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, 2019 and 2018

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)

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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 21, 2019

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, 2019 and 2018, 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 opinion.

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INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinion
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, 2019 and 2018, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle
As discussed in Note 12 to the financial statement, the Authority adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions – an Amendment of GASB Statement No. 45*. As a result, a net adjustment was made to decrease beginning net position and increase the liability for other postemployment benefits $88,867,535 at April 1, 2017 . Our opinions are 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 Changes in Total Other Postemployment Benefits Liability and Related Ratios, 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 21, 2019, 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 solely 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 the effectiveness of the Authority's 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, 2019 and 2018. 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 2019	March 31 2018
Assets and Deferred Outflows of Resources:		
Current assets	$ 40,702,412	$ 37,476,079
Net pension asset	-	-
Capital assets – net of accumulated depreciation	95,459,195	100,186,103
Total noncurrent assets	95,459,195	100,186,103
Total Assets	136,161,607	137,662,182
Deferred outflows – relating to pensions	5,677,836	4,119,203
Total Assets and Deferred Outflows of Resources	$ 141,839,443	$ 141,781,385
Liabilities, Deferred Inflows of Resources and Net Position:		
Current liabilities	$ 28,364,886	$ 24,727,262
Long-term liabilities	260,107,707	249,010,518
Total liabilities	288,472,593	273,737,780
Deferred revenue	53,900	354,492
Deferred inflows – relating to OPEB	1,007,463	1,250,811
Deferred inflows – relating to pensions	1,026,516	1,285,312
Total deferred inflows of resources	2,087,879	2,890,615
Net Position (Deficit):		
Unrestricted	(244,180,224)	(235,033,113)
Net investment in capital assets	95,459,195	100,186,103
Total net position (deficit)	(148,721,029)	(134,847,010)
Total Liabilities, Deferred Inflows and Net Position (Deficit)	$ 141,839,443	$ 141,781,385

March 31, 2019 vs. March 31, 2018

The changes in total net position (deficit) over time serve as a useful indicator of the Authority's financial position. The 2019 fiscal year ended with a decrease to net position of approximately $13.9 million from March 31, 2018 due primarily to a net effect of $3 million increase in current assets, $4.7 million decrease in noncurrent assets, $1.6 million increase in deferred outflows – relating to pensions, $3.6 million increase in current liabilities, $11 million increase in total long-term liabilities and $.8 million decrease in deferred inflows of resources.

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

Current assets, comprised mainly of cash and cash equivalents, cash and cash equivalents - designated, receivables, due from affiliates, materials and supplies and prepaid expenses, increased approximately $3.2 million or 9% from 2018. This is due primarily to the net effect of $2 million decrease in cash due to outstanding mortgage tax, operating assistance and grants receivable totaling $2 million, $2.9 million increase in due from affiliates which combined with due to affiliates results in a zero balance, a $.8 million increase in prepaid expense due to the advancement of funds to Travelers Insurance Group to cover the cost of worker compensation claims paid.

Noncurrent assets, consisting of net capital assets, decreased by $4.7 million or 5% from 2018 due to an decrease in capital assets associated with additions offset by disposals and the related accumulated depreciation as well as the depreciation expense.

Deferred outflows – relating to pensions increased $1.5 million or 38% from 2018 due to a combination of differences between expected and actual experience, changes of assumptions, and net difference between projected and actual earnings on pension plan investments.

Current liabilities increased $3.6 million or 15% from 2018. This is attributable mainly to the net effect of a $.7 million increase in accounts payable and accrued expenses due primarily to $.5 million in grant projects and $.2 million in various one-time accruals, and an increase of $2.9 million due to affiliates which combined with due from affiliates results in a zero balance.

Long-term liabilities increased $11 million or 4% from 2018. This is due primarily to a $6.8 million increase in the liability for other postemployment benefits (OPEB) required to be accrued by *Governmental Accounting Standards Board Statement #75 (GASB 75).* This Statement replaces the requirements of *Governmental Accounting Standards Board #45, (GASB 45) Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The new statement issues new standards for defined benefit OPEB and defined contribution OPEB provided to employees of state and local governments through OPEB plans. Its intent is to improve accounting and financial reporting by requiring an OPEB liability to be reported on the face of the financial statement rather than in the accompanying notes.

The accrual entry required for GASB 75 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 $4.3 million or 19% increase in net pension liability required by the *Governmental Accounting Standards Board #68 (GASB 68) Accounting and Reporting for Pensions.* 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.

Deferred revenue decreased $.3 or 85% from 2018 due primarily to the timing of the new transit advertising contract.

Deferred inflows of resources relating to pensions and OPEB decreased by $.5 million or 20% from 2018 due to differences between expected and actual experience.

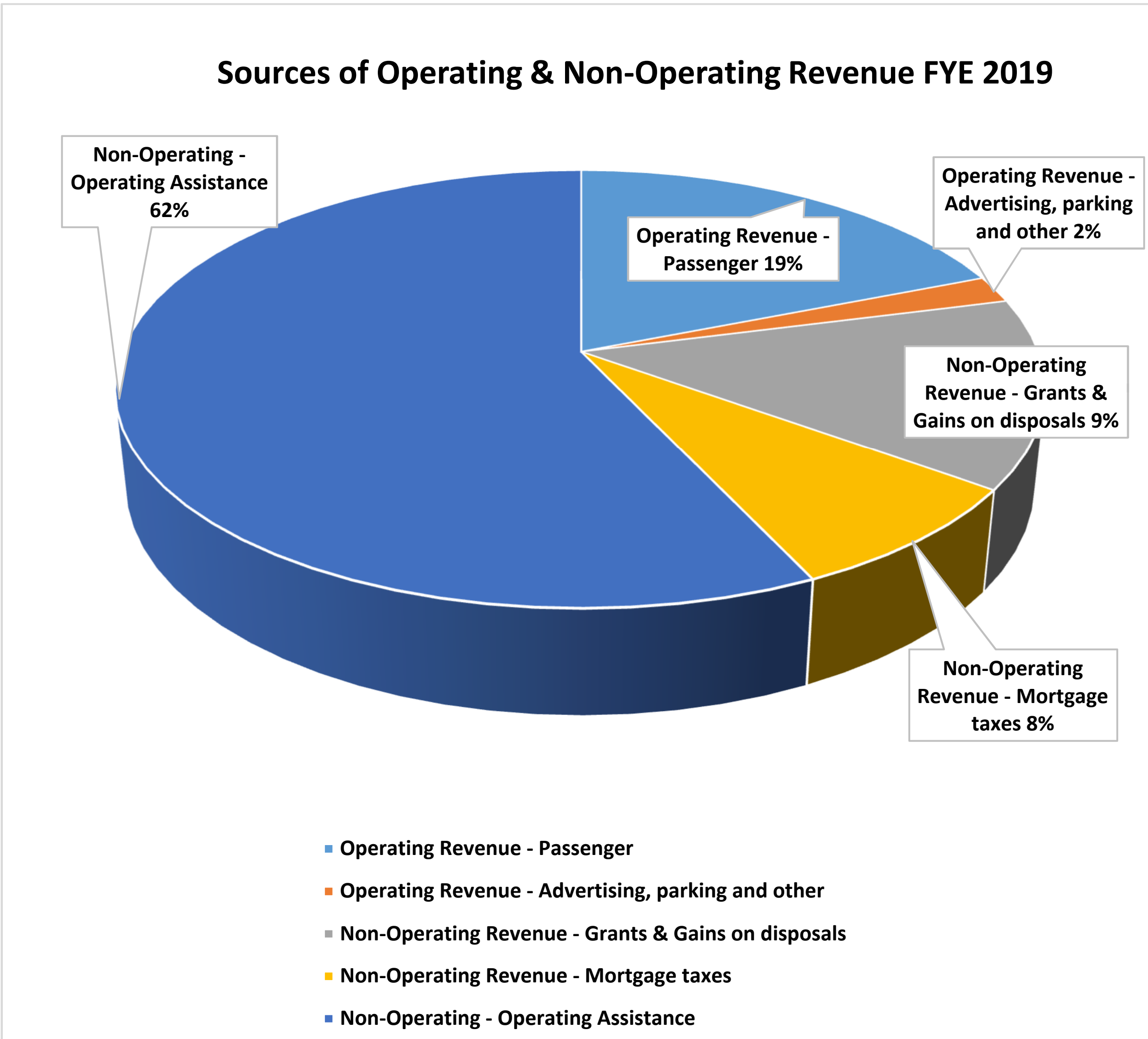
Summary of Revenues, Expenses and Changes in Net Position (Deficit)

	March 31 2019	March 31 2018
Operating Revenues:		
Passenger	$ 14,722,051	$ 14,967,826
Advertising, parking and other	1,940,490	1,750,396
Total operating revenues	16,662,541	16,718,222
Operating Expenses:		
Maintenance of equipment and facilities	14,313,173	14,408,067
Downtown transfer hubs	958,649	991,300
Transportation Operations	4,260,497	4,078,809
Purchased transportation	3,174,405	3,070,834
Service and Business Development	1,074,539	1,124,827
Drivers Wages	15,952,283	15,207,245
Information Systems	1,557,208	1,493,806
General and Administrative	3,226,130	2,816,225
Fuel	2,148,414	1,372,163
Insurance and risk management	1,690,724	1,261,414
Workers compensation	4,651,303	4,260,782
Medical and dental	8,455,950	7,865,214
Pension	6,295,233	5,650,095
Other post-employment benefits	10,514,958	10,768,935
Other employee benefits and payroll taxes	3,287,988	3,153,529
Depreciation expense	12,021,223	10,785,146
Total operating expenses	93,582,677	88,308,391
Operating loss	(76,920,136)	(71,590,169)
Non-Operating Revenues	63,046,117	69,049,367
Change in Net Position	(13,874,019)	(2,540,802)
Net Position - Beginning of Year	(134,847,010)	(132,306,208)
Net Position - End of Year	$(148,721,029)	$(134,847,010)

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

The Authority ended 2019 in a total net (deficit) of $(149) million; a $14 million or 10% increase over 2018.

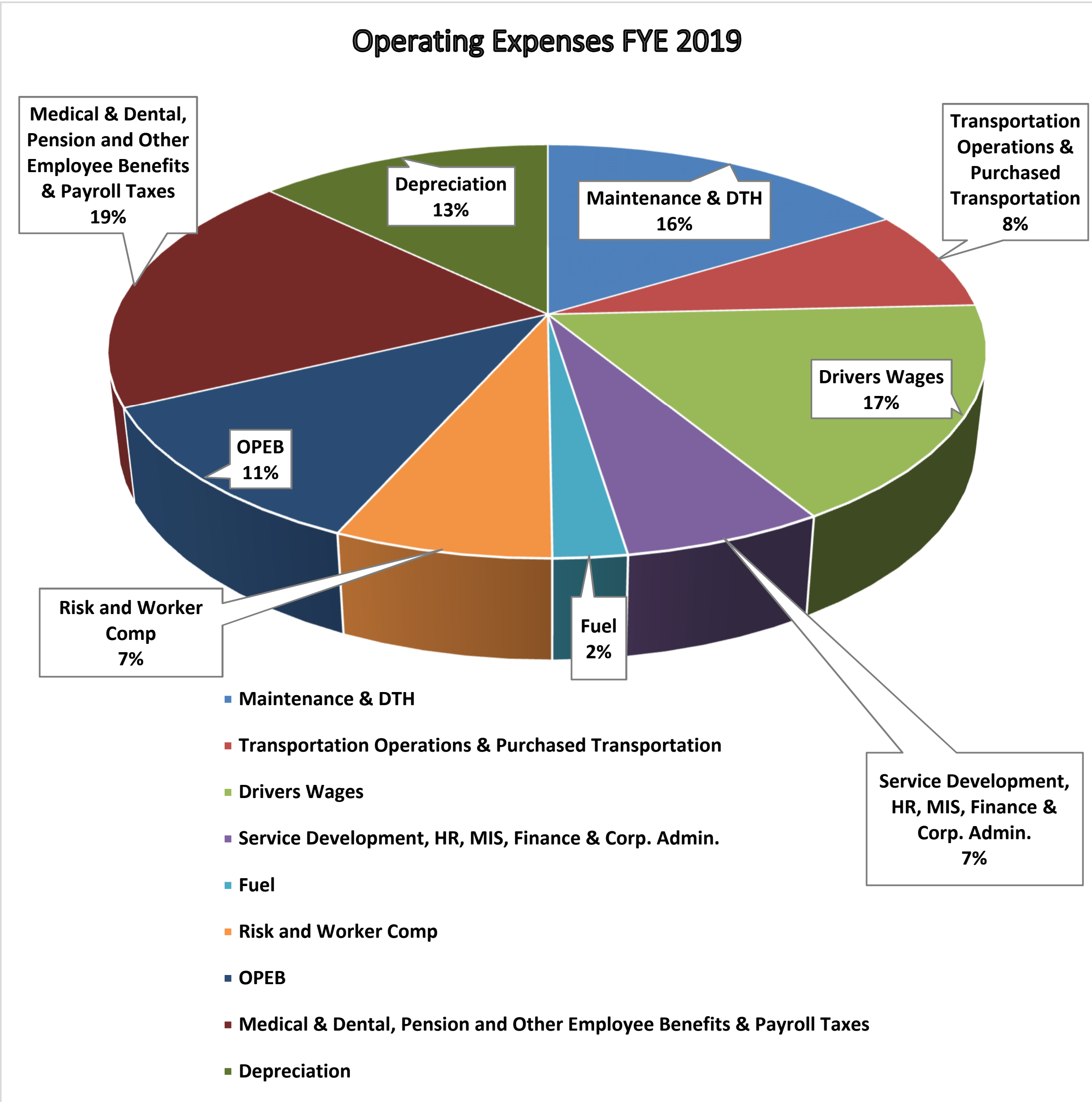
Significant items affecting the revenues, expenses and changes in net position (deficit) are as follows:



