending December 31, 2015.

Contributions

Contributions to the Utica Transit Services Corporation Pension Plan are not actuarially determined. Contributions are made by the employer and by participant members pursuant to the collective bargaining agreement currently in force. For the plan years ended December 31, 2015 and December 31, 2014, the contribution rate as a percent of wages equaled 4% for employee contributions and 10% for employer contributions. Employer contributions were $247,180 and $240,236 for the plan years ended December 31, 2015 and 2014, respectively and were equal to 100% of the required contributions. Employee contributions to the plan for the plan years ended December 31, 2015 and 2014 were $116,223 and $118,211 respectively.

Net Pension Liability

The total pension liability was determined by an actuarial valuation as of December 31, 2015. The measurement date is also December 31, 2015, the end of the plan year.

11. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2015 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0 percent
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, as appropriate.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The policy, in regard to the allocation of investment assets, is established and may be amended by the Administrative Committee. It is the policy of the Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

The following was the Committee's adopted asset allocation strategy as of December 31, 2015:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities (Domestic and International)	55%	6.0%
Fixed Income	45%	2.5%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that the Authority will continue to make contributions such that the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

11. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

Changes in the Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)–(b)
Balances at December 31, 2014	$ 5,767,449	$ 6,559,643	$ (792,194)
Changes for the Year:			
Service Cost	227,437	-	227,437
Interest	412,378	-	412,378
Differences between expected and actual experience	(25,600)	-	(25,600)
Contributions – employer	-	247,180	(247,180)
Contributions – employee	-	116,223	(116,223)
Net Investment Income	-	(218,433)	218,433
Benefit payments, including refunds of employee contributions	(366,654)	(366,654)	-
Administrative expense	-	(20,349)	20,349
Change in plan terms	94,831	-	94,831
Net Changes	342,392	(242,033)	584,425
Balances at December 31, 2015	$ 6,109,841	$ 6,317,610	$ (207,769)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability (asset) of the Authority, calculated using the discount rate of 7%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability (asset)	$ 479,798	$ (207,769)	$ (789,459)

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report.

11. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended March 31, 2016, the Authority recognized pension expense of $312,652. At March 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 23,040
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	541,993	-
Contributions subsequent to the measurement date	59,970	-
Total	$ 601,963	$ 23,040

The Authority recognized deferred outflows of resources relating to pensions resulting from contributions made subsequent to the measurement date of December 31, 2015 which will result in a reduction of the net pension liability for the year ending March 31, 2017. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Date December 31:	Year Ended March 31:	
2016	2017	$ 132,938
2017	2018	132,938
2018	2019	132,938
2019	2020	132,939
2020	2021	(2,560)
Thereafter	Thereafter	(10,240)
		$ 518,953

Pension Plan with New York State and Local Employees' Retirement System

The Authority participates in the New York State and Local Employees' Retirement System (ERS) also referred to as New York State and Local Retirement System (the NYSERS for salaried employees of Centro of Oneida, Inc. and non-salaried employees that were former employees of Rome VIP. This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSERS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSERS. The NYSERS benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the NYSERS, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance.

11. PENSION PLANS (Continued)

Pension Plan with New York State and Local Employees' Retirement System (Continued)

The system is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The NYSERS is noncontributory except for employees who joined the ERS after July 27, 1976, who contribute 3.0% percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determine rates expressly used in computing the employers' contributions based on salaries paid during the NYSERS' fiscal year ending March 31.

Contributions

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

March 31, 2016	$	179,227
March 31, 2015		208,743
March 31, 2014		245,774

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At March 31, 2016 the Authority reported a net pension liability for its proportionate share of the NYSERS net pension liability. The net pension liability measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2016 the Authority reported the following:

Net Pension Liability	$	123,728
Authority's Proportion Percent		0.0036625%
Pension Expense	$	120,284

At March 31, 2016, the Authority reported deferred outflows of resources related to the pension from the following sources:

		Deferred Outflows of Resources
Differences between expected and actual experience	$	3,961
Net difference between projected and actual earnings on pension plan investments		21,490
Changes in proportion and differences between the contributions and proportionate share of contributions		41,499
Contributions subsequent to the measurement date		179,227
	$	246,177

11. PENSION PLANS (Continued)

Pension Plan with New York State and Local Employees' Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The Authority recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2015 which will result in a reduction of the net pension liability for the year ending March 31, 2017.

