

**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, 2026**

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

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INDEPENDENT AUDITOR'S REPORT

June 19, 2026

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary activities (collectively, the "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, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Authority as of March 31, 2026, and the respective change in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Restatement of Previously Issued Financial Statements

As discussed in Note 15 to the basic financial statements, the Authority restated balances relating to valuation of subscription-based information technology arrangement assets and liabilities at April 1, 2025. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios – Single Employer Pension Plans, Schedule of Contributions – Single Employer Pension Plans, Notes to the Schedule of Contributions – Single Employer Pension Plans, Schedule of Proportionate Share of Net Pension Liability (Asset) – Cost Sharing Multiple Employer Plan, Schedule of Contributions – Pension Plans – Cost Sharing Multiple Employer Plan, and the Schedule of Changes in Total Other Postemployment Benefits Liability and Related Ratios, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Combining Statements of Net Position (Deficit), the Combining Statements of Revenues, Expenses and Changes in Net Position (Deficit), the Combining Statements of Fiduciary Net Position – Pension and Other Employee Benefit Trust Funds, the Combining Statements of Changes in Fiduciary Net Position – Pension and Other Employee Benefit Trust Funds, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of State Transportation Assistance Expended are presented for purposes of additional analysis and are not a required part of the 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 basic financial statements or to the 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 combining financial statements, the schedule of expenditures of federal awards and the schedule of state transportation assistance expended are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2026, on our consideration of the Authority's 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 the Authority's internal control over financial reporting and compliance.

Other Reporting Required By New York State General Municipal Law

In accordance with New York State General Municipal Law, we have also issued our report dated June 19, 2026, on our consideration of the Authority's compliance with section 2925(3)(f) of the New York State (NYS) Public Authorities Law. The purpose of that report is to describe anything that came to our attention that caused us to believe the Authority failed to comply with the Authority's Investment Guidelines, the NYS Comptroller's Investment Guidelines and Section 2925 of the NYS Public Authorities Law (collectively, the Investment Guidelines).

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This Management's Discussion and Analysis (MD&A) of the Central New York Regional Transportation Authority and its subsidiaries (the Authority) is intended to provide an overview of the Authority's basic financial statements for the fiscal years ended March 31, 2026, and 2025. Readers are encouraged to consider the information presented here in conjunction with the Authority's audited financial statements and the accompanying notes, which follow this section.

Overview of the Basic Financial Statements

The Authority's basic financial statements are prepared using the accrual basis of accounting, which requires that transactions be recorded when they occur, rather than when the related cash receipts or disbursements occur. The basic financial statements include the following:

- Statement of net position
- Statement of revenues, expenses, and changes in net position
- Statement of cash flows
- Statement of fiduciary net position (pension and other employee benefit trust funds)
- Statement of changes in fiduciary net position (pension and other employee benefit trust funds)
- Notes to the financial statements

The statements of net position provide a snapshot of the Authority's financial condition as of March 31, 2026, and 2025. The statements of revenues, expenses, and changes in net position report the results of the Authority's operations and capital activities for the fiscal years that ended. The statements of cash flows detail the sources and uses of cash from operating, noncapital financing, capital and related financing, and investing activities.

The statements of fiduciary net position present financial information about the assets, liabilities, and net position held in trust for the Authority's pension and other employee benefit trust funds. The statements of changes in fiduciary net position report additions to and deductions from fiduciary net position. The notes to the financial statements provide additional detail and explanations related to amounts presented in the basic financial statements.

FINANCIAL ANALYSIS OF THE AUTHORITY

Consolidated Statement of Net Position

The consolidated statement of net position below provides a snapshot of the financial condition of the Authority as of March 31, 2026, for the years presented, in whole numbers.

	<u>2026</u>	<u>2025</u>
Assets:		
Current assets	\$66,047,712	\$65,967,560
Non-Current assets	1,061,002	1,163,312
Net pension asset	2,908,493	1,530,887
Capital assets – net of accumulated depreciation	125,313,364	131,855,093
Total Assets	<u>195,330,571</u>	<u>200,516,852</u>
Deferred Outflow of Resources		
Deferred outflows of resources	<u>1,026,592</u>	<u>4,325,473</u>
Total Assets and Deferred Outflows of Resources	<u>\$196,357,163</u>	<u>\$204,842,325</u>
Liabilities:		
Current liabilities	\$16,000,222	\$17,929,744
Long-term liabilities	195,169,687	199,031,098
Total liabilities	<u>211,169,909</u>	<u>216,960,842</u>
Deferred Inflows of Resources		
Deferred inflows of resources	<u>73,179,276</u>	<u>113,443,340</u>
Net Position		
Net investment in capital assets	121,740,271	128,096,950
Unrestricted	<u>(209,732,293)</u>	<u>(253,658,808)</u>
Total net position (deficit)	<u>(87,992,022)</u>	<u>(125,561,858)</u>
Total Liabilities, Deferred Inflows and Net Position (Deficit)	<u>\$196,357,163</u>	<u>\$204,842,325</u>

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Net Position (Continued)

Changes in the Authority's total net position (deficit) over time serve as a key indicator of its overall financial health. For the fiscal year ended March 31, 2026, the Authority reported an increase in net position of approximately \$37.6 million, or 30%, compared to the prior year. This improvement is attributable to the following factors: a \$5.5 million decrease in total assets; a \$3.3 million decrease in deferred outflows of resources; a \$7 million reduction in current and long-term liabilities; and a \$39 million reduction in deferred inflows of resources.

Assets

Current assets, including cash and cash equivalents, investments, receivables, inventory, and prepaid items, increased by approximately \$80 thousand, which is consistent with the balance reported as of March 31, 2025.

Cash, cash equivalents, and investments increased by \$11.0 million, or 29%, compared to March 31, 2025. This increase is primarily attributable to lower grant receivable balances, as well as higher mortgage recording tax revenues and investment income earned during the year.

Total receivables decreased by \$11.7 million compared to March 31, 2025. This decrease is primarily due to a \$10.9 million reduction in grant receivables, partially offset by a \$730 thousand increase in operating assistance receivables. The prior-year grant receivable balance primarily related to a large bus purchase at the end of the fiscal year. Operating assistance receivables are associated with New York State Section 5311 rural operating assistance for services provided in Cayuga, Oswego, Onondaga, Cortland, and Oneida counties. On average, reimbursements from New York State are received more than 90 days after submission of reimbursement requests.

Deferred outflows of resources decreased by \$3.3 million, or 76%, compared to March 31, 2025. This decrease is attributable to a combination of differences between expected and actual experience, changes in actuarial assumptions, and the net difference between projected and actual earnings on pension plan investments.