Although operating revenues consisting of passenger revenue and advertising, parking and other remained consistent from FYE 2018 to FYE 2019, there was a decline in passenger revenue which was offset by an increase in transit advertising revenue.

Non-operating revenues consisting of federal and state grants, mortgage taxes and operating and other assistance decreased $6 million or 8.7% from $69 million in FYE 2018 to $63 million in FYE 2019. This is due mainly to the net of $9 million decrease in federal and state grants received in FYE 2018 for revenue vehicle replacements, a $.7 million increase in Statewide Mass Transportation Operating Assistance (STOA), $1.3 million increase in federal and state preventative maintenance, and a $1 million increase in Federal 5307operating assistance.

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



Operating expenses increased by $5.3 million or 6% from $88.3 million in FY 2018 to $93.6 million in FY 2019 due to the net effect of the following:

- Purchased Transportation increased $.1 million or 3.4% due to increases for contractual changes and increases in ridership.
- Drivers Wages increased $.8 million or 4.9% due to negotiated contractual changes to the progression rate, negotiated increases for FYE 2019, and increases in overtime due to the shortage of drivers.
- Finance and Corp. Administration increased $.4 million or 14.6% due to a reclassification of executive wages from the maintenance department and increases in legal fees for employee relations.

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

- Fuel expense increased $.8 million or 56.6%. The Federal fuel tax credit was not renewed and accounts for $.6 million of the variance over prior year. In FYE 2019 we continued to replace our Call-A-Bus fleet with gasoline fueled vehicles resulting in an increase of $.1 million in gasoline expense. The remaining variance is due to a $.26 increase in price per MBTU of CNG compared to prior year.
- Risk management increased $.4 million or 34% due to four large claims in current year.
- Workers compensation increased by $.4 million or 9.2%. The CNYRTA switched from PERMA, a guaranteed cost policy, to Travelers Insurance Group, a deductible program August 1, 2015. Although significant expense reductions were realized during the first year of the contract, claims expense have continued to increase double-digit percentages over the past three years. Although management has continued to take steps to reduce costs through claims management, loss control and enhanced safety actions, additional measures are being considered to assist in the mitigation of the rising cost of the worker compensation program.
- The Medical & Dental expense increased $.6 million or 7.5% which is consistent with the last five-year national trend. Medical expenses will fluctuate year over year depending on experience and healthcare trends. In FYE 2019 four large claims reached the stop-loss limit.
- Pension expense increased $.6 million or 11%. The unfunded actuarial GASB 68 calculation represents $.5 million of the variance. The remaining $.1 million is an increase in the 401A employer contribution expense in FYE 2019 due to modifications to the plan increasing the employer contribution percentage from 3% to 5%.
- Depreciation expense increased $1.2 million or 11% which is a result of the addition of assets, primarily the large bus purchase in FYE 2018.

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	
	2019	2018
Not being depreciated:		
Land	$ 5,002,337	$ 5,002,337
Construction in progress	11,000	-
Subtotal	5,013,337	5,002,337
Other capital assets:		
Improvements	3,082,519	3,240,387
Buildings	71,723,873	71,302,636
Revenue vehicles	96,614,775	105,127,092
Other equipment	24,324,073	23,519,138
Furniture and office equipment	2,725,425	2,392,349
Subtotal	198,470,665	205,581,602
Total capital assets	203,484,002	210,583,939
Less accumulated depreciation	108,024,807	(110,397,836)
Net capital assets	$ 95,459,195	$ 100,186,103

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 2019

New York State Budget

New York State Operating Assistance (STOA) makes up a significant portion (about 42%) of the CNYRTA's FY 2018-2019 operating budget. The Fiscal Year 2018-2019 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 the Executive Chamber and our New York State legislative delegation to educate them on the importance of public transportation in Upstate New York. In the final enacted FY 2018-19 budget Upstate transportation again received a 1.98% increase in STOA. Transit Authorities and Agencies across the state continue an effort to educate elected leaders statewide of the importance of increased, dedicated funding for public transportation. It is important to note that New York State operating assistance fluctuates each year and over the last twelve years the average overall increase is well under two percent. The unpredictable nature in STOA funding year- over- year makes it impossible to plan transportation services for the citizens and businesses in our four-county service area.

Signature Projects FYE 2019 (Continued)

Federal Budget Proposal – Transportation Legislation
There are currently several issues being discussed by President Trump, the U.S. House of Representatives and the U.S. Senate. Recently, the House Committee on Appropriations the Department of Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Act for Fiscal Year (FY) 2020 was approved with a vote of 29:21. The bill provides increased transportation funding levels, providing $16.2 billion for public transportation and intercity passenger rail grants, including $13.5 billion for public transportation specifically. In total, these funding levels are:

a) $150.5 million more than FY 2019 enacted funding levels (including $60.5 million more for public transportation;
b) $1.1 billion more than FY 2020 FAST Act authorization levels; and

While the House legislation offers $1.9 billion more than the FY 2020 President's Budget request, it is unclear at this point on what the President's view is on this or what the Senate will do with their legislation.

This budget, like the last budget, does not address the issue of long-term solvency of the Highway Trust Fund (HTF). This is a key issue to the stability of the future funding of public transportation in the United States. We will continue to work with our federal legislators and our partners in the American Public Transportation Association (APTA) to secure the necessary funding in the final budget.

Interstate Route 81 Project
The Route 81 Draft Environmental Impact Statement (DEIS) has been released by the New York State Department of Transportation (NYSDOT). Centro continues its role as a partner in the ongoing process to develop plans with NYSDOT, the Syracuse Metropolitan Transportation Council (SMTC), and many other community stakeholders regarding the Route 81 project. Centro's staff will work with NYSDOT officials to determine how a commuter Park-N-Ride system, as part of a much larger plan, to attempt to mitigate traffic congestion issues in the downtown Syracuse area might be developed. It is anticipated that there will be a material financial impact due to the operational costs necessary to adjust Centro bus service. While the final public input and decision making process is underway, it will likely be several years before any physical changes are seen in the downtown area. However, even with this timeframe, Centro staff has informed NYSDOT officials of the lead time needed to purchase buses and hire necessary staff.

Syracuse Metropolitan Area Regional Transit Study – Phase 1
The Syracuse Metropolitan Area Regional Transit Study-Phase 1 (SMART 1) has been completed. Phase two of the study began in 2018 and is being conducted by Centro staff. The "SMART1" study, commissioned by Centro, focused on two corridors: The James Street / Eastwood – South Avenue/ OCC corridor and Syracuse University – DestinyUSA / Regional Transportation Center corridor. The study recommends a mixed traffic Bus Rapid Transit (BRT) system along each of the corridors. In phase two of the study we are exploring funding options to pay for the estimated $34M up front capital costs and $8M annual operating costs. We held meetings with local and state legislative leaders to review the ongoing operating costs which continue to be a significant barrier to complete this project.

Signature Projects FYE 2019 (Continued)

State Fair

It was another record-breaking year for Centro's popular Park-N-Ride shuttle services for the New York State Fair. Centro provided more than 263,000 rides to and from the Orange parking Lot to the Main Gate of the Fair and 317,000 rides from the various Pak and Ride locations throughout Central New York during its 13-day run. That set an all-time record in the 40+ year history of the service and was up slightly over the previous year. A newly revamped New York State Fairgrounds attracted a record number of fairgoers as more than 1.2 million people attended the 2018 New York State Fair.

CENTRO Adds New Fixed route and Paratransit Vehicles to its Fleet

Centro took delivery of 8 new transit buses and 8 new paratransit buses in 2018, each replacing an older vehicle that had reached the end of its useful life. The transit buses, two of which are now on the road in Syracuse, two in Auburn, and four in Oswego were manufactured by the Gillig Corporation. Each of the 40-foot vehicles are diesel powered.

In January 2019, Centro added 8 new Coach & Equipment Ford Phoenix buses to its Call-A-Bus paratransit fleet – two are in Syracuse, two in Auburn and four in Oswego. The new vehicles are gasoline powered and offer riders a quieter, more comfortable ride.

The acquisition of these vehicles is part of a 5-year plan to replace more than 100 buses within Centro’s Syracuse and Utica fleets. The multi-year replacement plan was designed to minimize capital cost expenditures within a given year.

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, 2019 AND 2018

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
CURRENT ASSETS:						
Cash and cash equivalents	$ 900,911	$ 718,732	$ 471,339	$ 2,751,272	$ 100	$ 325
Cash and cash equivalents - designated	3,250,000	3,250,000	-	-	-	-
Accounts receivable:						
Trade and other	422,211	954,082	1,174,945	1,262,408	44,191	67,236
Mortgage tax	429,304	335,195	-	-	-	-
Operating assistance	-	-	81,993	-	265,746	3,750
Grants	-	-	1,281,176	814,553	-	-
Due from affiliates	20,882,324	17,800,451	-	-	119,594	234,559
Materials and supplies	-	-	3,464,075	3,320,561	-	-
Prepaid expenses and other current assets	18,699	17,501	4,626,858	3,774,888	5,958	6,291
Total current assets	25,903,449	23,075,961	11,100,386	11,923,682	435,589	312,161
NONCURRENT ASSETS:						
Net pension asset	-	-	-	-	-	-
Capital assets, net of accumulated depreciation	-	-	71,722,852	74,784,855	2,507,903	2,833,578
Total noncurrent assets	-	-	71,722,852	74,784,855	2,507,903	2,833,578
TOTAL ASSETS	25,903,449	23,075,961	82,823,238	86,708,537	2,943,492	3,145,739
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows - relating to pensions	87,421	100,999	3,238,587	2,622,097	217,027	151,539
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 25,990,870	$ 23,176,960	$ 86,061,825	$ 89,330,634	$ 3,160,519	$ 3,297,278
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)						
CURRENT LIABILITIES:						
Accounts payable and accrued expenses	$ 59,639	$ 32,958	$ 1,860,131	$ 1,524,838	$ 66,499	$ 74,389
Accrued salaries	38,279	31,464	439,080	403,833	34,068	29,760
Accrued liabilities and benefits	53,570	7,337	1,487,465	1,575,155	114,332	119,366
Estimated claims payable	-	-	831,400	831,400	28,436	28,436
Due to affiliates	-	-	3,308,640	4,124,082	-	-
Total current liabilities	151,488	71,759	7,926,716	8,459,308	243,335	251,951
LONG-TERM LIABILITIES						
Other postemployment benefits	2,557,902	2,489,287	135,812,957	131,833,280	10,183,063	9,853,710
Net pension liability	437,798	381,933	20,257,137	17,230,381	1,364,442	1,140,940
Estimated claims payable	-	-	4,066,404	4,223,699	179,286	47,241
Total long-term liabilities	2,995,700	2,871,220	160,136,498	153,287,360	11,726,791	11,041,891
TOTAL LIABILITIES	3,147,188	2,942,979	168,063,214	161,746,668	11,970,126	11,293,842
DEFERRED INFLOWS OF RESOURCES:						
Deferred revenue	-	-	53,900	350,000	-	-
Deferred inflows - relating to OPEB	10,075	12,508	584,328	725,470	48,358	60,039
Deferred inflows - relating to pensions	-	-	145,857	750,260	12,924	66,479
Total deferred inflows of resources	10,075	12,508	784,085	1,825,730	61,282	126,518
NET POSITION (DEFICIT):						
Unrestricted	22,833,607	20,221,473	(154,508,326)	(149,026,619)	(11,378,792)	(10,956,660)
Net investment in capital assets	-	-	71,722,852	74,784,855	2,507,903	2,833,578
Total net position (deficit)	22,833,607	20,221,473	(82,785,474)	(74,241,764)	(8,870,889)	(8,123,082)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)	$ 25,990,870	$ 23,176,960	$ 86,061,825	$ 89,330,634	$ 3,160,519	$ 3,297,278

Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
$ 101	$ 350	$ -	$ -	$ 2,963	$ 3,462	$ 2,141	$ 2,385	$ 1,377,555	$ 3,476,526
-	-	-	-	-	-	-	-	3,250,000	3,250,000
21,265	20,247	33,398	45,639	100,438	82,705	6,613	2,767	1,803,061	2,435,084
-	-	-	-	-	-	-	-	429,304	335,195
275,596	-	3	-	128,800	128,789	-	-	752,138	132,539
-	-	61,603	92,205	1,218,437	306,419	19,950	-	2,581,166	1,213,177
-	161,823	473,229	371,193	-	-	-	-	21,475,147	18,568,026
-	-	-	-	830,558	843,377	-	-	4,294,633	4,163,938
5,037	5,340	12,901	8,941	41,013	42,202	28,942	46,431	4,739,408	3,901,594
301,999	187,760	581,134	517,978	2,322,209	1,406,954	57,646	51,583	40,702,412	37,476,079
-	-	-	-	-	-	-	-	-	-
2,007,432	2,267,509	1,517,185	1,326,992	5,767,558	7,008,088	11,936,265	11,965,081	95,459,195	100,186,103
2,007,432	2,267,509	1,517,185	1,326,992	5,767,558	7,008,088	11,936,265	11,965,081	95,459,195	100,186,103
2,309,431	2,455,269	2,098,319	1,844,970	8,089,767	8,415,042	11,993,911	12,016,664	136,161,607	137,662,182
217,027	151,539	339,418	292,938	1,578,356	800,091	-	-	5,677,836	4,119,203
$ 2,526,458	$ 2,606,808	$ 2,437,737	$ 2,137,908	$ 9,668,123	$ 9,215,133	$ 11,993,911	$ 12,016,664	$ 141,839,443	$ 141,781,385
$ 40,323	$ 37,467	$ 402,653	$ 337,529	$ 510,034	$ 228,278	$ 97,218	$ 56,349	$ 3,036,497	$ 2,291,808
26,255	22,868	20,519	21,166	93,880	93,918	2,755	3,127	654,836	606,136
86,633	90,233	34,325	35,648	423,916	426,228	10,768	19,928	2,211,009	2,273,895
47,729	47,729	34,832	34,832	45,000	45,000	-	-	987,397	987,397
113,341	-	-	-	15,928,569	12,594,467	2,124,597	1,849,477	21,475,147	18,568,026
314,281	198,297	492,329	429,175	17,001,399	13,387,891	2,235,338	1,928,881	28,364,886	24,727,262
9,416,561	9,100,934	30,799,017	29,824,682	39,444,390	38,291,656	969,718	928,546	229,183,608	222,322,095
1,223,258	999,756	2,259,727	1,958,014	875,835	416,861	-	-	26,418,197	22,127,885
1,015	2,761	-	-	259,197	286,837	-	-	4,505,902	4,560,538
10,640,834	10,103,451	33,058,744	31,782,696	40,579,422	38,995,354	969,718	928,546	260,107,707	249,010,518
10,955,115	10,301,748	33,551,073	32,211,871	57,580,821	52,383,245	3,205,056	2,857,427	288,472,593	273,737,780
-	-	-	-	-	-	-	4,492	53,900	354,492
46,343	57,537	143,060	177,615	169,254	210,136	6,045	7,506	1,007,463	1,250,811
12,924	66,479	12,924	66,479	841,887	335,615	-	-	1,026,516	1,285,312
59,267	124,016	155,984	244,094	1,011,141	545,751	6,045	11,998	2,087,879	2,890,615
(10,495,356)	(10,086,465)	(32,786,505)	(31,645,049)	(54,691,397)	(50,721,951)	(3,153,455)	(2,817,842)	(244,180,224)	(235,033,113)
2,007,432	2,267,509	1,517,185	1,326,992	5,767,558	7,008,088	11,936,265	11,965,081	95,459,195	100,186,103
(8,487,924)	(7,818,956)	(31,269,320)	(30,318,057)	(48,923,839)	(43,713,863)	8,782,810	9,147,239	(148,721,029)	(134,847,010)
$ 2,526,458	$ 2,606,808	$ 2,437,737	$ 2,137,908	$ 9,668,123	$ 9,215,133	$ 11,993,911	$ 12,016,664	$ 141,839,443	$ 141,781,385

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, 2019 AND 2018

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
OPERATING REVENUES:						
Regular line passenger	$ -	$ -	$ 5,636,216	$ 6,068,624	$ 303,105	$ 307,914
Special line passenger	-	-	6,458,207	6,242,368	438,222	454,706
Subcontract charter	-	-	22,168	38,184	-	-
Advertising, parking and other	358,735	325,166	585,455	463,474	16,156	47,222
Total operating revenues	358,735	325,166	12,702,046	12,812,650	757,483	809,842
OPERATING EXPENSES:						
Maintenance of equipment and facilities	108,816	78,074	8,743,041	9,236,168	684,638	720,495
Downtown transfer hubs	-	-	800,467	809,716	-	-
Transportation operations	-	-	1,497,439	1,631,205	391,222	321,812
Purchased transportation	-	-	-	-	-	-
Service and business development	-	-	649,139	769,602	75,600	42,000
Drivers wages	-	-	10,369,808	9,793,651	1,104,525	1,076,666
Information Systems	-	-	1,247,776	1,247,541	31,493	29,871
General and administrative	475,381	528,242	1,580,035	474,580	158,900	265,102
Fuel	-	-	892,207	286,027	257,054	228,282
Insurance and risk management	15,299	15,176	1,283,646	967,178	43,904	45,037
Workers compensation	9,395	4,818	3,724,495	3,298,890	263,750	124,269
Medical and dental	120,962	60,018	6,271,384	5,404,596	222,874	307,844
Pension	136,426	95,080	4,509,600	4,123,400	289,547	263,902
Other post employment benefits	66,182	66,904	7,297,310	7,554,855	508,150	436,498
Other employee benefits and payroll taxes	57,987	20,562	2,282,669	2,239,790	126,669	119,266
Depreciation expense	-	-	8,789,594	7,761,197	391,607	360,323
Total operating expenses	990,448	868,874	59,938,610	55,598,396	4,549,933	4,341,367
OPERATING INCOME (LOSS)	(631,713)	(543,708)	(47,236,564)	(42,785,746)	(3,792,450)	(3,531,525)
NON-OPERATING REVENUES (EXPENSES):						
Grants received for capital additions	-	-	5,653,289	15,012,784	65,932	-
Gain on disposal of capital assets	-	-	162,673	18,132	-	1,630
Interest expense	-	-	-	-	-	-
Mortgage taxes	6,099,468	6,108,285	-	-	-	-
Operating and other assistance:						
Local assistance	-	-	2,280,977	2,280,982	105,573	105,573
State assistance	-	-	21,198,287	19,133,453	2,190,396	2,417,528
Federal assistance	-	-	8,065,992	6,933,138	261,996	238,000
Total operating and other assistance	-	-	31,545,256	28,347,573	2,557,965	2,761,101
Total non-operating revenues (expenses)	6,099,468	6,108,285	37,361,218	43,378,489	2,623,897	2,762,731
NET INCOME (LOSS) BEFORE TRANSFERS	5,467,755	5,564,577	(9,875,346)	592,743	(1,168,553)	(768,794)
TRANSFER OF FUNDS:						
Transfer of funds - operating	(2,648,699)	-	1,257,334	-	420,746	-
Transfer of funds - capital	(206,922)	(1,303,109)	74,302	1,126,904	-	-
Total transfers	(2,855,621)	(1,303,109)	1,331,636	1,126,904	420,746	-
CHANGES IN NET POSITION	2,612,134	4,261,468	(8,543,710)	1,719,647	(747,807)	(768,794)
NET POSITION (DEFICIT) - beginning of year, as restated	20,221,473	15,960,005	(74,241,764)	(75,961,411)	(8,123,082)	(7,354,288)
NET POSITION (DEFICIT) - end of year	$ 22,833,607	$ 20,221,473	$ (82,785,474)	$ (74,241,764)	$ (8,870,889)	$ (8,123,082)

Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
$ 323,010	$ 358,196	$ 507,001	$ 466,428	$ 1,009,635	$ 1,008,587	$ -	$ -	$ 7,778,967	$ 8,209,749
21,885	20,978	-	-	2,602	1,841	-	-	6,920,916	6,719,893
-	-	-	-	-	-	-	-	22,168	38,184
18,830	11,514	3,400	3,300	125,456	93,380	832,458	806,340	1,940,490	1,750,396
363,725	390,688	510,401	469,728	1,137,693	1,103,808	832,458	806,340	16,662,541	16,718,222
551,344	578,510	694,879	622,048	2,755,163	2,571,485	775,292	601,287	14,313,173	14,408,067
-	-	-	-	158,182	181,584	-	-	958,649	991,300
335,883	303,516	1,200,620	1,080,154	830,533	737,322	4,800	4,800	4,260,497	4,078,809
12,000	12,000	3,162,405	3,058,834	-	-	-	-	3,174,405	3,070,834
69,600	42,000	163,200	99,600	116,425	123,625	575	48,000	1,074,539	1,124,827
885,833	852,472	793,236	747,411	2,798,881	2,737,045	-	-	15,952,283	15,207,245
29,442	31,500	132,542	75,957	92,513	91,824	23,442	17,113	1,557,208	1,493,806
151,054	261,971	290,455	588,627	365,182	462,788	205,123	234,915	3,226,130	2,816,225
231,033	205,534	162,997	143,038	605,123	509,282	-	-	2,148,414	1,372,163
33,526	34,558	33,164	31,272	180,753	66,041	100,432	102,152	1,690,724	1,261,414
92,185	96,306	60,134	60,586	496,637	671,095	4,707	4,818	4,651,303	4,260,782
129,128	332,991	329,915	367,631	1,381,687	1,391,834	-	300	8,455,950	7,865,214
271,299	229,419	449,819	408,480	638,542	529,814	-	-	6,295,233	5,650,095
405,282	412,934	939,780	950,030	1,258,543	1,307,572	39,711	40,142	10,514,958	10,768,935
108,532	99,584	229,002	206,656	469,140	454,663	13,989	13,008	3,287,988	3,153,529
260,077	247,016	427,279	250,779	1,429,398	1,449,833	723,268	715,998	12,021,223	10,785,146
3,566,218	3,740,311	9,069,427	8,691,103	13,576,702	13,285,807	1,891,339	1,782,533	93,582,677	88,308,391
(3,202,493)	(3,349,623)	(8,559,026)	(8,221,375)	(12,439,009)	(12,181,999)	(1,058,881)	(976,193)	(76,920,136)	(71,590,169)
-	32,137	555,907	829,846	174,340	305,864	637,925	-	7,087,393	16,180,631
-	4,876	-	-	-	1,930	-	-	162,673	26,568
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	6,099,468	6,108,285
162,397	162,396	128,900	128,888	515,165	515,154	-	-	3,193,012	3,192,993
2,270,304	2,349,178	5,756,600	6,732,593	3,500,004	3,500,000	-	-	34,915,591	34,132,752
234,996	212,000	-	-	3,024,996	2,025,000	-	-	11,587,980	9,408,138
2,667,697	2,723,574	5,885,500	6,861,481	7,040,165	6,040,154	-	-	49,696,583	46,733,883
2,667,697	2,760,587	6,441,407	7,691,327	7,214,505	6,347,948	637,925	-	63,046,117	69,049,367
(534,796)	(589,036)	(2,117,619)	(530,048)	(5,224,504)	(5,834,051)	(420,956)	(976,193)	(13,874,019)	(2,540,802)
(134,172)	-	1,104,791	-	-	-	-	-	-	-
-	3,570	61,565	92,205	14,528	80,430	56,527	-	-	-
(134,172)	3,570	1,166,356	92,205	14,528	80,430	56,527	-	-	-
(668,968)	(585,466)	(951,263)	(437,843)	(5,209,976)	(5,753,621)	(364,429)	(976,193)	(13,874,019)	(2,540,802)
(7,818,956)	(7,233,490)	(30,318,057)	(29,880,214)	(43,713,863)	(37,960,242)	9,147,239	10,123,432	(134,847,010)	(132,306,208)
$ (8,487,924)	$ (7,818,956)	$ (31,269,320)	$ (30,318,057)	$ (48,923,839)	$ (43,713,863)	$ 8,782,810	$ 9,147,239	$ (148,721,029)	$ (134,847,010)