The other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:		
2016	$	16,738
2017		16,738
2018		16,738
2019		16,736
	$	66,950

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Authority proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate:

	1%Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of net pension liability (asset)	$ 824,698	$ 123,728	$ (468,065)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the Authority as of March 31, 2015 were as follows:

	Pension Plan's Fiduciary Net Position	Authority's proportionate share of Plan's Fiduciary Net Position	Authority's allocation percentage as determined by the Plan
Total pension liability	$164,591,504,000	$ 6,028,164	0.0036625%
Net position	(161,213,259,000)	(5,904,436)	0.0036625%
Net pension liability	$ 3,378,245,000	$ 123,728	0.0036225%
Fiduciary net position as a percentage of total pension liability	97.9%	97.9%	

11. PENSION PLANS (Continued)

Pension Plan with New York State and Local Employees' Retirement System (Continued)

Actuarial Assumptions

The total pension liability at March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The total pension liability for the March 31, 2014 measurement date was determined by using an actuarial valuation as of April 1, 2014.

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.9 percent indexed by service
Projected COLAs	1.4% compounded annually
Decrements	Developed from the Plan's 2010 experience study of the period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.5% compounded annually, net of investment expenses

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expect future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 are summarized below:

Long-Term Expected Rate of Return

Asset Type	Target Allocations In %	Long-Term expected real rate of return in %
Domestic equity	38.0	7.30
International Equity	13.0	8.55
Private Equity	10.0	11.00
Real Estate	8.0	8.25
Absolute Return	3.0	6.75
Opportunistic Portfolio	3.0	8.60
Real Assets	3.0	8.65
Bonds & Mortgages	18.0	4.00
Cash	2.0	2.25
Inflation-Indexed Bonds	2.0	4.00
	100%	

11. **PENSION PLANS (Continued)**

Pension Plan with New York State and Local Employees' Retirement System (Continued)

Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Summary of Net Pension Asset, Liabilities, Deferred Outflows and Deferred Inflows

The components of the net pension asset, net pension liabilities, and deferred outflows of resources and deferred inflows of resources are as follows as of March 31:

	2016			
	Net Pension Asset	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources
Centro Non-Salaried Employees Retirement Plan	$ -	$13,943,232	$ 2,122,938	$ 304,161
Centro Salaried Employees Pension Plan	-	6,963,678	2,284,371	-
Utica Transit Service Corporation Pension Plan	207,769	-	601,963	23,040
New York State and Local Employees' Retirement Systems	-	123,728	246,177	-
Total	$ 207,769	$21,030,638	$ 5,255,449	$ 327,201

	2015			
	Net Pension Asset	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources
Centro Non-Salaried Employees Retirement Plan	$ -	$11,754,713	$ -	$ -
Centro Salaried Employees Pension Plan	-	4,208,908	-	-
Utica Transit Service Corporation Pension Plan	792,194	-	66,614	-
New York State and Local Employees' Retirement Systems	-	165,503	206,864	-
Total	$ 792,194	$16,129,124	$ 273,478	$ -

12. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Authority provides certain postemployment benefits (OPEB) to its retired employees under a single-employer, self-insured benefit plan. Salaried participants who qualify for early retirement are eligible at age 55. Normal retirement is age 57 with 30 years of service or age 62 with 5 years of service. For union participants, eligibility is age 55 with 25 years of service or age 62 with 5 years of service. The plan provides medical, dental and prescription drug coverage to retirees and their covered dependents. For salaried employees hired after September 1, 2011 and for non-salaried employees hired after August 3, 2011, the Authority no longer offers OPEB for these new employees. The financial information for the Authority's plan is contained solely within these consolidating financial statements.

Funding Policy

The contribution requirements of the salaried plan members were established and may be amended by the Board of Directors. Contribution requirements of the union employees were established and may be re-negotiated in future bargaining agreements. Contribution requirements are established on an annual premium equivalent rate calculated by a third party Administrator based on a projected pay-as-you-go financing requirement.

For the year ended March 31, 2016 the Authority contributed $4,172,306 to the total cost of the plan. Plan members receiving benefits contributed $85,647. For the year ended March 31, 2015 the Authority contributed $3,823,628 to the total cost of the plan. Plan members receiving benefits contributed $76,692.

Retiree Contributions

CNY Centro, Inc. and Centro of Oneida, Inc. retirees have the option to waive medical coverage and receive a yearly payment.