Liabilities

Current liabilities, including accounts payable, accrued salaries and benefits, estimated claims payable, accrued interest payable, the current portion of Other Post-Employment Benefits (OPEB) liability, the current portion of Subscription-Based Information Technology Arrangements (SBITA) liability, and the current portion of lease liability, decreased by \$1.9 million, or 11%, compared to March 31, 2025.

Grant payables decreased by \$4.3 million from the prior year. This decrease is primarily attributable to prior year-end obligations related to fixed-route bus acquisitions. The current-year balance relates primarily to the CNG facility upgrade, the system redesign initiative, and various building improvement projects.

The current portion of OPEB liability increased by \$6.0 million compared to March 31, 2025. This liability is recognized in accordance with Governmental Accounting Standards Board (GASB) Statements No. 74 and 75, which govern the accounting and financial reporting for post-employment benefits other than pensions.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Net Position (Continued)

Noncurrent liabilities decreased by \$3.8 million, or 2%, compared to March 31, 2025.

The OPEB liability increased by \$2.7 million, or 1.5%. This liability is required to be recognized in accordance with Governmental Accounting Standards Board (GASB) Statements No. 74 and 75.

The net pension liability decreased by \$6.6 million, or 44%, in accordance with GASB Statements No. 67 and 68, which establish standards for accounting and financial reporting for pensions.

Deferred inflows of resources decreased by \$40 million, or 35%, primarily due to differences between expected and actual experience and changes in actuarial assumptions related to OPEB, pensions, and leases during the current fiscal year.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Revenues, Expenses and Changes in Net Position

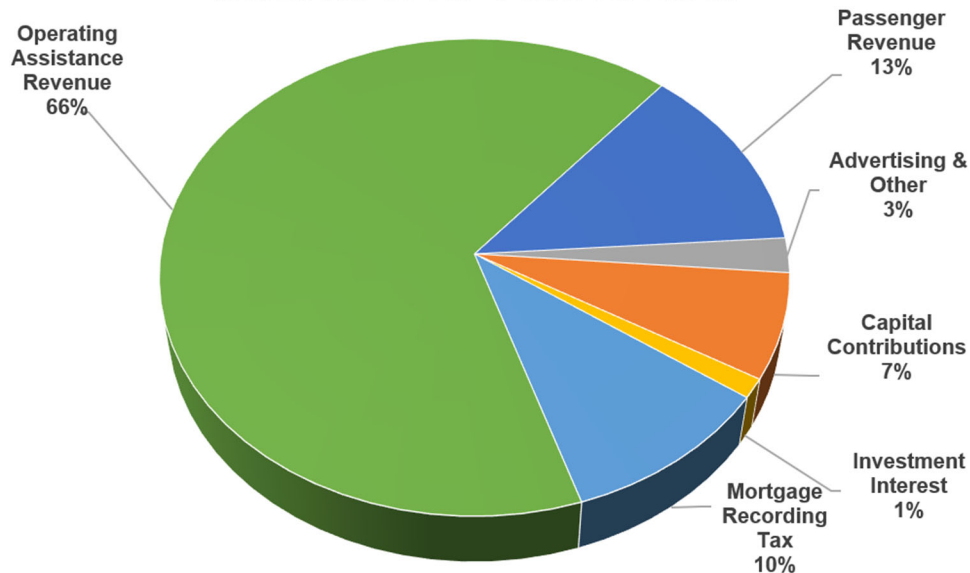
The consolidated statement of revenue, expenses and change in net position below provides a snapshot of the Authority's financial activities as of March 31 for the year presented, in whole numbers.

	<u>2026</u>	<u>2025</u>
Operating Revenues:		
Regular Line Passenger	4,686,224	4,297,227
Special Line Passenger	8,440,949	7,412,804
Advertising, parking and other	2,417,083	2,375,419
Total Operating Revenue	<u>15,544,256</u>	<u>14,085,450</u>
Operating Expenses:		
Salaries & Wages	40,242,755	38,620,304
Other employee benefits & payroll taxes	4,253,586	4,104,196
Healthcare benefits - active	8,926,166	8,909,492
Other post-employment benefits	(35,468,092)	(33,076,566)
Pension benefits	4,117,033	2,725,207
Workers Compensation	3,038,231	2,629,178
Risk management	5,011,018	3,122,166
Purchased transportation	5,946,360	6,018,843
Materials & Supplies	4,376,660	4,638,500
Services	6,661,745	6,636,481
Fuel	2,040,730	2,011,411
Utilities	896,176	799,252
Other expenses	573,416	497,310
Depreciation	14,962,473	12,058,889
Total Operating Expenses	<u>65,578,257</u>	<u>59,694,663</u>
Operating Income (Loss)	<u>(50,034,001)</u>	<u>(45,609,213)</u>
Non-Operating Revenue and Capital Contributions	<u>87,048,129</u>	<u>136,034,644</u>
Change in Net Position	<u>37,014,128</u>	<u>90,425,431</u>
Net Position - Beginning of Year	<u>(125,007,248)</u>	<u>(215,987,288)</u>
Net Position - End of Year	<u>(87,993,120)</u>	<u>(125,561,857)</u>

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Revenues, Expenses and Changes in Net Position (Continued)

SOURCES OF FUNDS 2026



The Authority concluded fiscal year 2026 with a total net deficit of \$88.0 million, representing an improvement of \$37.6 million, or 30%, compared to fiscal year 2025. This section outlines the key factors impacting revenues, expenses, and changes in net position.

Operating Revenues

Total operating revenue for fiscal year 2026 was \$15.5 million, derived from three primary sources: passenger revenue, special passenger revenue, and advertising and other revenues.

Passenger Revenue increased by \$389 thousand, or 9%, compared to the prior year, driven by stronger farebox activity, increased pass sales (including sales to partner agencies), and higher utilization of Mobility On Demand (MOVE) services. Total ridership across both fixed-route and demand-response services continues to trend upward at approximately 5% year over year.

Special Passenger Revenue increased by \$1.0 million, or 14%, compared to March 31, 2025. This increase was driven by both scheduled and unscheduled contract rate adjustments, expanded service for SU Dome events, and increased demand for contracted transportation services.

Advertising and Other Revenues increased by \$41 thousand, or 2%, compared to the prior year and are performing in line with expectations. While growth in these categories has been more modest than passenger-related revenues, they continue to provide a stable and reliable source of income.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Revenues, Expenses and Changes in Net Position (Continued)

Non-Operating Revenues

The Authority also generates non-operating revenues, primarily through operating assistance subsidies, investment earnings, mortgage recording tax (MRT) receipts, and gains or losses on the sale of capital assets. Total non-operating revenue for fiscal year 2026 was \$79.8 million.