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, 2019 AND 2018

	Central New York Regional Transportation Authority		CNY Centro, Inc.		Centro of Oswego, Inc.	
	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
CASH FLOWS FROM OPERATING ACTIVITIES:						
Passenger receipts	$ -	$ -	$ 12,116,591	$ 12,349,176	$ 764,372	$ 743,471
Other operating receipts	890,606	724,089	672,918	67,365	16,156	47,222
Payments to vendors and suppliers	(400,847)	(392,908)	(5,084,224)	(4,941,766)	(1,082,188)	(1,121,220)
Payments and benefits to employees	(350,751)	(401,613)	(35,569,017)	(34,342,533)	(2,530,245)	(2,347,626)
Payments for insurance and risk management	(24,694)	(19,994)	(6,017,406)	(3,774,837)	-	(85,725)
Net cash from operating activities	114,314	(90,426)	(33,881,138)	(30,642,595)	(2,831,905)	(2,763,878)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:						
Mortgage tax receipts	6,005,359	6,143,961	-	-	-	-
Operating assistance	-	-	31,463,263	28,917,820	2,295,969	2,783,744
Operating transfers	(5,730,572)	(5,877,917)	441,892	1,550,698	535,711	(232,345)
Net cash from noncapital financing activities	274,787	266,044	31,905,155	30,468,518	2,831,680	2,551,399
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from grants received for capital additions	-	-	5,186,666	16,124,835	65,932	1,871,014
Transfers in (out) - capital	(206,922)	(1,303,109)	74,302	1,126,904	-	-
Purchase of capital assets	-	-	(5,727,591)	(16,139,687)	(65,932)	(1,660,165)
Proceeds from sale of capital assets	-	-	162,673	18,132	-	1,630
Net cash from capital and related financing activities	(206,922)	(1,303,109)	(303,950)	1,130,184	-	212,479
NET CHANGE IN CASH AND CASH EQUIVALENTS	182,179	(1,127,491)	(2,279,933)	956,107	(225)	-
BALANCES - beginning of year	3,968,732	5,096,223	2,751,272	1,795,165	325	325
BALANCES - end of year	$ 4,150,911	$ 3,968,732	$ 471,339	$ 2,751,272	$ 100	$ 325
Reconciliation of operating income (loss) to net cash from operating activities:						
Operating income (loss)	$ (631,713)	$ (543,708)	$ (47,236,564)	$ (42,785,746)	$ (3,792,450)	$ (3,531,525)
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation	-	-	8,789,594	7,761,197	391,607	360,323
Changes in operating assets and liabilities:						
Accounts receivable:						
Trade and other	531,871	398,923	87,463	(396,109)	23,045	(19,149)
Materials and supplies	-	-	(143,514)	77,385	-	-
Prepaid expenses and other current assets	(1,198)	(3,761)	(851,970)	(1,325,575)	333	(1,397)
Accounts payable and accrued expenses	26,681	(24,025)	335,293	225,939	(7,890)	(22,670)
Other accrued expenses	53,048	(9,576)	(52,443)	32,772	(726)	3,405
Other postemployment benefits	66,182	66,904	3,838,535	3,880,406	317,672	321,137
Pension	69,443	24,817	1,805,863	1,525,584	104,459	88,966
Deferred revenue	-	-	(296,100)	(97,508)	-	-
Estimated claims payable	-	-	(157,295)	459,060	132,045	37,032
Total adjustments	746,027	453,282	13,355,426	12,143,151	960,545	767,647
Net cash from operating activities	$ 114,314	$ (90,426)	$ (33,881,138)	$ (30,642,595)	$ (2,831,905)	$ (2,763,878)

	Centro of Cayuga, Inc.		Centro Call-A-Bus, Inc.		Centro of Oneida, Inc.		Intermodal Transportation Center, Inc.		Consolidated	
	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated	2019	2018, as restated
	$ 343,877	$ 366,554	$ 519,242	$ 451,106	$ 1,012,237	$ 1,010,428	$ -	$ -	$ 14,756,319	$ 14,920,735
	18,830	11,514	3,400	3,300	107,723	76,967	824,122	797,233	2,533,755	1,727,690
	(950,882)	(1,024,658)	(4,770,999)	(4,663,743)	(2,252,040)	(3,057,811)	(824,750)	(712,612)	(15,365,930)	(15,914,718)
	(1,818,013)	(1,989,150)	(2,573,239)	(2,474,525)	(7,626,816)	(7,325,265)	(127,425)	(112,864)	(50,595,506)	(48,993,576)
	(127,154)	(131,999)	(97,258)	(97,248)	(703,841)	(1,003,464)	(127,361)	(164,057)	(7,097,714)	(5,277,324)
	(2,533,342)	(2,767,739)	(6,918,854)	(6,781,110)	(9,462,737)	(10,299,145)	(255,414)	(192,300)	(55,769,076)	(53,537,193)
	-	-	-	-	-	-	-	-	6,005,359	6,143,961
	2,392,101	2,764,172	5,885,497	6,893,703	6,040,154	5,911,365	-	-	48,076,984	47,270,804
	140,992	237,459	1,002,755	(20,387)	3,334,102	4,150,192	275,120	192,300	-	-
	2,533,093	3,001,631	6,888,252	6,873,316	9,374,256	10,061,557	275,120	192,300	54,082,343	53,414,765
	-	1,528,950	586,509	737,641	262,322	541,523	617,975	-	6,719,404	20,803,963
	-	3,570	61,565	92,205	14,528	80,430	56,527	-	-	-
	-	(1,771,289)	(617,472)	(922,052)	(188,868)	(386,295)	(694,452)	-	(7,294,315)	(20,879,488)
	-	4,877	-	-	-	1,930	-	-	162,673	26,569
	-	(233,892)	30,602	(92,206)	87,982	237,588	(19,950)	-	(412,238)	(48,956)
	(249)	-	-	-	(499)	-	(244)	-	(2,098,971)	(171,384)
	350	350	-	-	3,462	3,462	2,385	2,385	6,726,526	6,897,910
	$ 101	$ 350	$ -	$ -	$ 2,963	$ 3,462	$ 2,141	$ 2,385	$ 4,627,555	$ 6,726,526
	$ (3,202,493)	$ (3,349,623)	$ (8,559,026)	$ (8,221,375)	$ (12,439,009)	$ (12,181,999)	$ (1,058,881)	$ (976,193)	$ (76,920,136)	$ (71,590,169)
	260,077	247,016	427,279	250,779	1,429,398	1,449,833	723,268	715,998	12,021,223	10,785,146
	(1,018)	(12,620)	12,241	(15,322)	(17,733)	(16,413)	(3,846)	(1,867)	632,023	(62,557)
	-	-	-	-	12,819	(53,567)	-	-	(130,695)	23,818
	303	101	(3,960)	(5,390)	1,189	(1,609)	17,489	15,617	(837,814)	(1,322,014)
	2,856	(33,619)	65,124	102,544	281,756	(538,039)	40,869	9,930	744,689	(279,940)
	(213)	502	(1,970)	(1,461)	(2,350)	98,336	(9,532)	11,313	(14,186)	135,291
	304,433	307,757	939,780	950,030	1,111,852	1,123,980	39,711	40,142	6,618,165	6,690,356
	104,459	71,276	201,678	159,085	186,981	83,716	-	-	2,472,883	1,953,444
	-	-	-	-	-	-	(4,492)	(7,240)	(300,592)	(104,748)
	(1,746)	1,471	-	-	(27,640)	(263,383)	-	-	(54,636)	234,180
	669,151	581,884	1,640,172	1,440,265	2,976,272	1,882,854	803,467	783,893	21,151,060	18,052,976
	$ (2,533,342)	$ (2,767,739)	$ (6,918,854)	$ (6,781,110)	$ (9,462,737)	$ (10,299,145)	$ (255,414)	$ (192,300)	$ (55,769,076)	$ (53,537,193)

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, 2019 AND 2018

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

	Unrestricted	Current Designated	Total
March 31, 2019	$ 1,377,555	$ 3,250,000	$ 4,627,555
March 31, 2018	$ 3,476,526	$ 3,250,000	$ 6,726,526

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:

	2019	2018
Parking revenues	$ 345,861	$ 323,207
Facility maintenance	(108,816)	(78,162)
General and administrative	(37,809)	(40,421)
Net income	$ 199,236	$ 204,624
Assets	$ 3,691,880	$ 3,453,138
Liabilities	$ 523,493	$ 317,107

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 considers the receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

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 10.

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 and other postemployment benefit amounts as described in Notes 10 and 11. The Authority also has deferred inflows of resources for unearned revenue.

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, 2019 or 2018. 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."

Revenues
Amounts reported as operating revenue are from providing services in connection with the Authority's ongoing transportation operations. The principal operating revenues of the Authority include customer fares, special transit fares, advertising, and parking revenue. All revenues not meeting this definition are reported as non-operating revenues.

Expenses
Amounts reported as operating expenses are from providing services in connection with the Authority's ongoing transportation operations. The principal operating expenses of the Authority include salaries, employee benefits, material and supplies, outside services, insurance claims, utilities and depreciation. All expenses not meeting this definition are reported as non-operating expenses.

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. 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
At March 31, 2019 and 2018 designated cash and cash equivalents, with a balance of $3,250,000, is used to fund the self-insurance reserve (see Note 6).

Deposits
At March 31, 2019 and 2018, the carrying amount of the Authority and its subsidiaries' bank deposits was $4,627,555 and $6,726,526, respectively and the bank balances were $5,877,431 and $7,599,724, 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.