CNY retirees' medical waiver benefit increases each year based on the CPI Index and are as follows for 2015:

Tier	Yearly Payment
Single	$ 1,089
Dual	$ 1,633

Centro of Oneida, Inc. retirees receive fixed yearly payments as follows:

Tier	Yearly Payment
Single	$ 1,500
Dual	$ 3,000

Retirees who retired prior to January 1, 2008 are not required to contribute towards the medical plan or dental plan. However, there are a few individuals who receive Medicare Part B reimbursement, in exchange for paying a portion of the medical benefit.

Retirees who retire on or after January 1, 2008 contribute a portion of medical and dental premiums based on their date of retirement and years of service at retirement. The retiree contribution is frozen at the dollar amount at retirement and the Authority contribution increases as premiums increase. Note that CNY Centro, Inc., Centro of Oswego, Inc. and Centro of Cayuga, Inc. (referred to as CNY Retirees) union retirees are not required to contribute towards dental coverage.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Contributions (Continued)

The following illustrates the contribution schedule for CNY salaried retirees retiring on or after January 1, 2008:

CNY Salaried Retirees – Retired on or after January 1, 2008 but prior to April 1, 2016

Years Of Service	Hired Prior to 4/1/07 Percent of Premium	Hired On or After 4/1/07 Percent of Premium
5-9	10%	25%
10-19	7%	20%
20-29	5%	15%
30+	3%	10%

CNY Salaried Retirees – Retired on or after July 1, 2016

Percent of Premium
15%

The following illustrates the medical contribution schedule for CNY union retirees retiring on or after January 1, 2008:

CNY Union Retirees – Retired on or after January 1, 2008

Years Of Service	Hired Prior to 6/29/07 Percent of Premium	Hired On or After 6/29/07 Percent of Premium
5-9	15%	50%
10-14	10%	15%
15-19	5%	10%
20-24	0%	5%
25+	0%	0%

Oneida retirees (salaried and union) contribute 15% of the premium for medical and dental insurance effective July 1, 2007.

Annual OPEB Cost and Net OPEB Obligation

The Authority's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and the amortized amount of any unfunded actuarially accrued liabilities (UAAL) over a period of thirty years. The following table shows the components of the Authority's annual OPEB cost for the years ended March 31, 2016 and 2015, the amount actually contributed to the Plan, and the changes in the Authority's net OPEB obligation.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

	March 31, 2016	March 31, 2015
Annual required contribution	$ 18,157,219	$ 16,501,922
Interest on net OPEB Obligation	3,546,453	3,166,741
Adjustment to ARC	(5,509,299)	(4,919,426)
Total ARC	16,194,373	14,749,237
Contributions	(4,257,953)	(3,900,320)
Increase in OPEB Obligation	11,936,420	10,848,917
Beginning Net OPEB Obligation	101,327,231	90,478,314
Ending Net OPEB Obligation	$ 113,263,651	$ 101,327,231

For the year's ended March 31, 2016, 2015 and 2014, annual OPEB costs were $16,194,373 $14,749,237 and $14,774,686, respectively. The percentage of annual OPEB costs contributed to the plan was 26%, 26% and 17% for the years ended March 31, 2016, 2015 and 2014, respectively.

Funded Status and Funding Progress

As of April 1, 2015, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $233,534,413 and there were no Plan assets. The covered payroll (annual payroll of active employees covered by the Plan) was approximately $29.5 million, and the ratio of the liability to the covered payroll was 792%.

Actuarial valuations of an ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the consolidating financial statements, present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The prescription drug short-term trend rate schedule was revised as of March 31, 2016 to better reflect future expectations. A review of published national trend survey data in relation to the retiree health plan offerings, as well as the Authority's expectation of future costs were the basis for this change. The revised assumption resulted in an increase in the liability.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions (Continued)

The mortality assumption was revised as of March 31, 2016 to the Sex-Distinct RP-2014 Blue Collar Mortality Tables for employees and healthy annuitants adjusted backward to 2006 with Scale MP-2014, then adjusted for mortality improvements with the Scale MP-2015 Mortality Improvement Scale on a generational basis to reflect continued improvement in mortality rates. This assumption resulted in a decrease in the liability.

In the April 1, 2015 actuarial valuation the Entry Age Normal Cost Method was used. The actuarial assumptions include a 3.5% investment rate of return, which is based on the portfolio of the Authority's general assets used to pay these benefits, an annual medical cost trend ranging from 6% to 6.75%, decreasing to 3.886% in fiscal year 2076 and an annual prescription drug trend of 11% decreasing to 3.886% in fiscal 2076. The 3.886% is considered the ultimate rate. The UAAL is being amortized based on a level percentage of payroll on an open basis. The remaining amortization period at March 31, 2016 is thirty years.