Operating assistance is received from the State of New York, the federal government, and the counties within the Authority's service area.

The State of New York provides the largest source of operating assistance through the Statewide Mass Transit Operating Assistance (STOA) program. STOA funding is established in the Governor's Executive Budget and is primarily supported by various New York State tax revenues, particularly the Petroleum Business Tax. In fiscal year 2026, the Authority received \$57.3 million in STOA funding.

Federal operating assistance for fiscal year 2026 was provided through three primary sources: Section 5307, Section 5311, and Temporary Assistance for Needy Families (TANF).

Section 5307 funding is distributed to public transportation providers nationwide based on congressional appropriations and a formula that considers factors such as population, revenue miles, and ridership. In fiscal year 2026, the Authority utilized preventive maintenance and operating assistance funds totaling \$5.9 million.

Section 5311 assistance, administered by the State of New York, is designated for transit providers serving rural areas. The Authority received \$1.1 million in Section 5311 funding during the fiscal year.

Temporary Assistance for Needy Families (TANF) funding, also administered by the State of New York, supports services in low-income areas. The Authority received \$25 thousand in TANF assistance in fiscal year 2026.

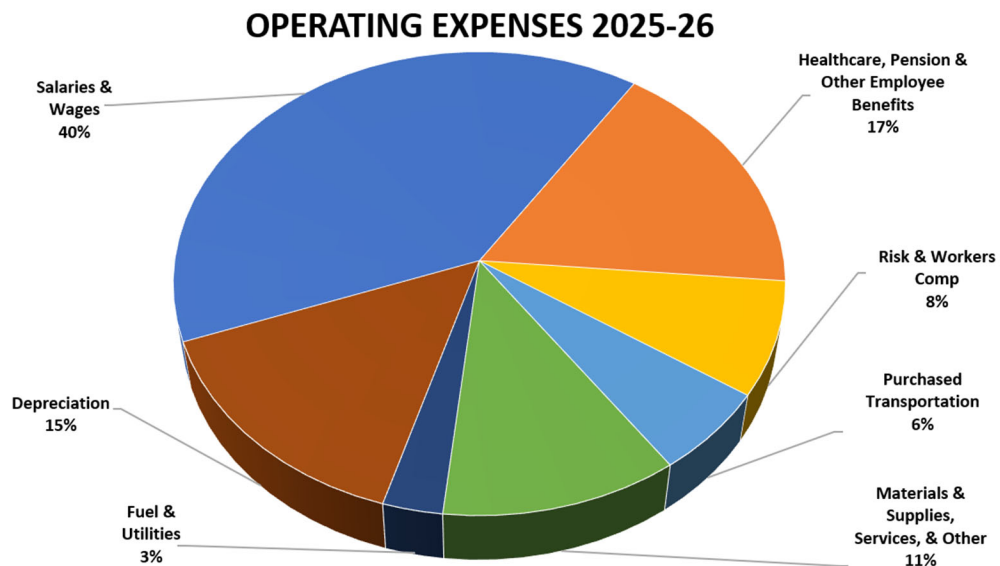
In accordance with New York State Transportation Law Section 18-b, each county within the Authority's service area is required to provide a fixed annual operating subsidy to support public transportation services. In fiscal year 2026, total contributions from all counties amounted to \$3.2 million.

Mortgage recording tax (MRT) revenue totaled \$10.5 million, reflecting an increase of \$2.3 million, or 27.6%, compared to the prior year. MRT revenue exceeded budgeted estimates, and the Authority received MRT from Cortland County for the entire fiscal year.

Investment income totaled \$1.3 million, representing a slight decrease of \$93 thousand compared to the prior year. The Authority will continue to monitor yields and strategically invest idle cash to maximize earnings while maintaining sufficient liquidity to support operating activities and capital program commitments.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Revenues, Expenses and Changes in Net Position (Continued)



The Authority's total operating expenses for fiscal year 2026 were \$65.6 million, representing an increase of \$5.9 million, or 10%, compared to fiscal year 2025. This increase is primarily attributable to higher costs in salaries and wages, risk management, services, and depreciation expense, partially offset by a decrease in Other Post-Employment Benefits (OPEB) expense resulting from the impact of Governmental Accounting Standards Board (GASB) Statement No. 75.

GASB Statement No. 75 governs the accounting and financial reporting for OPEB and requires the recognition of actuarially determined expenses, which can result in significant non-cash accruals recorded at fiscal year-end.

Excluding the impact of GASB 75 OPEB-related activity, total operating expenses were 101.0 million, representing an increase of \$8.3 million, or 9%, compared to the prior year.

Salaries and Wages expense increased by \$1.6 million, or 4%, compared to fiscal year 2025. This increase is primarily attributable to cost-of-living adjustments (COLAs) and contractual wage increases specified in union agreements.

Other Post-Employment Benefits (OPEB) decreased by \$2.4 million, or more than 7%, compared to the prior year. This decrease is primarily the result of changes in plan membership, and modifications to benefit plan provisions.

Pension Benefit expense increase by \$1.4 million, or more than 51%, compared to the prior year. The increase is primarily a result of GASB68-related activity, which requires employers to recognize their proportionate share of net pension liabilities, deferred outflows/inflows, and pension expense on the financial statements. The year-over-year variance is primarily driven by changes in actuarial assumptions, investment performance, and allocation of pension costs, resulting in a higher reported expense/liability in the current year compared to the prior year.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Consolidated Statement of Revenues, Expenses and Changes in Net Position (Continued)

Workers' Compensation expense increased by \$409 thousand, or more than 15% compared to the prior year, despite ending the fiscal year with a consistent number of open claims. The variance is primarily attributable to slightly higher claim costs and an increase in claims that were opened and resolved within the current year.

Risk Management expense increased by \$2.0 million, or 60%, compared to fiscal year 2025. This increase is driven by higher insurance premiums and increased self-insured claim costs under the Authority's auto and general liability (GL) program. A significant portion of these costs relate to prior-year incidents that were resolved or paid during the current fiscal year.

The combined impact of rising insurance premiums and legacy claim activity continues to place pressure on this category, making risk management the largest non-personnel cost driver in the current year. Management is actively monitoring claim trends, evaluating reserve adequacy, and working with insurance partners to help mitigate future premium increases. In addition, targeted efforts are underway to strengthen safety initiatives, enhance risk assessment practices, and reduce both the frequency and severity of future claims.