4. CAPITAL ASSETS AND DEPRECIATION

Capital assets consisted of the following:

	March 31, 2019							
	CNY Centro, Inc	Centro of Oswego, Inc	Centro of Cayuga, Inc	Centro Call-A-Bus, Inc	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.	2019 Total	2018 Total
Land	$ 4,275,143	$ 6,400	$ 8,052	$ -	$ -	$ 712,742	$ 5,002,337	$ 5,002,337
Construction in progress	10,652	-	-	-	348	-	11,000	-
Improvements	181,505	53,348	59,295	-	691,373	2,096,998	3,082,519	3,240,387
Buildings	46,113,878	1,961,490	1,644,979	84,075	1,159,400	20,760,051	71,723,873	71,302,636
Revenue vehicles	74,917,889	4,262,259	2,995,769	3,272,322	11,166,536	-	96,614,775	105,127,092
Other equipment	20,061,951	691,108	370,516	29,016	3,128,993	42,489	24,324,073	23,519,138
Furniture and office equipment	2,265,731	37,250	44,560	50,017	189,436	138,431	2,725,425	2,392,349
Total	147,826,749	7,011,855	5,123,171	3,435,430	16,336,086	23,750,711	203,484,002	210,583,939
Less: accumulated depreciation	76,103,897	4,503,952	3,115,739	1,918,245	10,568,528	11,814,446	108,024,807	110,397,836
Total	$71,722,852	$2,507,903	$ 2,007,432	$ 1,517,185	$ 5,767,558	$ 11,936,265	$ 95,459,195	$100,186,103

Capital asset activity for the year ended March 31, 2019:

	Total Balance at March 31, 2018	Increases	Decreases	Total Balance at March 31, 2019
Not being depreciated:				
Land	$ 5,002,337	$ -	$ -	$ 5,002,337
Construction on progress	-	11,000	-	11,000
Subtotal	5,002,337	11,000	-	5,013,337
Other capital assets:				
Improvements	3,240,387	-	(157,868)	3,082,519
Buildings	71,302,636	758,699	(337,462)	71,723,873
Revenue Vehicles	105,127,092	5,008,541	(13,520,858)	96,614,775
Other Equipment	23,519,138	1,086,748	(281,813)	24,324,073
Furniture and Office Equipment	2,392,349	429,327	(96,251)	2,725,425
Subtotal	205,581,602	7,283,315	(14,394,252)	198,470,665
Total capital assets	210,583,939	7,294,315	(14,394,252)	203,484,002
Accumulated depreciation:				
Improvements	1,491,212	184,415	(157,868)	1,517,759
Buildings	37,647,236	2,191,874	(337,462)	39,501,648
Revenue Vehicles	56,537,588	7,409,654	(13,520,858)	50,426,384
Other Equipment	12,623,300	2,074,390	(281,813)	14,415,877
Furniture and Office Equipment	2,098,500	160,890	(96,251)	2,163,139
Total	110,397,836	12,021,223	(14,394,252)	108,024,807
Net capital assets	$ 100,186,103	$ (4,726,908)	$ -	$ 95,459,195

4. CAPITAL ASSETS AND DEPRECIATION (Continued)

Capital asset activity for the year ended March 31, 2018:

	Total Balance at March 31, 2017	Increases	Decreases	Total Balance at March 31, 2018
Not being depreciated:				
Land	$ 5,002,337	$ -	$ -	$ 5,002,337
Construction on progress	-	-	-	-
Subtotal	5,002,337	-	-	5,002,337
Other capital assets:				
Improvements	3,056,307	184,080	-	3,240,387
Buildings	71,154,859	147,777	-	71,302,636
Revenue Vehicles	91,753,178	16,784,457	(3,410,543)	105,127,092
Other Equipment	23,260,212	293,024	(34,098)	23,519,138
Furniture and Office Equipment	2,724,771	74,402	(406,824)	2,392,349
Subtotal	191,949,327	17,483,740	(3,851,465)	205,581,602
Total capital assets	196,951,664	17,483,740	(3,851,465)	210,583,939
Accumulated depreciation:				
Improvements	1,303,448	187,764	-	1,491,212
Buildings	35,482,583	2,164,653	-	37,647,236
Revenue Vehicles	53,799,412	6,148,719	(3,410,543)	56,537,588
Other Equipment	10,528,969	2,128,429	(34,098)	12,623,300
Furniture and Office Equipment	2,349,743	155,581	(406,824)	2,098,500
Total	103,464,155	10,785,146	(3,851,465)	110,397,836
Net capital assets	$ 93,487,509	$ 6,698,594	$ -	$ 100,186,103

Total depreciation expense charged to operating expenses was $12,021,223 and $10,785,146 for the years ended March 31, 2019 and 2018, respectively.

5. 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.

5. 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.

6. 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. The Authority has $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, 2019 and 2018. The Authority has designated $3,250,000 of net position at March 31, 2019 and 2018 as a special reserve (See Note 3).

The changes in estimated claims payable:

Balance March 31, 2018	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2019	Amount Due Within One Year
$ 5,547,935	$ 15,953,004	$ 16,007,640	$ 5,493,299	$ 987,397

Balance March 31, 2017	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2018	Amount Due Within One Year
$ 5,313,755	$ 16,041,475	$ 15,807,295	$ 5,547,935	$ 987,397

7. 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:

	2019	
	Due From Affiliates	Due To Affiliates
Central New York Regional Transporation Authority	$ 20,882,324	$ -
CNY Centro, Inc.	-	3,308,640
Centro of Oswego, Inc.	119,594	-
Centro of Cayuga, Inc.	-	113,341
Centro Call-A-Bus, Inc.	473,229	-
Centro of Oneida, Inc.	-	15,928,569
Intermodal Transportation Center, Inc.	-	2,124,597
Total	$ 21,475,147	$ 21,475,147

	2018	
	Due From Affiliates	Due To Affiliates
Central New York Regional Transporation Authority	$ 17,800,451	$ -
CNY Centro, Inc.	-	4,124,082
Centro of Oswego, Inc.	234,559	-
Centro of Cayuga, Inc.	161,823	-
Centro Call-A-Bus, Inc.	371,193	-
Centro of Oneida, Inc.	-	12,594,467
Intermodal Transportation Center, Inc.	-	1,849,477
Total	$ 18,568,026	$ 18,568,026

8. 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:

2019	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	$ 81,996	$ 261,996	$ 234,996	$ -	$ 3,000,000	$ 3,578,988
New Freedom	-	-	-	-	-	-
Special Reimbursements – Preventative Maintenance	7,983,996	-	-	-	-	7,983,996
New York State Department of Transportation:						
Regular operating – STOA	20,200,295	2,190,396	2,270,304	5,756,600	3,500,004	33,917,599
Special Reimbursements – Preventative Maintenance	997,992	-	-	-	-	997,992
Other New York State:						
Temporary Assistance for Needy Families (TANF)	-	-	-	-	24,996	24,996
City of Oswego	-	15,000	-	-	-	15,000
Onondaga County	2,280,977	-	-	128,900	-	2,409,877
Oneida County	-	-	-	-	515,165	515,165
Oswego County	-	90,573	-	-	-	90,573
Cayuga County	-	-	162,397	-	-	162,397
Subtotal	31,545,256	2,557,965	2,667,697	5,885,500	7,040,165	49,696,583
Transfers	1,257,334	420,746	(134,172)	1,104,791	-	2,648,699
Total	$ 32,802,590	$ 2,978,711	$ 2,533,525	$ 6,990,291	$ 7,040,165	$ 52,345,282

2018	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	$ 74,000	$ 238,000	$ 212,000	$ -	$ 2,000,000	$ 2,524,000
New Freedom	-	-	-	-	-	-
Special Reimbursements – Preventative Maintenance	6,859,138	-	-	-	-	6,859,138
New York State Department of Transportation:						
Regular operating – STOA	18,276,003	2,417,528	2,349,178	6,717,593	3,500,000	33,260,302
Special Reimbursements – Preventative Maintenance	857,450	-	-	-	-	857,450
Other New York State:						
Temporary Assistance for Needy Families (TANF)	-	-	-	-	25,000	25,000
New York State Office For the Aging	-	-	-	15,000	-	15,000
City of Oswego	-	15,000	-	-	-	15,000
Onondaga County	2,280,982	-	-	128,888	-	2,409,870
Oneida County	-	-	-	-	515,154	515,154
Oswego County	-	90,573	-	-	-	90,573
Cayuga County	-	-	162,396	-	-	162,396
Total	$ 28,347,573	$ 2,761,101	$ 2,723,574	$ 6,861,481	$ 6,040,154	$ 46,733,883

9. GRANT ASSISTED PROJECTS

Grant assisted projects in progress at March 31, 2019 consisted of:

	Total Amount of Project	Total Amount Expended	Balance March 31, 2018
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	$ 9,082,965	$ 5,695
Bus stop signs and posts, computer hardware, Syracuse service trucks, Syracuse supervisory vehicles, Onondaga preventive maintenance	12,357,670	12,357,502	168
Utica Garage Renovation	532,000	311,166	220,834
Bus stop signs and posts, replacement bus shelters, computer hardware and software	9,088,660	9,082,965	5,695
30’ Bus replacements	4,066,314	3,742,029	324,285
40’ bus replacements, call a bus replacement, support vehicles, computer hardware, CNG Station, Onondaga preventative maintenance, Oneida operating assistance	27,002,651	25,599,824	1,402,827
Renovation and rehabilitation of Oneida facility	645,000	642,051	2,949
Replacement farebox system	2,561,191	2,526,274	34,917
CNG Station	3,000,000	329,250	2,670,750
MEP 100% SDF	134,541	125,611	8,930
40’ Bus replacements	2,737,722	-	2,737,722
Facility renovations, rehab and improvement	1,158,500	690,908	467,592

In connection with the above projects, the Authority is committed to participate with its own funds in amounts not to exceed approximately $437,500.

10. 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 5) .

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, pension plan membership consisted of the following:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefits	254	250
Inactive plan members entitled to but not yet receiving benefits	39	39
Active plan members	186	197
	479	486

Benefits Provided

Retirement benefits for plan members who complete at least 25 years of service is equal to $71.77 ($60.20 if less than 25 years of benefit service) times the number of years of benefit service. This amount increases annually through April 1, 2020. 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.

10. 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 $1,537,193 and $1,771,621 for the years ended March 31, 2019 and 2018, respectively.

Net Pension Liability

The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2019 was performed as of April 1, 2018. The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2018 was performed as of April 1, 2017. 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, 2018 for the year ended March 31, 2019 and as of April 1, 2017 for the year ended March 31, 2018 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 2018 IRC 430 Table (combined) for the April 1, 2018 valuation. Mortality rates were based on the 2017 IRC 430 Table (combined) for the April 1, 2017 valuation.

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.

10. 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 liabilities 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, 2018	$ 43,837,000	$ 29,764,602	$ 14,072,398
Changes for the Year:			
Service cost	538,855	-	538,855
Interest	3,150,669	-	3,150,669
Differences between expected and actual experience	687,693	-	687,693
Contributions – employer	-	1,537,193	(1,537,193)
Net investment income	-	1,516,357	(1,516,357)
Benefit payments, including refunds of employee contributions	(2,582,663)	(2,582,663)	-
Administrative expense	-	(45,423)	45,423
Changes in assumptions	1,344,953	-	1,344,953
Net Changes	3,139,507	425,464	2,714,043
Balances at March 31, 2019	$ 46,976,507	$ 30,190,066	$ 16,786,441

10. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)–(b)
Balances at March 31, 2017	$ 42,267,109	$ 28,148,651	$ 14,118,458
Changes for the Year:			
Service cost	551,188	-	551,188
Interest	2,937,876	-	2,937,876
Change in assumptions	-	-	-
Differences between expected and actual experience	(856,150)	-	(856,150)
Contributions – employer	-	1,771,621	(1,771,621)
Net investment income	-	2,223,756	(2,223,756)
Benefit payments, including refunds of employee contributions	(2,335,727)	(2,335,727)	-
Administrative expense	-	(43,699)	43,699
Changes in benefit terms	1,272,704	-	1,272,704
Net Changes	1,569,891	1,615,951	(46,060)
Balances at March 31, 2018	$ 43,837,000	$ 29,764,602	$ 14,072,398

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 March 31,2019	$ 21,649,653	$ 16,786,441	$ 12,625,655

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability March 31, 2018	$ 18,586,328	$ 14,072,398	$ 10,202,486

10. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

Pension Plan Fiduciary Net Position

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

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

For the years ended March 31, 2019 and 2018, the Authority recognized pension expense of \$2,434,240 and \$3,145,039, respectively. At March 31, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 184,629
Changes of assumptions	1,753,077	-
Net difference between projected and actual earnings on pension plan investments	597,977	-
Total	$ 2,351,054	$ 184,629

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 949,696
Changes of assumptions	748,019	-
Net difference between projected and actual earnings on pension plan investments	551,106	-
Total	$ 1,299,125	$ 949,696

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 31,2019:	
2020	$ 748,067
2021	217,333
2022	313,654
2023	419,696
2024	177,297
Thereafter	290,378
	$ 2,166,425

10. PENSION PLANS (Continued)

Centro Non-Salaried Employees Retirement Plan (Continued)

Year Ended March 31, 2018:		
2019	$	351,204
2020		351,206
2021		(179,528)
2022		(83,207)
2023		22,835
Thereafter		(113,081)
	$	349,429

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, pension plan membership consisted of the following:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefits	68	64
Inactive plan members entitled to but not yet receiving benefits	25	26
Active plan members	66	71
	159	161

Benefits Provided
Retirement benefits are provided for plan members who attain normal retirement age. Normal retirement age means the earlier of the later of the participant's 62nd birthday and the completion of 5 years of service, or if the participant has attained age 55, the date on which the sum of a participant's age plus completed years of service equal 85. If the participant elects to receive benefits at the early retirement date, the amount of the benefit will be reduced by one third of one percent (0.33%) for each month by which the early 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 $1,537,196 and $1,301,088 for the years ended March 31, 2019 and 2018, respectively.

10. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

Net Pension Liability

The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2019 was performed as of April 1, 2018. The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2018 was performed as of April 1, 2017. 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, 2018 for the year ended March 31, 2019 and as of April 1, 2017 for the year ended March 31, 2018 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

Mortality rates were based on the 2018 IRC 430 Table (combined) for the April 1, 2018 valuation and 2016 IRC 430 Table (combined) for the April 1, 2017 valuation.

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.

10. 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, 2018	$ 34,905,314	$ 27,266,688	$ 7,638,626
Changes for the Year:			
Service cost	608,181	-	608,181
Interest	2,489,524	-	2,489,524
Differences between expected and actual experience	(541,705)	-	(541,705)
Contributions - employer	-	1,537,196	(1,537,196)
Net investment income	-	1,402,379	(1,402,379)
Benefit payments, including refunds of employee contributions	(1,600,446)	(1,600,446)	-
Administrative expense	-	(41,111)	41,111
Change in benefit terms	1,034,760	-	1,034,760
Changes in assumptions	424,999	-	424,999
Net Changes	2,415,313	1,298,018	1,117,295
Balances at March 31, 2019	$ 37,320,627	$ 28,564,706	$ 8,755,921

10. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)–(b)
Balances at March 31, 2017	$ 32,733,412	$ 25,404,812	$ 7,328,600
Changes for the Year:			
Service cost	634,989	-	634,989
Interest	2,326,615	-	2,326,615
Change in assumptions	213,067	-	213,067
Differences between expected and actual experience	434,272	-	434,272
Contributions - employer	-	1,301,088	(1,301,088)
Net investment income	-	2,037,332	(2,037,332)
Benefit payments, including refunds of employee contributions	(1,437,041)	(1,437,041)	-
Administrative expense	-	(39,503)	39,503
Other changes	-	-	-
Net Changes	2,171,902	1,861,876	310,026
Balances at March 31, 2018	$ 34,905,314	$ 27,266,688	$ 7,638,626

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 March 31, 2019	$ 12,832,230	$ 8,755,921	$ 5,286,483

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability March 31, 2018	$ 11,609,502	$ 7,638,626	$ 4,249,839

10. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
For the years ended March 31, 2019 and 2018, the Authority recognized pension expense of $2,926,049 and $1,797,399, respectively. At March 31, 2019 and 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 174,731	$ -
Changes of assumptions	1,048,011	-
Net difference between projected and actual earnings on pension plan investments	525,684	-
Total	$ 1,748,426	$ -

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 775,964	$ -
Changes of assumptions	788,826	-
Net difference between projected and actual earnings on pension plan investments	455,195	-
Total	$ 2,019,985	$ -

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 31,2019:	
2020	$ 651,028
2021	180,317
2022	271,127
2023	324,578
2024	167,980
Thereafter	153,396
	$ 1,748,426

10. PENSION PLANS (Continued)

Centro Salaried Employees Pension Plan (Continued)

Year Ended March 31,2018:

2019	$	566,381
2020		566,381
2021		95,670
2022		186,480
2023		239,930
Thereafter		365,143
	$	2,019,985

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, 2019 and 2018, employer contributions to the 401(a) plans were $307,573 and $201,542, respectively.

10. 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 pension plan membership consisted of the following:

	2018	2017
Inactive plan members or beneficiaries currently receiving benefits	34	37
Inactive plan members entitled to but not yet receiving benefits	17	18
Inactive plan members due to transfer out of union	6	6
Active plan members	62	62
	119	123

Benefits Provided
The monthly retirement benefit for active plan members is equal to $66.73 times years of credited service, plus one-twelfth of 10% of employee contributions, accumulated without interest. The benefit rate for active plan members increases based on the Consumer Price Index for Urban Wage Earners. 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.

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, 2018 and December 31, 2017, the contribution rate as a percent of wages equaled 4% for employee contributions and 10% for employer contributions. Employer contributions were $275,839 and $258,903 for the plan years ended December 31, 2018 and 2017, respectively and were equal to 100% of the required contributions. Employee contributions to the plan for the plan years ended December 31, 2018 and 2017 were $130,419 and $126,869 respectively.

Net Pension Liability
For the year ended March 31, 2019 the total pension liability was determined by an actuarial valuation as of December 31, 2018. The measurement date is also December 31, 2018, the end of the plan year. For the year ended March 31, 2018 the total pension liability was determined by an actuarial valuation as of December 31, 2017. The measurement date is also December 31, 2017, the end of the plan year.

10. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2018 and 2017 valuations were 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 2018 IRC Section 430 Table (combined) for the December 31, 2018 valuation and the 2017 IRC Section 430 Table (combined) for the December 31, 2017 valuation.

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, 2018 and 2017:

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.

10. 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, 2017	$ 7,646,240	$ 7,582,551	$ 63,689
Changes for the Year:			
Service Cost	313,114	-	313,114
Interest	558,076	-	558,076
Differences between expected and actual experience	(216,490)	-	(216,490)
Contributions – employer	-	275,839	(275,839)
Contributions – employee	-	130,419	(130,419)
Net Investment Income	-	(209,159)	209,159
Benefit payments, including refunds of employee contributions	(346,641)	(346,641)	-
Administrative expense	-	(26,245)	26,245
Changes in assumptions	200,911	-	200,911
Net Changes	508,970	(175,787)	684,757
Balances at December 31, 2018	$ 8,155,210	$ 7,406,764	$ 748,446

10. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)–(b)
Balances at December 31, 2016	$ 7,182,114	$ 6,578,751	$ 603,363
Changes for the Year:			
Service Cost	299,771	-	299,771
Interest	513,066	-	513,066
Change in assumptions	16,055		16,055
Differences between expected and actual experience	(53,833)	-	(53,833)
Contributions – employer	-	258,903	(258,903)
Contributions – employee	-	126,869	(126,869)
Net Investment Income	-	947,407	(947,407)
Benefit payments, including refunds of employee contributions	(310,933)	(310,933)	-
Administrative expense	-	(18,446)	18,446
Change in plan terms	-	-	-
Net Changes	464,126	1,003,800	(539,674)
Balances at December 31, 2017	$ 7,646,240	$ 7,582,551	$ 63,689

10. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

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) at March 31, 2019	$ 1,749,889	$ 748,446	$ (94,380)

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability (asset) at March 31, 2018	$ 991,956	$ 63,689	$ (720,083)

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, 2019 and 2018, the Authority recognized pension expense of $460,885 and $320,981, respectively. At March 31, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 438,198
Changes of assumptions	441,080	-
Net difference between projected and actual earnings on pension plan investments	513,292	-
Contributions subsequent to the measurement date	69,628	-
Total	$ 1,024,000	$ 438,198

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 277,718
Changes of assumptions	297,213	-
Net difference between projected and actual earnings on pension plan investments	-	3,030
Contributions subsequent to the measurement date	68,375	-
Total	$ 365,588	$ 280,748

10. PENSION PLANS (Continued)

Utica Transit Service Corporation Pension Plan (Continued)

For the years ended March 31, 2019 and 2018, the Authority recognized deferred outflows of resources relating to pensions resulting from contributions made subsequent to the measurement dates of December 31, 2018 and 2017, respectively which will result in a reduction of the net pension liability for the years ended March 31, 2019 and 2018. 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:

	Year Ended March 31:		
Measurement Date December 31, 2018:			
2019	2020	$	225,717
2020	2021		90,217
2021	2022		52,252
2022	2023		149,234
2023	2024		1,032
Thereafter	Thereafter		(2,278)
		$	516,174
	Year Ended March 31:		
Measurement Date December 31,2017:			
2018	2019	$	79,073
2019	2020		79,074
2020	2021		(56,426)
2021	2022		(94,391)
2022	2023		2,590
Thereafter	Thereafter		6,545
		$	16,465

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.

10. 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 determined 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, 2019	$	174,357
March 31, 2018	$	191,127
March 31, 2017	$	174,257

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

At March 31, 2019 and 2018 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, 2018 and 2017 for the years ended March 31, 2019 and 2018, respectively, 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, the Authority reported the following:

	2019	2018
Net Pension Liability	$ 127,389	$ 353,172
Authority's Proportion Percent	0.0039471%	0.0037590%
Pension Expense	$ 177,547	$ 216,665

10. PENSION PLANS (Continued)

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

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

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 45,436	$ 37,546
Changes of assumptions	84,470	-
Net difference between projected and actual earnings on pension plan investments	185,023	365,217
Changes in proportion and differences between the contributions and proportionate share of contributions	65,070	926
Contributions subsequent to the measurement date	174,357	-
	$ 554,356	$ 403,689

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,850	$ 53,631
Changes of assumptions	120,657	-
Net difference between projected and actual earnings on pension plan investments	70,543	-
Changes in proportion and differences between the contributions and proportionate share of contributions	43,328	1,237
Contributions subsequent to the measurement date	191,127	-
	$ 434,505	$ 54,868

10. 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 dates of March 31, 2018 and 2017 which will result in a reduction of the net pension liability for the years ending March 31, 2019 and 2018.

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

	March 31, 2019
Plan's Year Ended March 31:	
2019	$ 50,810
2020	37,938
2021	(78,693)
2022	(33,745)
	$ (23,690)

	March 31, 2018
Plan's Year Ended March 31:	
2018	$ 81,209
2019	81,209
2020	68,663
2021	(42,571)
	$ 188,510

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 7.0% and 7.5% for the plan years ended March 31, 2016 and 2015, respectively, 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 or 1% higher than the current rate:

		2018	
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of net pension liability (asset)	$ 963,863	$ 127,389	$ (580,234)

		2017	
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of net pension liability (asset)	$ 1,127,963	$ 353,172	$ (301,911)

10. PENSION PLANS (Continued)

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

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the Authority as of March 31, 2019 and 2018 were as follows:

2018	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	$183,400,590,000	$ 7,239,005	0.0039471%
Net position	(180,173,145,000)	(7,111,616)	0.0039471%
Net pension liability	$ 3,227,445,000	$ 127,389	0.0039471%
Fiduciary net position as a percentage of total pension liability	98.2%	98.2%	

2017	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	$177,400,586,000	$ 6,668,488	0.0037590%
Net position	(168,004,363,000)	(6,315,316)	0.0037590%
Net pension liability	$ 9,396,223,000	$ 353,172	0.0037590%
Fiduciary net position as a percentage of total pension liability	94.7%	94.7%	

10. PENSION PLANS (Continued)

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

Actuarial Assumptions
The total pension liability at March 31, 2018 was determined by using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liability to March 31, 2018. The total pension liability for the March 31, 2017 measurement date was determined by using an actuarial valuation as of April 1, 2017.