13. RECLASSIFICATION

Certain amounts as of and for the year ended March 31, 2015 have been reclassified to reflect information and assumptions at March 31, 2016. These reclassifications had no effect on the total change in net position or total net position as previously reported.

14. OTHER BUSINESS MATTERS

As of March 31, 2016, the Authority had a negative unrestricted net position of $120,020,110 resulting from nine years of recording expense entries for other postemployment benefits. The Authority is dependent upon New York State and Federal capital, operating and other assistance; loss of this assistance would be extremely detrimental to the Authority's public transit operations.

Management is confident that both New York State and the Federal government will continue to a fund a significant portion of the Authority's operating and capital costs, as they have traditionally done so for decades. Public transportation would not exist without significant operating and capital subsidies.

15. FUTURE CHANGES IN ACCOUNTING STANDARDS

In June 2015, the GASB issued Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement No. 75 replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans,* for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* establishes new accounting and financial reporting requirements for OPEB plans. The Authority is required to adopt the provisions of these Statements for the year ending March 31, 2019 with early adoption encouraged.

15. FUTURE CHANGES IN ACCOUNTING STANDARDS (Continued)

GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* which supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, paragraphs 64, 74, and 82. Statement No. 76 reduces the number of categories of authoritative generally accepted accounting principles (GAAP) hierarchy and the framework for selecting those principles to two categories. The primary category “Category A” will consist of officially established GASB Statements and GASB Interpretations heretofore issued and currently in effect. The second category “Category B” will consist of GASB Technical Bulletins, GASB Implementation Guides when presented in the form of a *Comprehensive Implementation Guide*, and literature of the AICPA cleared by the GASB. The goal of Statement No. 76 is to help governments apply financial reporting guidance with less variability, therefore improving usefulness and comparability of financial statement information among state and local governments. The Authority is required to adopt the provisions of Statement No. 76 for the year ending March 31, 2017 and it should be adopted retroactively, with early adoption permitted.

In March 2016, GASB issued Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, Financial Reporting for Pension Plans,* No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* The Statement addresses issues related to the presentation of payroll related measures in required supplementary information, selection of assumptions and the treatment of deviations and classification of payments made by employers to meet employee contribution requirements. The Statement takes effect for reporting periods beginning after June 15, 2016 except for the selection of assumptions in which an employer’s pension liability is measure as of a date other than the employer’s most recent fiscal year-end in which the effective date is on or after June 15, 2017. Earlier adoption is encouraged.

The Authority is currently evaluating the impact of these statements on its future financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS FOR SINGLE EMPLOYER PENSION PLANS
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
CENTRO NON-SALARIED PENSION PLAN:										
Total pension liability (asset):										
Service cost	$ 546,762									
Interest	2,687,185									
Changes of benefit terms	-									
Differences between expected and actual experience	(354,854)									
Changes of assumptions	-									
Benefit payments, including refunds of employee contributions	(2,074,856)									
Net change in total pension liability (asset)	804,237									
Total pension liability (asset) - beginning	39,320,330									
Total pension liability (asset) - ending	$ 40,124,567									
Plan fiduciary net position:										
Contributions - employer	$ 1,464,070									
Contributions - employee	-									
Net investment income	(747,434)									
Benefit payments, including refunds of employee contributions	(2,074,856)									
Administrative expense	(26,062)									
Other	-									
Net change in plan fiduciary net position	(1,384,282)									
Plan fiduciary net position - beginning	27,565,617									
Plan fiduciary net position - ending	$ 26,181,335									
Net pension liability (asset)	$ 13,943,232									
Plan fiduciary net position as a percentage of the total pension liability (asset)	65.25%									
Covered employee payroll	$ 11,808,973									
Net pension liability (asset) as a percentage of covered employee payroll	118.12%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