Depreciation expense increased by \$2.9 million, or 24%, compared to the prior year. This increase is primarily driven by the addition of 84 new fixed-route buses placed into service late in the prior fiscal year and early in the current fiscal year.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Authority Capital Assets

The Authority's capital assets, and accumulated depreciation are presented in the chart below for the fiscal years ending March 31:

	<u>2026</u>	<u>2025</u>
Not being depreciated:		
Land	5,002,337	5,002,337
Construction in progress	6,779,428	3,170,217
Subtotal	<u>11,781,765</u>	<u>8,172,554</u>
Other capital assets:		
Improvements	3,859,220	3,845,875
Building	77,824,712	74,900,238
Revenue Vehicles	132,589,783	140,399,321
Other Equipment	27,273,375	26,479,955
Furniture and office equipment	2,884,306	2,653,213
Subtotal	<u>244,431,398</u>	<u>248,278,602</u>
Total capital assets	<u>256,213,163</u>	<u>256,451,156</u>
Less accumulated depreciation	<u>(134,685,262)</u>	<u>(128,527,998)</u>
Net capital assets	<u>121,527,901</u>	<u>127,923,158</u>

Capital contributions are received from the Federal Government, New York State, and the Authority required match.

The Authority continually invests in its transit vehicles and other capital assets to meet its established capital goals. It ensures that all fleet and facilities are replaced at the end of their federally mandated minimum useful lives and that all capital assets are maintained in a "state of good repair." Capital improvement initiatives beyond these goals are undertaken based on public interest and the cost/benefit analysis of the project.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Authority Capital Projects 2026

Capital contributions, including the Authority's required local match for fiscal year 2026, totaled \$7.2 million.

Capital Asset Replacements and Project Highlights for 2026

Technology Upgrades

The Authority invested \$259 thousand in the replacement of end-of-life technology, including monitors, desktop computers, laptops, and servers. These investments support the ongoing goal of enhancing operational efficiency, office mobility, and remote work capabilities. Of this total, \$103 thousand was invested in the Centro of Cortland operations.

Facility Improvement Projects

Major facility upgrades included ongoing restroom renovations at the Syracuse facility, system upgrades at the compressed natural gas (CNG) fueling facility, and enhancements to the fire detection system at the Regional Transportation Center (RTC). These projects are intended to improve safety, reliability, and the overall condition of Authority facilities.

The Authority also held a ribbon cutting ceremony to mark the opening of the upgraded CNG fueling facility. The event was attended by investment partners from the Federal Transit Administration (FTA) and the New York State Department of Transportation (NYSDOT), highlighting the collaborative support behind the project's completion.

Service Vehicle and Equipment Replacements

The Authority replaced several support vehicles and equipment during the fiscal year, including supervisor vehicles and one maintenance vehicle in Syracuse, one supervisor vehicle in Oneida, and a diesel fuel tank replacement in Utica. These replacements support ongoing operations and ensure the reliability of the Authority's service fleet and maintenance infrastructure.

System Design

Significant progress was made on system redesign initiatives and Bus Rapid Transit (BRT) planning during the fiscal year. These efforts represent key strategic investments aimed at improving service efficiency, enhancing rider experience, and positioning the Authority for future growth.

FINANCIAL ANALYSIS OF THE AUTHORITY (Continued)

Authority Financial and Planning Challenges

The Authority continues to operate in a complex and evolving financial environment characterized by rising operating costs, workforce constraints, and variability in operating assistance funding. Similar to transit systems across New York State, the Authority is experiencing sustained cost pressures related to labor, vehicle parts, fuel, and insurance. In addition, uncertainty surrounding the timing and level of operating assistance, particularly State and federal funding, creates challenges in long-term financial planning and resource allocation.

These factors are expected to place continued upward pressure on operating expenses in future periods, particularly in personnel-related costs, risk management, and maintenance expenditures. The Authority will continue to closely monitor these trends and implement cost containment strategies where feasible, while maintaining service reliability and safety.

Despite these challenges, the Authority is actively pursuing strategic initiatives designed to improve operational efficiency and long-term financial sustainability. System redesign efforts in Syracuse and Oswego, branded as the Better Bus networks, represent a significant opportunity to optimize service delivery. By reallocating service to higher-demand corridors and simplifying routes, these initiatives are expected to improve productivity, enhance ridership, and make more efficient use of operator resources.

In addition, the anticipated introduction of on-demand service in Syracuse will provide a flexible and cost-effective alternative in areas with lower fixed-route demand, allowing the Authority to better align service levels with community needs while managing operating costs.

Looking ahead, the Authority is evaluating opportunities to increase service frequency on key corridors to support ridership growth and improve service quality. Planning efforts for Bus Rapid Transit (BRT) in Syracuse further position the Authority to enhance mobility and operational efficiency. While full BRT implementation represents a longer-term investment, incremental improvements, such as bus stop enhancements and travel-time reliability initiatives are expected to yield near-term benefits.

Collectively, these initiatives demonstrate the Authority's commitment to addressing current financial and operational challenges while positioning the organization for long-term success. Through strategic service planning, targeted investments, and ongoing evaluation of operating performance, the Authority is working to build a more efficient, resilient, and customer-focused transit system for Central New York.

In October 2026, the New York Public Transit Association (NYPTA) will host its annual conference in Syracuse. This event will bring together transit leaders, policymakers, and industry partners to address shared challenges and opportunities facing public transportation systems. Hosting the conference locally highlights the critical role of transit in supporting regional mobility and economic vitality, while also providing a platform to advocate for sustainable and predictable funding, infrastructure investment, and policies that strengthen public transportation statewide. The Authority's participation reinforces its commitment to advancing public transit and ensuring that the needs of the communities it serves are represented in statewide discussions.

Copies of this report can be found on www.centro.org.