The actuarial valuation used the following actuarial assumptions:

	2018	2017
Actuarial cost method	Entry age normal	Entry age normal
Inflation	2.5%	2.5%
Salary scale	3.8 percent indexed by service	3.8 percent indexed by service
Projected COLAs	1.3% compounded annually	1.3% compounded annually
Decrements	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality table	Society of Actuaries Scale MP -2014	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.0% compounded annually, net of investment expenses	7.0% 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, 2018 and 2017 are summarized below:

Long-Term Expected Rate of Return

Asset Type	2018 Target Allocations In %	2017 Target Allocations In %	2018 Long-Term Expected Real Rate of Return In %	2017 Long-Term Expected Real Rate of Return In %
Domestic equity	36.0	36.0	4.55	4.55
International Equity	14.0	14.0	6.35	6.35
Private Equity	10.0	10.0	7.50	7.75
Real Estate	10.0	10.0	5.55	5.80
Absolute Return	2.0	2.0	3.75	4.00
Opportunistic Portfolio	3.0	3.0	5.68	5.89
Real Assets	3.0	3.0	5.29	5.54
Bonds & Mortgages	17.0	17.0	1.31	1.31
Cash	1.0	1.0	(0.25)	(0.25)
Inflation-Indexed Bonds	4.0	4.0	1.25	1.50
	100%	100%		

10. 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 7.0% for the March 31, 2018 and 2017 valuations. 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:

	2019			
	Net Pension Asset	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources
Centro Non-Salaried Employees Retirement Plan	$ -	$16,786,441	$ 2,351,054	$ 184,629
Centro Salaried Employees Pension Plan	-	8,755,921	1,748,426	-
Utica Transit Service Corporation Pension Plan	-	748,446	1,024,000	438,198
New York State and Local Employees' Retirement Systems	-	127,389	554,356	403,689
Total	$ -	$26,418,197	$ 5,677,836	$ 1,026,516

	2018			
	Net Pension Asset	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources
Centro Non-Salaried Employees Retirement Plan	$ -	$14,072,398	$ 1,299,125	$949,696
Centro Salaried Employees Pension Plan	-	7,638,626	2,019,985	-
Utica Transit Service Corporation Pension Plan	-	63,689	365,588	280,748
New York State and Local Employees' Retirement Systems	-	353,172	434,505	54,868
Total	$ -	$22,127,885	$ 4,119,203	$ 1,285,312

11. 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 Plan does not issue a stand-alone financial report.

Funding Policy

Currently, the Plan is funded by the Authority on a pay-as-you-go basis. 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. The OPEB Plan is not funded. As of the date of these financial statements, New York State has not yet adopted legislation that would enable government entities to establish a GASB qualifying trust that meets the criteria in paragraph 4 of GASB Statement #75.

Employees Covered by Benefit Terms

At April 1, 2018, which is the census collection date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	387
Inactive employees entitled to but not yet receiving benefits	-
Active employees	399
Total participants	786

Total OPEB Liability

The Authority's total OPEB liability of $229,183,608 and $222,322,095 at March 31, 2019 and 2018, respectively, was measured as of March 31, 2019 and 2018, and was determined by an actuarial valuation as of April 1, 2017.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Reporting Date	March 31, 2019 and 2018
Measurement Date	March 31, 2018
Actuarial Valuation Date	April 1, 2017
Discount Rate	3.89% / 3.86%
Rate of Compensation Increase	2.00%
Inflation Rate	5.00% in year one, 0% in year two, decreasing to the ultimate inflation rate of 4.20% in 2083
Actuarial Cost Method	Entry Age Normal
Amortization Method	Straight Line
Amortization Period	5 years

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20 year AA municipal bond rate as of April 1, 2017.

Mortality rates were based on SOA RP-2014 Total Dataset Mortality with Scale MP-2017 (base year 2006). This assumption was based on a review of published mortality tables and the demographics of the Plan.

The actuarial assumptions used in the April 1, 2017 valuation were based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of cost sharing between the employer and plan members.

Changes in the Total OPEB Liability

Changes in the total OPEB liability were as follows for the fiscal years ended March 31:

	2019	2018
Balance at April 1 – as restated	$ 222,322,095	$ 216,882,550
Changes for the year:		
Service cost	4,274,266	4,151,964
Interest	8,532,691	8,261,216
Assumption changes	-	(1,250,811)
Difference between actual and expected experience	-	-
Change in actuarial cost method	-	-
Benefit payments	(5,945,444)	(5,722,824)
Balance – March 31	$ 229,183,608	$ 222,322,095

Changes in assumptions reflect a change in the discount rate from 3.86% as of April 1, 2017 to 3.89% as of March 31, 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1% higher (4.89 / 4.86%) or 1% lower (2.89 / 2.86%) than the current discount rate (3.89 / 3.86%).

	1% Decrease	Current	1% Increase
March 31, 2019	$ 238,383,403	$ 229,183,608	$ 206,715,285
March 31, 2018	$ 249,512,296	$ 222,322,095	$ 202,006,733

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% higher (6.00%) or 1% lower (4.00%) than the current healthcare cost trend rate (5.00%).

	1% Decrease	Current	1% Increase
March 31, 2019	$ 179,932,230	$ 229,183,608	$ 284.288,338
March 31, 2018	$ 182,943,362	$ 222,322,095	$ 274,369,441

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Authority recognized OPEB expense of $12,563,609 and $12,413,179 for the fiscal years ended March 31, 2019 and 2018, respectively.

During the fiscal year ended March 31, 2018, the Authority recognized $1,250,811 in deferred inflows of resources related to OPEB as a result of the assumption changes described above and recognized deferred inflows in OPEB expense of $243,348 during the fiscal year ended March 31, 2019. No additional deferred inflows have arisen nor has the Authority recognized any deferred outflows of resources.

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows during the fiscal years ending March 31:

2020	$ 243,348
2021	243,348
2022	243,348
2023	277,419
2024	-
Thereafter	-
Total	$ 1,007,463

12. RESTATEMENT AND PRIOR PERIOD ADJUSTMENTS

Restatement of Beginning Net Position and Other Postemployment Benefits

As a result of adopting GASB No. 75 on April 1, 2017, the Authority's net position as of March 31, 2017 was restated as follows:

	Statement of Net Position			
	Other Postemployment Benefits	Deferred Outflows	Deferred Inflows	Net Position
Balance at March 31, 2017, as previously reported	$128,015,015	$ -	$ -	$ (43,438,673)
Restatement of beginning balance – Adoption of GASB Statement No. 75				
Increase to liability and decrease to net position	88,867,535	-	-	(88,867,535)
Balance at March 31, 2017, as restated	$ 216,882,550	$ -	$ -	$ (132,306,208)

Prior Period Adjustments

The OPEB expense, liability and deferred inflow of resources were adjusted for the year ended March 31, 2018 by restating these amounts due to the implementation of GASB Statement No. 75. OPEB expense was decreased $5,426,894 and deferred inflow of resources of $1,250,811 was created. The OPEB liability at March 31, 2018 of $140,132,265 was restated as $222,322,095.

13. LINE OF CREDIT

The Authority has an available line of credit of $5,000,000 with M&T Bank which can be used to advance New York State operating assistance, state transit capital funding and federal transit capital funding if it is not available on a timely basis. The line of credit is unsecured and has a term through January 12, 2020. The line bears interest based on the LIBOR rate and depends upon the interest rate option selected by the Authority. The taxable rate floats at one-month LIBOR plus 250 basis points. If the tax-exempt rate is selected by the Authority, the Bank will apply a factor of .70 to the floating at one-month LIBOR rate plus 250 basis points or the fixed rate option selected by the Authority. At the option of the Authority, the Bank grants the option to fix the rate at 60 day, 90 day, 6 month or 12 month LIBOR plus 250 basis points for like terms, however, the fixed periods may not extend past the maturity date, LIBOR breakage fee associated with the fixed rate option. There were no outstanding borrowings at March 31, 2019 and 2018.

14. OTHER BUSINESS MATTERS

As of March 31, 2019, the Authority had a negative unrestricted net position of $244,180,224 resulting from twelve 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. RECLASSIFICATION

Certain amounts as of and for the year ended March 31, 2018 have been reclassified to reflect information and assumptions at March 31, 2019. These reclassifications had no effect on the total change in net position or total net position as previously reported.

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 (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Centro Non-Salaried Pension Plan:										
Total pension liability (asset):										
Service cost	$ 538,855	$ 551,188	$ 562,050	$ 546,762	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.					
Interest	3,150,669	2,937,876	2,831,165	2,687,185						
Changes of benefit terms and assumptions	-	1,208,097	-	-						
Differences between expected and actual experience	687,693	(856,150)	(18,310)	(354,854)						
Changes of assumptions	1,344,953	64,607	969,700	-						
Benefit payments, including refunds of employee contributions	(2,582,663)	(2,335,727)	(2,202,063)	(2,074,856)						
Net change in total pension liability (asset)	3,139,507	1,569,891	2,142,542	804,237						
Total pension liability (asset) - beginning	43,837,000	42,267,109	40,124,567	39,320,330						
Total pension liability (asset) - ending	$ 46,976,507	$ 43,837,000	$ 42,267,109	$ 40,124,567						
Plan fiduciary net position:										
Contributions - employer	$ 1,537,193	$ 1,771,621	$ 1,896,467	$ 1,464,070						
Contributions - employee	-	-	-	-						
Net investment income	1,516,357	2,223,756	2,300,425	(747,434)						
Benefit payments, including refunds of employee contributions	(2,582,663)	(2,335,727)	(2,202,063)	(2,074,856)						
Administrative expense	(45,423)	(43,699)	(27,513)	(26,062)						
Other	-	-	-	-						
Net change in plan fiduciary net position	425,464	1,615,951	1,967,316	(1,384,282)						
Plan fiduciary net position - beginning	29,764,602	28,148,651	26,181,335	27,565,617						
Plan fiduciary net position - ending	$ 30,190,066	$ 29,764,602	$ 28,148,651	$ 26,181,335						
Net pension liability (asset)	$ 16,786,441	$ 14,072,398	$ 14,118,458	$ 13,943,232						
Plan fiduciary net position as a percentage of the total pension liability (asset)	64.27%	67.90%	66.60%	65.25%						
Covered employee payroll	$ 9,044,192	$ 10,106,791	$ 10,484,908	$ 11,808,973						
Net pension liability (asset) as a percentage of covered employee payroll	185.60%	139.24%	134.66%	118.12%						

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 (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Centro Salaried Employees Pension Plan:										
Total pension liability (asset):										
Service cost	$ 608,181	$ 634,989	$ 611,060	$ 647,997						
Interest	2,489,524	2,326,615	2,182,459	2,019,610						
Changes of benefit terms	1,034,760	-	-	-						
Differences between expected and actual experience	(541,705)	434,272	140,359	458,893						
Changes of assumptions	424,999	213,067	774,504	-						
Benefit payments, including refunds of employee contributions	(1,600,446)	(1,437,041)	(1,368,104)	(1,043,035)						
Net change in total pension liability (asset)	2,415,313	2,171,902	2,340,278	2,083,465						
Total pension liability (asset) - beginning	34,905,314	32,733,412	30,393,134	28,309,669						
Total pension liability (asset) - ending	$ 37,320,627	$ 34,905,314	$ 32,733,412	$ 30,393,134						
Plan fiduciary net position:										
Contributions - employer	$ 1,537,196	$ 1,301,088	$ 1,288,741	$ 1,069,524						
Contributions - employee	-	-	-	-						
Net investment income	1,402,379	2,037,332	2,088,729	(665,111)						
Benefit payments, including refunds of employee contributions	(1,600,446)	(1,437,041)	(1,368,104)	(1,043,035)						
Administrative expense	(41,111)	(39,503)	(34,010)	(32,683)						
Other	-	-	-	-						
Net change in plan fiduciary net position	1,298,018	1,861,876	1,975,356	(671,305)						
Plan fiduciary net position - beginning	27,266,688	25,404,812	23,429,456	24,100,761						
Plan fiduciary net position - ending	$ 28,564,706	$ 27,266,688	$ 25,404,812	$ 23,429,456						
Net pension liability (asset)	$ 8,755,921	$ 7,638,626	$ 7,328,600	$ 6,963,678						
Plan fiduciary net position as a percentage of the total pension liability (asset)	76.54%	78.12%	77.61%	77.09%						
Covered employee payroll	$ 5,083,252	$ 5,184,844	$ 5,309,216	$ 5,481,677						
Net pension liability (asset) as a percentage of covered employee payroll	172.25%	147.33%	138.04%	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.