The accompanying notes are an integral part of this schedule.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS FOR SINGLE EMPLOYER PENSION PLANS
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Centro Salaried Employees Pension Plan:										
Total pension liability (asset):										
Service cost	$ 647,997									
Interest	2,019,610									
Changes of benefit terms	-									
Differences between expected and actual experience	458,893									
Changes of assumptions	-									
Benefit payments, including refunds of employee contributions	(1,043,035)									
Net change in total pension liability (asset)	2,083,465									
Total pension liability (asset) - beginning	28,309,669									
Total pension liability (asset) - ending	$ 30,393,134									
Plan fiduciary net position:										
Contributions - employer	$ 1,069,524									
Contributions - employee	-									
Net investment income	(665,111)									
Benefit payments, including refunds of employee contributions	(1,043,035)									
Administrative expense	(32,683)									
Other	-									
Net change in plan fiduciary net position	(671,305)									
Plan fiduciary net position - beginning	24,100,761									
Plan fiduciary net position - ending	$ 23,429,456									
Net pension liability (asset)	$ 6,963,678									
Plan fiduciary net position as a percentage of the total pension liability (asset)	77.09%									
Covered employee payroll	$ 5,481,677									
Net pension liability (asset) as a percentage of covered employee payroll	127.04%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS FOR SINGLE EMPLOYER PENSION PLANS
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Utica Transit Service Pension Plan:										
Total pension liability (asset):										
Service cost	$ 227,437									
Interest	412,378									
Changes of benefit terms	94,831									
Differences between expected and actual experience	(25,600)									
Changes of assumptions	-									
Benefit payments, including refunds of employee contributions	(366,654)									
Net change in total pension liability (asset)	342,392									
Total pension liability (asset) - beginning	5,767,449									
Total pension liability (asset) - ending	$ 6,109,841									
Plan fiduciary net position:										
Contributions - employer	$ 247,180									
Contributions - employee	116,223									
Net investment income	(218,433)									
Benefit payments, including refunds of employee contributions	(366,654)									
Administrative expense	(20,349)									
Other	-									
Net change in plan fiduciary net position	(242,033)									
Plan fiduciary net position - beginning	6,559,643									
Plan fiduciary net position - ending	$ 6,317,610									
Net pension liability (asset)	$ (207,769)									
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.40%									
Covered employee payroll	$ 2,442,181									
Net pension liability (asset) as a percentage of covered employee payroll	8.51%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

The accompanying notes are an integral part of this schedule.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES

(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF CONTRIBUTIONS FOR SINGLE EMPLOYER PENSION PLANS
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Centro Non-Salaried Employees Pension Plan:										
Actuarially determined contribution	$ 1,464,070	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.								
Contributions in relation to the actuarially determined contribution	1,464,070									
Contributions deficiency (excess)	$ -									
Covered-employee payroll	$ 11,808,973									
Contributions as a percentage of covered employee payroll	12.40%									
Centro Salaried Employees Pension Plan										
Actuarially determined contribution	$ 1,069,524	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.								
Contributions in relation to the actuarially determined contribution	1,069,524									
Contributions deficiency (excess)	$ -									
Covered-employee payroll	$ 5,481,677									
Contributions as a percentage of covered employee payroll	19.51%									
Utica Transit Service Corporation Pension Plan										
Contractually required contribution	$ 247,180	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.								
Contributions in relation to the contractually required contribution	247,180									
Contributions deficiency (excess)	$ -									
Covered-employee payroll	$ 2,442,181									
Contributions as a percentage of covered employee payroll	10.12%									

The accompanying notes are an integral part of this schedule.

NOTES TO THE SCHEDULE OF CONTRIBUTIONS FOR SINGLE EMPLOYER PENSION PLANS
FOR THE YEAR ENDED MARCH 31, 2016

	Centro Non-Salaried Employees Pension Plan	Centro Salaried Employees Pension Plan	Utica Transit Service Corporation Pension Plan
Valuation Date	The actuarial valuation date used to calculate the total pension liability for the measurement date of March 31, 2016 was performed as of April 1, 2015.	The actuarial valuation date used to calculate total pension liability for the measurement date of March 31, 2016 was performed as of April 1, 2015.	The actuarial valuation used to calculate total pension liability for the measurement date of December 31, 2015 was performed as of December 31, 2015.
Methods and assumptions used to determine contribution			
Actuarial cost method	Unit Credit	Entry Age Normal, Level Percent of Payrol	N/A - Contributions are not actuarially determined
Amortization period	Minimum 30 years, maximum 10 years	Minimum 30 years, maximum 10 years	N/A
Asset valuation method	Market Value	Market Value	Market Value
Inflation	2%	2%	2%
Salary increases	N/A	3.5% average, including inflatior	N/A
Investment rate of return	7%, net of pension investment expense, including inflatio	7%, net of pension investment expense, including inflatio	7%, net of pension investment expense, including inflatio
Retirement age	Age 62, but as early as 55 with 25 years of service with a reduction in benefits	Normal, or the age from 62 to 65 when 25 years of service are credited	Normal retirement age, 65 or 5 years of service, 55 with 10 years of service but benefits reduced by 4% for each year that retirement date precedes age 60
Mortality	2015 IRC 430 Combined	RP - 2000 Healthy Annuitant Mortality Tables	RP - 2000