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

Statement of Net Position (Deficit)
March 31, 2026

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS:	
Cash and cash equivalents	\$ 14,486,113
Cash and cash equivalents - designated	9,588,859
Investments - designated	24,847,900
Accounts receivable	3,669,308
Grants receivable	5,440,637
Accrued lease interest receivable	2,896
Lease receivable, current portion	102,310
Materials and supplies	3,570,990
Prepaid expenses and other current assets	<u>4,338,699</u>
Total current assets	<u>66,047,712</u>
NONCURRENT ASSETS:	
Net pension asset	2,908,493
Lease receivable, net of current portion	1,061,001
Capital assets, non-depreciable	11,781,766
Capital assets, net of accumulated depreciation and amortization	<u>113,531,599</u>
Total noncurrent assets	<u>129,282,859</u>
TOTAL ASSETS	<u>195,330,571</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pension related	<u>1,026,592</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 196,357,163</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
CURRENT LIABILITIES:	
Accounts payable	\$ 3,379,158
Accrued salaries, liabilities and benefits	857,733
Unearned revenue	1,310,039
Compensated absences	2,915,450
Estimated claims payable, current portion	1,237,509
Accrued interest payable	13,365
Lease liability, current portion	96,253
SBITA liability, current portion	77,092
Total other postemployment benefits, current portion	<u>6,113,623</u>
Total current liabilities	<u>16,000,222</u>
LONG-TERM LIABILITIES	
Total other postemployment benefits, net of current portion	181,529,611
Net pension liability	8,277,579
Estimated claims payable, net of current portion	1,962,748
Lease liability, net of current portion	3,373,876
Subscription-based information technology agreement liability, net of current portion	<u>25,873</u>
Total long-term liabilities	<u>195,169,687</u>
TOTAL LIABILITIES	<u>211,169,909</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred inflows of resources - pension related	6,429,990
Deferred inflows of resources - OPEB related	65,678,845
Deferred inflows of resources - lease related	<u>1,070,441</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>73,179,276</u>
NET POSITION (DEFICIT):	
Net investment in capital assets	121,740,271
Unrestricted	<u>(209,732,293)</u>
Total net position (deficit)	<u>(87,992,022)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)	<u>\$ 196,357,163</u>

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)

Statement of Revenues, Expenses and Change in Net Position (Deficit)
For the Year Ended March 31, 2026

OPERATING REVENUES:	
Regular line passenger revenue	\$ 4,686,224
Special line passenger revenue	8,440,949
Advertising and other revenue	<u>2,417,083</u>
Total operating revenues	<u>15,544,256</u>
OPERATING EXPENSES:	
Salaries and wages	40,241,960
Other employee benefits and payroll taxes	4,254,377
Healthcare benefits - active	8,926,164
Other postemployment benefits	(35,468,092)
Pension benefits	4,117,033
Workers compensation	3,038,233
Risk management	5,011,019
Purchased transportation	5,946,360
Materials and supplies	4,376,667
Services	6,661,749
Fuel	2,040,730
Utilities	896,177
Other expenses	572,218
Depreciation and amortization	<u>14,962,564</u>
Total operating expenses	<u>65,577,159</u>
OPERATING INCOME (LOSS)	<u>(50,032,903)</u>
NON-OPERATING REVENUES (EXPENSES):	
Operating and other assistance:	
Federal assistance	6,549,974
State assistance	58,058,506
Local assistance	3,230,627
Mortgage tax revenue	10,540,761
Interest	1,337,610
Gain (loss) on disposal of capital assets	<u>93,189</u>
Total non-operating revenues (expenses)	<u>79,810,667</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>29,777,764</u>
CAPITAL CONTRIBUTIONS	
Federal grants	4,103,065
State grants	<u>3,134,397</u>
Total capital contributions	<u>7,237,462</u>
CHANGE IN NET POSITION	<u>37,015,226</u>
NET POSITION (DEFICIT) - beginning of year, as previously reported	(125,561,857)
RESTATEMENT (Note 15)	<u>554,609</u>
NET POSITION (DEFICIT) - beginning of year, as restated	<u>(125,007,248)</u>
NET POSITION (DEFICIT) - end of year	<u>\$ (87,992,022)</u>

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)

Statement of Cash Flows
For the Year Ended March 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES:	
Passenger receipts	\$ 13,011,988
Other operating receipts	2,544,919
Payments to vendors and suppliers	(25,419,175)
Payments and benefits to employees	(61,777,690)
Payments for insurance and risk management	<u>(8,138,791)</u>
Net cash flow from operating activities	<u>(79,778,749)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:	
Mortgage tax receipts	10,478,141
Operating assistance	68,605,687
Interest earned	<u>38,900</u>
Net cash flow from noncapital and related financing activities	<u>79,122,728</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from grants received for capital additions	18,189,900
Purchase of capital assets	<u>(7,773,038)</u>
Net cash flow from capital and related financing activities	<u>10,416,862</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest earnings	1,298,882
Purchase of investments	<u>(2,769,283)</u>
Net cash flow from investing activities	<u>(1,470,401)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	8,290,440
CASH BALANCES - beginning of year	<u>15,812,749</u>
CASH BALANCES - end of year	<u>\$ 24,103,189</u>
Reconciliation of operating income (loss) to net cash flow from operating activities:	
Operating income (loss)	<u>\$ (50,032,903)</u>
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:	
Depreciation and amortization	14,962,564
Changes in operating assets and liabilities:	
Accounts receivable	33,491
Lease receivable	97,715
Materials and supplies	293,503
Prepaid expenses	(999,397)
Accounts payable and accrued expenses	(4,182,078)
Accrued salaries, liabilities and benefits	73,385
Unearned revenue	51,436
Compensated absences	41,958
Accrued interest payable	(633)
Total other postemployment benefits liability	3,422,329
Net pension liability (asset)	(7,976,065)
Deferred inflows of resources	(39,005,461)
Deferred outflows of resources	3,298,881
Lease liability	(46,551)
Subscription-based information technology agreement liability	(107,486)
Estimated claims payable	<u>296,563</u>
Total adjustments	<u>(29,745,846)</u>
Net cash flow from operating activities	<u>\$ (79,778,749)</u>

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)

Statement of Cash Flows (Continued)

March 31, 2026

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

	<u>Unrestricted</u>	<u>Current Designated</u>	<u>Total</u>
March 31, 2026	<u>\$ 14,486,113</u>	<u>\$ 9,588,859</u>	<u>\$ 24,074,972</u>

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)

Statement of Fiduciary Net Position – Pension and Other Employee Benefit Trust Funds
March 31, 2026

ASSETS

Cash	\$ 1,723,677
Receivables:	
Investment income	82,556
Total receivables	<u>82,556</u>
Investments at fair value:	
Corporate debt - other	30
Corporate stock - common	75,402,419
U.S. Government Securities	1
Collective investment funds	336,012
Mutual funds	<u>28,530,262</u>
Total investments	<u>104,268,724</u>
Total assets	<u>106,074,957</u>

NET POSITION

Restricted for pensions	<u>106,074,957</u>
Total net position	<u>\$ 106,074,957</u>

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

Statement of Change in Fiduciary Net Position – Pension and Other Employee Benefit Trust Funds
For the Year Ended March 31, 2026

	<u>Fiduciary Activities</u>
ADDITIONS:	
Contributions:	
Employer contributions	\$ 4,248,593
Member contributions	<u>189,103</u>
Total contributions	<u>4,437,696</u>
Investment income:	
Net appreciation/(depreciation) in fair value of investments	14,141,789
Interest and dividends	246,784
Other	<u>113,874</u>
Total additions	<u>18,940,143</u>
DEDUCTIONS:	
Benefit payments and withdrawals	7,296,173
Administrative expenses	<u>46,328</u>
Total deductions	<u>7,342,501</u>
Change in fiduciary net position	<u>11,597,642</u>
NET POSITION	
Restricted for Pensions:	
Beginning of year	<u>94,477,315</u>
End of year	<u>\$ 106,074,957</u>

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)

Notes to Basic Financial Statements March 31, 2026

1. NATURE OF OPERATIONS

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, Oneida and Cortland 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.

