

To our Valued Customers:

Needless to say, the news about the economy has not been good lately. Nearly everyone has been affected...and Centro is no different. Due to reductions in assistance from New York State and a drastic decline in our Mortgage Recording Tax revenues, we are currently facing a \$5.1 million dollar deficit for the upcoming fiscal year that begins April 1, 2009. We must find ways to close that gap.

We have identified a number of possible actions which, in combination, can balance our budget. They include:

- Reallocation of a limited amount of funds previously targeted for capital projects to pay for ongoing operations.
- The use of reserve “rainy day” funds
- Centro’s first fare increase in 14 years in Onondaga, Cayuga and Oswego counties
 - To a maximum of \$1.50 adult one-way fare in Syracuse and Utica
 - To a maximum of \$1.00 adult one-way fare in Oswego, Fulton, Rome and Auburn
- The elimination or reduction of selected underutilized routes in Onondaga and Cayuga counties. We have indentified the following six routes for consideration:
 - 723 Suburban East
 - 250/350 Hancock Airport / Airpark
 - 70/170 Oak-Darlington
 - 78/178 Fairmount / West Genesee
 - 72/172 East Colvin
 - Auburn direct service to New Process Gear

Is there any positive news? Certainly if ridership continues to increase in 2009 like it has for the past 7 years, those increased revenues will be very helpful in reducing future deficits.

We are hopeful that the federal government’s Economic Stimulus Package will provide some relief to our budget situation and allow us to shield our riders from the full impact of our budget shortfall by reducing the size of any necessary fare increase.

We will be meeting with elected state representatives from our four-county area in the coming weeks to discuss the situation. If the federal stimulus bill provides some relief for the New York State budget in the areas of education and Medicaid costs, we would ask the state to consider restoring some of the proposed transit funding cut.

Like everyone, we are waiting for decisions to be made in Washington and Albany. However, we wanted you to know about the current situation we are facing, and what actions we may have to take. We promise to keep you informed of any developments.

Frank Kobliski
Executive Director