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) - COST SHARING MULTIPLE EMPLOYER PLAN
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
New York State Employees' Retirement System Plan:										
Proportion of the net pension liability (asset)	0.0036625%									
Proportionate share of the net pension liability (asset)	$ 123,728									
Covered-employee payroll	$ 1,216,561									
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	10.17%									
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.95%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

The accompanying notes are an integral part of this schedule.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF CONTRIBUTIONS - PENSION PLANS- COST SHARING MULTIPLE EMPLOYER PLAN
FOR THE YEAR ENDED MARCH 31, 2016

	Last 10 Fiscal Years Ended March 31									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN:										
Contractually required contribution	$ 179,227									
Contributions in relation to the contractually required contribution	179,227									
Contribution deficiency (excess)	$ -									
Covered-employee payroll	$ 1,216,561									
Contributions as a percentage of covered-employee payroll	14.73%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as it becomes available.

The accompanying notes are an integral part of this schedule.

CENTRAL NEW YORK REGIONAL
TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED MARCH 31, 2016

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry AGE	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
4/1/15	$ -	$ 233,534,413	$233,534,413	0%	$ 29,488,149	792%
4/1/14	$ -	$ 248,322,721	$248,322,721	0%	$ 29,211,135	850%
4/1/13	$ -	$ 186,647,125	$186,647,125	0%	$ 28,417,177	657%

The accompanying notes are an integral part of this schedule.

SECTION B

CENTRAL NEW YORK
REGIONAL TRANSPORTATION AUTHORITY
AND SUBSIDIARIES

(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE STATE OF NEW YORK)

REPORTS REQUIRED UNDER THE UNIFORM GUIDANCE

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 24, 2016

To the Board of Directors of the
Central New York Regional Transportation
Authority and Subsidiaries:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidating financial statements of Central New York Regional Transportation Authority and Subsidiaries (the Authority), a discretely presented component unit of the State of New York, as of and for the year ended March 31, 2016, and the related notes to the consolidating financial statements, and have issued our report thereon dated June 24, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidating financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the consolidating financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's consolidating financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's consolidating financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidating financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bonadio & Co., LLP

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

June 24, 2016

To the Board of Directors of the
Central New York Regional Transportation
Authority and Subsidiaries:

Report on Compliance for Each Major Federal Program

We have audited the Central New York Regional Transportation Authority and Subsidiaries' (the Authority), a discretely presented component unit of the State of New York, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended March 31, 2016. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2016.

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com

(Continued)

Report on Internal Control Over Compliance
Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE
(Continued)

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
We have audited the consolidating financial statements of the Authority as of and for the year ended March 31, 2016, and the related notes to the consolidating financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated June 24, 2016, which contained unmodified opinions on those consolidating financial statements. Our audit was conducted for the purpose of forming opinions on the consolidating financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the consolidating financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidating financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidating financial statements as a whole.

Bonadio & Co., LLP

CENTRAL NEW YORK REGIONAL
TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2016

Federal CFDA #	Grant #	Program Title	Expenditures
U.S. Department of Transportation:			
Federal Transit Cluster:			
20.500		Federal Transit - Capital Investment Grants:	
	NY 04-0081	CNG Bus Purchase	$ 1,237,027
	NY 04-0089	Installation of communications system and related equipment for remaining fleet of buses	643,011
		Total Federal Transit Capital Investment Grants	1,880,038
20.507		Federal Transit - Formula Grants:	
	NY 90-0649	Preventative Maintenance – Onondaga Conversion of Capital (HUB) to PM in FY16	6,355
	NY 90-0697	Diesel Bus Purchase	882,758
	NY 90-0708	Software & Hardware, Bus Shelters, Maintenance Facility Renovations Oneida, Engineering Services	264,456
	NY 90-0736	Preventative Maintenance - Onondaga, Bus Stop Signs & Posts, Computer Hardware, Syracuse Supervisory Vehicles	1,758,758
	NY 90-0746	Preventative Maintenance-Onondaga, Operating Assistance-Oneida	6,329,603
	NY 90-0767	Utica Garage Renovations	10,224
		Total Federal Transit Formula Grants	9,252,154
20.526		Bus and Bus Facilities Formula Program	
	NY 34-0009	MCI Replacement	1,241,864
		Total Bus and Bus Facilities Formula Program	1,241,864
		Total Federal Transit Cluster	12,374,056