The Authority's financial statements include fiduciary fund component units that are used to account for resources held in a trustee capacity for the benefit of parties outside of the Authority. Fiduciary funds are not reported in the Authority's consolidated financial statements because the resources of those funds are not available to support the Authority's own programs.

The Authority's fiduciary funds are collectively reported as Pension Trust Funds and include the following as detailed in the Combining Schedules of the Supplementary Information:

- Centro Non-Salaried Defined-Benefit Pension
- Centro Salaried Defined-Benefit Pension
- Utica Transit Service Defined-Benefit Pension
- Centro Non-Salaried Defined-Contribution Pension
- Centro Salaried Defined-Contribution Pension

Detailed information about the pension plans' fiduciary net positions are available in separately issued financial reports and can be obtained by contacting management of the Authority at Central New York Regional Transportation Authority, 200 Cortland Ave, Syracuse, New York 13205.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statements

The financial statements of the Authority include the accounts of CNYRTA and its public benefit subsidiary corporations, CNY Centro, Inc., Centro of Oswego, Inc., Centro of Cayuga, Inc., Centro of Cortland, 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 Cortland, 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statements (Continued)

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:

	<u>2026</u>
Parking revenues	\$ 197,711
Lease Revenue	51,759
Risk management	(6,334)
Services	(190,278)
Utilities	(5,334)
Materials and supplies	(1,000)
Other income (expense)	<u>608</u>
Net income	<u>\$ 47,132</u>
Total Assets	<u>\$ 3,768,957</u>
Total Liabilities	<u>\$ 29,104</u>

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 (GASB). The Authority operates as a proprietary fund and fiduciary 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).

The Statements of Fiduciary Net Position present financial information about the assets, liabilities and the fiduciary net position held in trust of the fiduciary funds of the Authority. The Statement of Change in Fiduciary Net Position presents fiduciary activities of the fiduciary funds as additions and deductions to the net fiduciary net position.

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.

Investments

Investments consist of obligations of the United States Government (United States Treasury Bills). The Authority reports these investments at fair value based on quoted market prices.

Accounts Receivable

Accounts receivable consist primarily of amounts due from customers for services provided. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 tax revenue 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 and are included in accounts 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.

Operating Assistance and Capital Grants

The Authority and the Organizations receive operating and capital assistance subsidies and grants from the U.S. Department of Transportation under operating and capital assistance grant contracts. The Organizations also receive operating and capital assistance from the New York State Department of Transportation and local counties based on legislated awards. The amounts received or contractually receivable under such grants have been recorded as operating assistance and capital contributions in the accompanying statements of revenue, expenses and changes in net position. These amounts are obtained on an annual basis. Continued operations depend upon receipt of such subsidies in future years. Management historically has considered operating and capital assistance receivables to be fully collectible and historically has not established an allowance for doubtful accounts.

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 average cost.

Capital Assets

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 \$15,000; however, any asset procured with any portion of federal or state funds is capitalized regardless of cost. Depreciation of capital assets is computed and recorded using the straight-line method. Estimated useful lives of the assets, as determined by industry standards, range from 5 to 40 years.

Capital assets also include lease and subscription-based information technology assets with a term greater than one year. The Authority does not implement a capitalization threshold for these assets. These assets are amortized on a straight-line basis over the term of the agreement.

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority recognizes deferred outflows of resources resulting from its pension and other postemployment benefit amounts as described in Notes 9 and 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 assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority recognizes deferred inflows of resources resulting from its pension and other postemployment benefit amounts as described in Notes 9 and 10, along with leases as described in Note 11.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows and Inflows of Resources (Continued)

The Authority's deferred outflows and inflows at March 31, 2026 are as follows:

Deferred outflows:

Pension	\$ 1,026,592
Total deferred outflows	<u>\$ 1,026,592</u>

Deferred inflows:

OPEB	\$ 65,678,845
Pension	6,429,990
Leases	<u>1,070,441</u>
Total deferred inflows	<u>\$ 73,179,276</u>

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.

Compensated Absences

Compensated absences consist of unpaid accumulated vacation and sick leave. The Authority recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by the employees, (2) accumulates and is allowed to be carried over the subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable. For purposes of measuring the liability, leave is assumed to be used on a first-in, first-out (FIFO) basis, such that the earliest earned leave is used first.

The compensated absences liability is calculated based on the pay rates in effect at year-end, plus applicable payroll taxes for Social Security and Medicare.

Sick leave eligibility and accumulation are specified in collective bargaining agreements and the salaried employee handbook. Upon retirement, resignation, or death, employees may contractually receive a payment based on unused accumulated sick leave.

Employees are granted vacation time in varying amounts based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

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 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 and amortization, 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.
- Restricted – This component of net position reports net position when constraints are placed on the assets or deferred outflow of resources either by (1) external groups such as creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Authority does not have restricted net position as of March 31, 2026.
- 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. All revenues not meeting this definition are reported as non-operating.

Expenses

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

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 and such differences may be significant.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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. The Authority and its subsidiaries' investments consist of U.S. Treasury bills. Treasury bills are measured at fair value based on Level 1 inputs.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Designated Cash, Cash Equivalents and Investments

At March 31, 2026 designations were as follows:

	Cash and Cash Equivalents	U.S. Treasury Bills	Total
Self-insurance reserve	\$ 2,898	\$ 4,397,448	\$ 4,400,346
Health insurance reserve	249,587	-	249,587
Capital project reserve	9,244,480	5,152,403	14,396,883
Operating investment	-	15,298,049	15,298,049
Paratransit reserve	91,894	-	91,894
	<u>\$ 9,588,859</u>	<u>\$ 24,847,900</u>	<u>\$ 34,436,759</u>

Custodial Credit Risk - Deposits

Custodial credit risk for cash deposits, cash equivalents, money market funds and investments is the risk that, in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At March 31, 2026 the carrying amount of the Authority and its subsidiaries' bank deposits was \$24,069,032 and the bank balances were \$25,460,487. 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. At March 31, 2026, \$750,000 was covered by the FDIC and \$24,710,487 was collateralized.