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 (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Utica Transit Service Pension Plan:										
Total pension liability (asset):										
Service cost	$ 313,114	$ 299,771	$ 240,019	$ 227,437						
Interest	558,076	513,066	497,022	412,378						
Changes of benefit terms	-	-	575,518	94,831						
Differences between expected and actual experience	(216,490)	(53,833)	(264,184)	(25,600)						
Changes of assumptions	200,911	16,055	353,452	-						
Benefit payments, including refunds of employee contributions	(346,641)	(310,933)	(329,554)	(366,654)						
Net change in total pension liability (asset)	508,970	464,126	1,072,273	342,392						
Total pension liability (asset) - beginning	7,646,240	7,182,114	6,109,841	5,767,449						
Total pension liability (asset) - ending	$ 8,155,210	$ 7,646,240	$ 7,182,114	$ 6,109,841						
Plan fiduciary net position:										
Contributions - employer	$ 275,839	$ 258,903	$ 241,852	$ 247,180						
Contributions - employee	130,419	126,869	117,490	116,223						
Net investment income	(209,159)	947,407	252,385	(218,433)						
Benefit payments, including refunds of employee contributions	(346,641)	(310,933)	(329,554)	(366,654)						
Administrative expense	(26,245)	(18,446)	(21,032)	(20,349)						
Other	-	-	-	-						
Net change in plan fiduciary net position	(175,787)	1,003,800	261,141	(242,033)						
Plan fiduciary net position - beginning	7,582,551	6,578,751	6,317,610	6,559,643						
Plan fiduciary net position - ending	$ 7,406,764	$ 7,582,551	$ 6,578,751	$ 6,317,610						
Net pension liability (asset)	$ 748,446	$ 63,689	$ 603,363	$ (207,769)						
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.82%	99.17%	91.60%	103.40%						
Covered employee payroll	$ 3,221,442	$ 3,106,094	$ 2,946,799	$ 2,442,181						
Net pension liability (asset) as a percentage of covered employee payroll	23.23%	2.05%	20.47%	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.

SCHEDULE OF CONTRIBUTIONS FOR SINGLE EMPLOYER PENSION PLANS (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Centro Non-Salaried Employees Pension Plan:										
Actuarially determined contribution	$ 1,537,193	$ 1,771,621	$ 1,896,467	$ 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	1,537,193	1,771,621	1,896,467	1,464,070						
Contributions deficiency (excess)	$ -	$ -	$ -	$ -						
Covered-employee payroll	$ 9,044,192	$ 10,106,791	$ 10,484,908	$ 11,808,973						
Contributions as a percentage of covered employee payroll	17.00%	17.53%	18.09%	12.40%						
Centro Salaried Employees Pension Plan										
Actuarially determined contribution	$ 1,537,196	$ 1,301,088	$ 1,288,741	$ 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	1,537,196	1,301,088	1,288,741	1,069,524						
Contributions deficiency (excess)	$ -	$ -	$ -	$ -						
Covered-employee payroll	$ 5,083,252	$ 5,184,844	$ 5,309,216	$ 5,481,677						
Contributions as a percentage of covered employee payroll	30.24%	25.09%	24.27%	19.51%						
Utica Transit Service Corporation Pension Plan										
Contractually required contribution	$ 275,839	$ 258,903	$ 241,852	$ 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	275,839	258,903	241,852	247,180						
Contributions deficiency (excess)	$ -	$ -	$ -	$ -						
Covered-employee payroll	$ 3,221,442	$ 3,106,094	$ 2,946,799	$ 2,442,181						
Contributions as a percentage of covered employee payroll	8.56%	8.34%	8.21%	10.12%						

The accompanying notes are an integral part of this schedule.

NOTES TO THE SCHEDULE OF CONTRIBUTIONS FOR SINGLE EMPLOYER PENSION PLANS (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	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, 2019 was performed as of April 1, 2018.	The actuarial valuation date used to calculate total pension liability for the measurement date of March 31, 2019 was performed as of April 1, 2018.	The actuarial valuation used to calculate total pension liability for the measurement date of December 31, 2018 was performed as of December 31, 2018.
Methods and assumptions used to determine contribution			
Actuarial cost method	Unit Credit	Entry Age Normal, Level Percent of Payroll	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	3.5% average, including inflation	3.5% average, including inflation	N/A
Investment rate of return	7%, net of pension investment expense, including inflation	7%, net of pension investment expense, including inflation	7%, net of pension investment expense, including inflation
Retirement age	Age 62, but as early as 55 with 25 years of service with a reduction in benefits	Normal at age 62 or early at age 55	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	2018 IRC 430 Combined	2018 IRC 430 Combined	2018 IRC 430 Combined

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 (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
New York State Employees' Retirement System Plan:										
Proportion of the net pension liability (asset)	0.0039471%	0.0037590%	0.0037966%	0.0036625%	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.					
Proportionate share of the net pension liability (asset)	$ 127,389	$ 353,172	$ 609,365	$ 123,728						
Covered-employee payroll	$ 1,319,375	$ 1,400,994	$ 1,276,367	$ 1,216,561						
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	9.66%	25.21%	47.74%	10.17%						
Plan fiduciary net position as a percentage of the total pension liability (asset)	98.24%	94.70%	90.70%	97.95%						

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 (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN:										
Contractually required contribution	$ 174,357	$ 191,127	$ 174,257	$ 179,227						
Contributions in relation to the contractually required contribution	174,357	191,127	174,257	179,227						
Contribution deficiency (excess)	$ -	$ -	$ -	$ -						
Covered-employee payroll	$ 1,319,375	$ 1,400,994	$ 1,276,367	$ 1,216,561						
Contributions as a percentage of covered-employee payroll	13.22%	13.64%	13.65%	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.

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
FOR THE YEAR ENDED MARCH 31, 2019

	Last 10 Fiscal Years Ended March 31									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability:										
Service cost	$ 4,274,266	$ 4,151,964	Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.							
Interest	8,532,691	8,261,216								
Changes of benefit terms	-	-								
Differences between expected and actual experience	-	-								
Changes in assumptions	-	(1,250,811)								
Benefit payments	(5,945,444)	(5,722,824)								
Total change in total OPEB liability	6,861,513	5,439,545								
Total OPEB liability - beginning	222,322,095	216,882,550								
Total OPEB liability - ending	$229,183,608	$ 222,322,095								
Covered-employee payroll	22,488,468	26,636,788								
Total OPEB liability as a percentage of covered-employee payroll	1019.12%	834.64%								

Notes to schedule:

Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

	2019	2018	
Discount rate	3.89%	3.86%	Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Plan assets. No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

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 21, 2019

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, 2019, and the related notes to the consolidating financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 21, 2019.

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.

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(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 21, 2019

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, 2019. 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, 2019.

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(Continued)

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 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, 2019, 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 21, 2019, 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 basic 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 basic 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 basic financial statements or to the consolidating basic 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 basic 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, 2019

Federal CFDA #	Grant #	Program Title	Expenditures	Expenditures to Subrecipients
U.S. Department of Transportation:				
Federal Transit Cluster:				
20.507	Federal Transit - Formula Grants:			
	NY 90-0708	Bus Stop Signs and Post, Maintenance Facility Renovations Oneida, Engineering Services	$212,190	$ -
	NY 90-0746	Call A Bus Purchases, Bus Camera System, Tow Truck, Centro Garage Roof, RTC Roof	750,070	-
	NY 2017-02	Software	28,567	-
	NY 2017-042	Preventative Maintenance, Computer Hardware	4,141,643	-
	NY 2018-031	CAB Replacement, Service Vehicles, Preventative Maintenance, Operating Assistance	7,397,599	-
		Total Federal Transit Formula Grants	12,530,069	-
20.526	Bus and Bus Facilities Formula Program			
	NY 90-0767	Bus Shelters, Garage Renovations	58,119	-
		Total Bus and Bus Facilities Formula Program	58,119	-
		Total Federal Transit Cluster	12,588,188	-

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, 2019
(Continued)

Federal CFDA #	Grant #	Program Title	Expenditures	Expenditures to Subrecipients
U.S. Department of Transportation (Continued):				
20.509	Formula Grants for Rural Areas (passed through the New York State Department of Transportation):			
		Onondaga County	81,996	-
		Oswego County	261,996	-
		Cayuga County	234,996	-
		Total Formula Grants for Rural Areas	578,988	-
		Total U.S. Department of Transportation	578,988	-
U.S. Department of Health and Human Services:				
93.558	Temporary Assistance for Needy Families (passed through the Office of Temporary & Disability Assistance)		25,000	-
		Total	$ 13,192,176	$ -

See Notes to Schedule of Expenditures of Federal Awards

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 schedule of expenditures of federal awards has been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

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.

4. INDIRECT COSTS

Indirect costs may be included in the reported expenditures, to the extent they are included in the federal financial reports used as the source for the data presented. The Authority did not elect to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2019

Part I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:	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, 2 CFR section 200.516 (a)	☐	yes	☒	no

Identification of program tested as major program:

U.S. Department of Transportation— Federal Transit Cluster – CFDA 20.507 Federal Transit Formula Grants and CFDA 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.

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 21, 2019

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, 2019. The program tested 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 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, 2019.

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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.

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, 2019, and related notes to the consolidating financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated June 21, 2019, 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating basic 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 basic financial statements or to the consolidating basic 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 basic 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, 2019

Program Title	Contract #	Reference #	Expenditures
State Matching Grants for Direct FTA Programs (040):			
Master Agreement	K007200	3822.58.001	$ 18,893
	K007200	3828.30.001	6,738
	K007200	3824.15.001	35,995
	K007200	3822.74.001	2,625
	K007200	3824.14.001	29,508
	K007200	HOC0.40.001	3,765
	K007200	HOC01.26.001	3,500
Master Agreement Supplemental #1	K007200	3822.54.001	3,571
Master Agreement	K007200	3822.61.001	20,076
Supplemental #2	K007200	3822.57.001	362,544
Master Agreement	K007200	3822.58.001	42,672
Supplemental #3	K007200	3822.45.001	4,400
	K007200	3822.67.001	2,258
	K007200	3822.57.001	635,448
Master Agreement	K006991	3822.43.001	510
Supplemental #4	K006991	2815.07.002	23,863
	K006991	3822.44.001	2,151
Total State Matching Grants for Direct FTA Programs			1,198,517
State Discretionary Funds (SDF) for Non-MTS Transit Capital Programs (008):			
Master Agreement	K007200	3823.81.001	329,250
Supplemental #2	K007200	3824.12.001	4,391,070
	K007200	3828.78.001	10,213
	K007200	3828.79.001	532,916
	K006991	2821.46.001	1,780
Master Agreement	K006991	3822.18.001	17,424
Supplemental #3	K006991	3822.70.001	37
Total State Discretionary Funds (SDF):			5,282,690
State Transit Operating Assistance for Specified Systems (003-03):			
	NYS-18B		3,178,000
	NYS-GRT		30,739,600
Total State Transit Operating Assistance for Specific Systems			33,917,600
Total			$ 40,398,807

See Notes to Schedule of State Transportation Assistance Expended

NOTES TO SCHEDULE OF STATE TRANSPORTATION ASSISTANCE EXPENDED
FOR THE YEAR ENDED MARCH 31, 2019

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 in accordance with generally accepted accounting principles.

3. MATCHING COST

Matching costs, i.e. the Authority'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 STATE TRANSPORTATION ASSISTANCE EXPENDED FOR THE YEAR ENDED MARCH 31, 2019

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 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 21, 2019

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, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States, 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, 2019, 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 21, 2019.

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 from 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 these specified parties.

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