CENTRAL NEW YORK REGIONAL
TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2016
(Continued)

Federal CFDA #	Grant # / Program Title	Expenditures
U.S. Department of Transportation (Continued):		
20.521	New Freedom Program:	
	NY57-0007	39,729
	NY57-0041	42,889
	NY57-X034 C003941 Passed through the New York State Department of Transportation	87,721
	Total New Freedom Program	170,339
20.509	Formula Grants for Rural Areas (passed through the New York State Department of Transportation):	
	Onondaga County	61,000
	Oswego County	209,000
	Cayuga County	185,500
	Total Formula Grants for Rural Areas	455,500
	Total U.S. Department of Transportation	12,999,895
U.S. Department of Labor:		
17.253	Temporary Assistance for Needy Families	25,000
	Total	$ 13,024,895

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2016

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of federal financial assistance programs administered by the Central New York Regional Transportation Authority and Subsidiaries (the Authority).

2. EXPENDITURES OF FEDERAL REVENUE

The amounts reported as expenditures of federal revenue were obtained from the accounting records utilized to record activity for the applicable program and periods. These accounting records are periodically reconciled to the appropriate federal financial reports for each program. The federal expenditures are recorded on an accrual basis.

3. MATCHING COSTS

Matching costs, i.e., the Authority's or New York State's share of certain program costs, are not included in the reported expenditures.

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2016

Part I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	☐	yes	☒	no
Significant deficiencies identified?	☐	yes	☒	none reported
Noncompliance material to financial statements noted?	☐	yes	☒	no

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?	☐	yes	☒	no
Significant deficiencies identified?	☐	yes	☒	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	☐	yes	☒	no

Identification of program tested as major program:

U.S. Department of Transportation—Federal Transit Cluster :

- CFDA No. 20.500 - Federal Transit—Capital Investment Grants
- CFDA No. 20.507 - Federal Transit—Formula Grants
- CFDA No. 20.526 - Bus and Bus Facilities Formula Program

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee ☒ yes ☐ no

Part II – Financial Statement Findings

None

Part III – Federal Award Findings and Questioned Costs

None

Part IV – Summary Schedule of Prior Year Audit Findings

None

SECTION C

CENTRAL NEW YORK
REGIONAL TRANSPORTATION AUTHORITY
AND SUBSIDIARIES

(A DISCRETELY PRESENTED COMPONENT UNIT OF THE STATE OF NEW YORK)

REPORTS REQUIRED UNDER THE NEW YORK STATE SINGLE AUDIT

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED

June 24, 2016

To The Board of Directors of the
Central New York Regional Transportation
Authority and Subsidiaries:

Report on Compliance of the State Transportation Assistance Program

We have audited the Central New York Regional Transportation Authority and Subsidiaries' (the Authority), a discretely presented component unit of the State of New York, compliance with the types of compliance requirements described in the preliminary Draft Part 43 of the New York State Codification of Rules and Regulations (the NYSCRR) that could have a direct and material effect on the state transportation assistance programs tested for the year ended March 31, 2016. The programs tested are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with statutes, regulations, and the terms and conditions of its state awards applicable to its state transportation assistance programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's state transportation assistance programs tested based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Draft Part 43 of NYSCRR. Those standards and Draft Part 43 of NYSCRR require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state transportation assistance programs tested, occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state transportation assistance program tested. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each State Transportation Assistance Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its state transportation assistance programs tested for the year ended March 31, 2016.

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com

(Continued)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
(Continued)

Report on Internal Control over Compliance
Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each state transportation assistance program tested to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each state transportation assistance program tested and to test and report on internal control over compliance in accordance with the Draft Part 43 of NYSCRR, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state transportation assistance program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state transportation assistance program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state transportation assistance program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Draft Part 43 of NYSCRR. Accordingly, this report is not suitable for any other purpose.

(Continued)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
(Continued)

Report on Schedule of State Transportation Assistance Expended Required by Draft Part 43
We have audited the consolidating financial statements of the Authority as of and for the year ended March 31, 2016, and related notes to the consolidating financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated June 24, 2016, which contained unmodified opinions on those consolidating financial statements. Our audit was conducted for the purpose of forming opinions on the consolidating financial statements taken as a whole. The accompanying schedule of state transportation assistance expended is presented for purposes of additional analysis as required by Draft Part 43 of NYSCRR, and is not a required part of the consolidating financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidating financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state transportation assistance expended is fairly stated, in all material respects, in relation to the consolidating financial statements as a whole.