4. CAPITAL ASSETS

Capital assets consisted of the following at March 31, 2026:

	CNY Centro Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro Call -A- Bus, Inc.	Centro of Cortland, Inc.	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.	Total
Capital assets, not being depreciated:								
Land	\$ 4,275,142	\$ 6,400	\$ 8,052	\$ -	\$ -	\$ -	\$ 712,743	\$ 5,002,337
Construction in progress	<u>5,986,016</u>	<u>104,600</u>	<u>123,917</u>	<u>-</u>	<u>-</u>	<u>564,896</u>	<u>-</u>	<u>6,779,429</u>
Total capital assets, not being depreciated	<u>10,261,158</u>	<u>111,000</u>	<u>131,969</u>	<u>-</u>	<u>-</u>	<u>564,896</u>	<u>712,743</u>	<u>11,781,766</u>
Capital assets, being depreciated:								
Improvements	761,914	137,850	162,027	-	-	702,113	2,095,317	3,859,221
Buildings	51,353,509	2,032,080	1,684,842	92,659	-	1,662,356	20,999,267	77,824,713
Revenue vehicles	103,193,729	2,078,905	1,665,225	3,344,078	3,705,000	18,602,846	-	132,589,783
Other equipment	21,992,138	705,559	333,187	-	149,625	3,459,327	633,539	27,273,375
Furniture and office equipment	<u>2,480,537</u>	<u>42,156</u>	<u>42,156</u>	<u>55,226</u>	<u>103,725</u>	<u>147,839</u>	<u>12,668</u>	<u>2,884,307</u>
Subtotal	<u>179,781,827</u>	<u>4,996,550</u>	<u>3,887,437</u>	<u>3,491,963</u>	<u>3,958,350</u>	<u>24,574,481</u>	<u>23,740,791</u>	<u>244,431,399</u>
Total accumulated depreciation	<u>(94,541,280)</u>	<u>(4,088,137)</u>	<u>(3,143,099)</u>	<u>(2,689,626)</u>	<u>(2,671,569)</u>	<u>(10,915,670)</u>	<u>(16,635,885)</u>	<u>(134,685,266)</u>
Total capital assets, being depreciated, net	<u>85,240,547</u>	<u>908,413</u>	<u>744,338</u>	<u>802,337</u>	<u>1,286,781</u>	<u>13,658,811</u>	<u>7,104,906</u>	<u>109,746,133</u>
Right to use lease asset, being amortized								
Buildings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,516,680</u>	<u>-</u>	<u>-</u>	<u>3,516,680</u>
SBITAs, being amortized:								
SBITAs	<u>1,673,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,673,533</u>
Total accumulated amortization	<u>(1,023,773)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(380,974)</u>	<u>-</u>	<u>-</u>	<u>(1,404,747)</u>
Capital assets, net	<u>\$ 96,151,465</u>	<u>\$ 1,019,413</u>	<u>\$ 876,307</u>	<u>\$ 802,337</u>	<u>\$ 4,422,487</u>	<u>\$ 14,223,707</u>	<u>\$ 7,817,649</u>	<u>\$ 125,313,365</u>

4. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended March 31, 2026 was as follows:

	Beginning Balance (As Restated)	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 5,002,337	\$ -	\$ -	\$ -	\$ 5,002,337
Construction in progress	<u>3,170,217</u>	<u>7,001,692</u>	<u>-</u>	<u>(3,392,480)</u>	<u>6,779,429</u>
Total capital assets, not being depreciated	<u>8,172,554</u>	<u>7,001,692</u>	<u>-</u>	<u>(3,392,480)</u>	<u>11,781,766</u>
Capital assets, being depreciated:					
Improvements	3,845,875	6,346	-	7,000	3,859,221
Buildings	74,900,238	213,747	-	2,710,728	77,824,713
Revenue vehicles	140,399,321	-	(7,809,538)	-	132,589,783
Other equipment	26,479,955	286,037	(167,370)	674,752	27,273,374
Furniture and office equipment	<u>2,653,213</u>	<u>258,983</u>	<u>(27,889)</u>	<u>-</u>	<u>2,884,307</u>
Subtotal	<u>248,278,602</u>	<u>765,113</u>	<u>(8,004,797)</u>	<u>3,392,480</u>	<u>244,431,398</u>
Total accumulated depreciation	<u>(128,527,998)</u>	<u>(14,162,064)</u>	<u>8,004,797</u>	<u>-</u>	<u>(134,685,265)</u>
Total capital assets, being depreciated, net	<u>119,750,604</u>	<u>(13,396,951)</u>	<u>-</u>	<u>3,392,480</u>	<u>109,746,133</u>
Right to use lease asset, being amortized					
Buildings	<u>3,516,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,516,680</u>
SBITAs, being amortized:					
SBITAs	<u>1,673,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,673,533</u>
Total accumulated amortization	<u>(604,247)</u>	<u>(800,500)</u>	<u>-</u>	<u>-</u>	<u>(1,404,747)</u>
Capital assets, net	<u>\$ 132,509,124</u>	<u>\$ (7,195,759)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,313,365</u>

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.

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. The Plan Administrator manages all investments and makes payments upon employees' retirement and plan assets and the related liability are no longer the Authority's property. As such, the Section 457 Deferred Compensation designated cash and investment account and the related deferred compensation liability are not 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 no lifetime claim maximum. The Authority utilizes a third-party administrator to oversee its 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 a \$150,000 deductible which is per accident, per employee. The Authority funds the insurance reserve monthly with the insurance carrier to cover all deductibles that they are responsible for.

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

Reserves for outstanding claims, which include specific incremental costs, are included in estimated claims payable at March 31, 2026. The Authority has designated \$4,400,346 of net position at March 31, 2026 as a special reserve (See Note 3).