Bonadio & Co., LLP

CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY AND SUBSIDIARIES
(A Discretely Presented Component Unit of the State of New York)

SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
FOR THE YEAR ENDED MARCH 31, 2016

Program Title	Contract #	Reference #	Expenditures
State Matching Grants for Direct FTA Programs (040):			
Master Agreement	K006991	3822.57	$ 8,883
Master Agreement Supplemental #2	K006991	HOCT.SO	154,628
Master Agreement	K006991	3823.01	80,377
Supplemental #3	K006991	HOCT.SO	89,164
	K006991	3822.68	21,181
Master Agreement	K006991	3822.99	7,499
Supplemental #4	K006991	3822.61	1,758
	K006991	3822.54	5,139
	K006991	2815.07	8,630
	K006991	3822.44	10,032
Master Agreement	K006991	3822.57	201,901
Supplemental #5	K006991	3822.43	3,145
	K006991	3822.61	6,511
	K006991	3822.45	8,239
New Master Agreement	K007200	3822.57	532,366
	K007200	3822.59	155,233
	K007200	HOCT.26	1,278
Total State Matching Grants for Direct FTA Programs			1,295,964
State Discretionary Funds (SDF) for Non-MTS Transit Capital Programs (008):			
Master Agreement Supplemental #2	K006991	2821.48	7,769
Master Agreement Supplemental #3	K006991	3822.18	828,049
Total State Discretionary Funds (SDF):			835,818
State Transit Operating Assistance for Specified Systems (003-03):			
	NYS-18B		3,178,000
	NYS-GRT		27,791,700
Total State Transit Operating Assistance for Specific Systems			30,969,700
Total			$ 33,101,482

See Notes to Schedule of State Transportation Assistance Expended

NOTES TO SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
FOR THE YEAR ENDED MARCH 31, 2016

1. GENERAL

The accompanying Schedule of New York State Transportation Assistance Expended of Central New York Regional Transportation Authority and Subsidiaries presents the activity of all financial assistance programs provided by the New York State Department of Transportation.

2. BASIS OF ACCOUNTING

The accompanying Schedule of New York State Transportation Assistance Expended is presented using the accrual basis of accounting.

3. MATCHING COST

Matching costs, i.e. the Authority's share of certain program costs, are not included in the reported expenditures.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR STATE TRANSPORTATION ASSISTANCE EXPENDED FOR THE YEAR ENDED MARCH 31, 2016

Summary of Auditor's Results

Internal control over State Transportation Assistance expended:

Material weakness(es) identified?	☐	yes	☒	no
Significant deficiencies identified that are not considered to be material weaknesses?	☐	yes	☒	none reported

Type of auditor's report issued on compliance for programs tested:
Unmodified

Identification of New York State Transportation Assistance Programs Tested:

State Matching Grants for Direct FTA Programs (040)
State Transit Operating Assistance for Specified Systems (003-03)

State Transportation Assistance Findings and Questioned Costs

None

SECTION D

CENTRAL NEW YORK
REGIONAL TRANSPORTATION AUTHORITY
AND SUBSIDIARIES
(A DISCRETELY PRESENTED COMPONENT UNIT
OF THE STATE OF NEW YORK)

REPORTS REQUIRED UNDER THE
NEW YORK STATE PUBLIC AUTHORITIES LAW

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS RELATED TO INVESTMENT GUIDELINES FOR PUBLIC AUTHORITIES

June 24, 2016

To the Board of Directors of the
Central New York Regional Transportation
Authority and Subsidiaries:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidating financial statements of the Central New York Regional Transportation Authority and Subsidiaries (the Authority), a discretely presented component unit of the State of New York, which comprise the statement of net position (deficit) as of March 31, 2016, and the related statements of revenues, expenses, and changes in net position (deficit) and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2016.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States.

Compliance with the requirements of laws, regulations, contracts and grants applicable to the Authority is the responsibility of the Authority's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Authority's compliance with its own investment policies as well as the State Comptroller's Investment Guidelines for Public Authorities. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

In connection with our audit, nothing came to our attention that caused us to believe that the Authority failed to comply with the Authority's own investment policies as well as applicable laws, regulations, and the State Comptroller's Investment Guidelines. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the above referenced requirements, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Directors and management of the Authority, and the New York State Comptroller's Office and is not intended to be and should not be used by anyone other than those specified parties.

Bonadio & Co., LLP

432 North Franklin Street, Suite 60
Syracuse, New York 13204
p (315) 476-4004
f (315) 475-1513

www.bonadio.com