The changes in estimated claims payable for 2026, 2025 and 2024 are as follows:

Balance March 31, 2025	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2026	Amount Due Within One Year
<u>\$ 2,903,694</u>	<u>\$ 8,992,190</u>	<u>\$ (8,695,627)</u>	<u>\$ 3,200,257</u>	<u>\$ 1,237,509</u>

Balance March 31, 2024	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2025	Amount Due Within One Year
<u>\$ 4,147,972</u>	<u>\$ 4,655,428</u>	<u>\$ (5,899,706)</u>	<u>\$ 2,903,694</u>	<u>\$ 1,122,194</u>

Balance March 31, 2023	Current Year Claims and Changes in Estimates	Claims Payments	Balance March 31, 2024	Amount Due Within One Year
<u>\$ 5,225,454</u>	<u>\$ 8,482,443</u>	<u>\$ (9,559,925)</u>	<u>\$ 4,147,972</u>	<u>\$ 1,723,835</u>

7. OPERATING ASSISTANCE FUNDS AND AUTHORITY TRANSFERS

The Authority administers and disburses 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 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 during 2026:

	<u>CNY Centro, Inc.</u>	<u>Centro of Oswego, Inc.</u>	<u>Centro of Cayuga, Inc.</u>	<u>Centro of Cortland, Inc.</u>	<u>Centro Call-A- Bus, Inc.</u>	<u>Centro of Oneida, Inc.</u>	<u>Total</u>
Operating assistance:							
US Department of Transportation:							
Rural and Small Urbanized Area Operating	\$ 4,142,897	\$ 477,750	\$ 363,161	\$ -	\$ -	\$ 1,541,166	\$ 6,524,974
NYS Department of Transportation:							
Regular Operating - STOA	28,868,294	3,880,769	3,082,420	741,000	11,497,917	9,277,994	57,348,394
Regular Operating - State Other	510,112	-	-	-	-	200,000	710,112
Other NYS Department of Transportation:							
Temporary Assistance for Needy Families (TANF)	-	-	-	-	-	25,000	25,000
City of Oswego	-	15,000	-	-	-	-	15,000
Onondaga County	2,265,211	-	-	-	144,586	-	2,409,797
Oneida County	-	-	-	-	-	515,139	515,139
Cortland County	-	-	-	37,623	-	-	37,623
Oswego County	-	90,680	-	-	-	-	90,680
Cayuga County	-	-	162,388	-	-	-	162,388
Total	<u>\$ 35,786,514</u>	<u>\$ 4,464,199</u>	<u>\$ 3,607,969</u>	<u>\$ 778,623</u>	<u>\$ 11,642,503</u>	<u>\$ 11,559,299</u>	<u>\$ 67,839,107</u>

8. GRANT ASSISTED PROJECTS

Grant assisted projects in progress consisted of:

Grant #:	Description of Project:	Total Amount of Project	Total Amount Expended	Balance March 31, 2026
NY2017-042	40' Buses, Call-A-Bus replacement, Support Vehicles, Computer hardware, CNG Station, Onondaga preventive maintenance, Oneida operating assistance	27,002,651	26,937,171	65,480
NY2019-035	Oneida Bus Replacement, RTC Rail Platform Engineering, Bus Replacement STP Flex, Onondaga preventive maintenance, Oneida operating assistance	16,886,598	13,406,700	3,479,898
NY2020-055	CNG Bus Replacements, Oneida Bus Replacement, Supervisory Vehicles, Oneida Supervisory Vehicles, Onondaga Preventive Maintenance, Oneida Operating Assistance	17,623,334	5,613,979	12,009,355
NY2021-053	35ft Oneida Bus Replacements, Call-a-Bus Replacement, Bus shelters, Engineering & Design, Computer Hardware, Support Vehicles, Rehab/Renovation Maintenance Facility.	3,645,000	3,641,255	3,745
NY2022-038	CNG Bus Replacement, Support Vehicles Replacement, Maintenance Facility Renovations	3,875,069	3,634,647	240,422
NY2023-038	Rolling Stock, BRT Engineering, Bus Route Signs, Engineering, Shop Equipment, Computer Hardware, Computer Software, Service Vehicles, Facility Renovations	13,348,000	5,886,899	7,461,101
NY2023-043	Bus Rapid Transit (BRT) - Engineering	3,750,000	1,200,275	2,549,725
NY2024-030	Rolling Stock, Transit Stop Enhancements, Shop Equipment, Computer Hardware, Computer Software, Service Vehicles, Facility Rehabs and Renovations	44,126,727	40,667,625	3,459,102
NY2025-048	Engineering Services, Computer Hardware, Computer Software, Service Vehicles, Preventive Maintenance and Operating Assistance	10,428,326	12,844	10,415,482
NY2025-049	Bus Passenger Shelters - BRT National Highway System	1,875,000	-	1,875,000
C005742	Auburn Repaving, Auburn Backup Generator, Auburn Roof Replacement, Oswego Repaving, Oswego Lift Replacement, Oswego Backup Generator, Oswego Roof Replacement	470,000	402,145	67,855
C006013	Auburn Backup Generator, Oswego Paving, Oswego Backup Generator	312,500	199,098	113,402
C006013 SA1	Diesel Transit Bus	229,435	-	229,435
C006013 SA3	Bus Shelters-Cortland, Skyjack Lift and Walk Behind Scrubber-Cayuga, Shop Equipment-Cortland, Bus Camera System-Cortland, Building Cameras-Oswego, Building Cameras-Cayuga, Roof Replacement-Cayuga & Oswego, Skyjack Lift & Power Washer-Oswego, Support Vehicle-Cayuga, Oswego & Cortland, and Farebox System	2,990,000	103,725	2,886,275
SDF-11-CNO-00	Renovation and rehabilitation of Oneida facility	645,000	645,000	-
TC-15-CNY-00	CNG Station 100% SDF	1,367,391	1,367,391	-
TC-16-CNY-00	CNG Station 100% SDF	1,632,609	1,632,609	-

8. GRANT ASSISTED PROJECTS (Continued)

TC-17-CNY-S-00	Facility Renovations, Rehab and Improvement	346,000	329,751	16,249
TC-18-CNY-00	SDF MEP Call-A-Bus replacement funds	476,595	476,481	114
TC-19-CNY-00	SDF Facility Renovations, Rehab and Improvement	676,595	652,981	23,614
ATC-21-CNY-00	Facility Rehabilitation Projects	3,282,600	2,052,833	1,229,767
TC-22-CNY-00	Fare Collection System	4,009,074	3,713,369	295,705
TC-23-CNY-00	CNG Bus Replacement	4,009,074	4,003,500	5,574
ATC-24-CNY-00	Support Vehicles, Facility Rehab, Paratransit Vehicle Purchase	3,282,600	-	3,282,600
TC-24-CNY-00	Shop Equipment, Facility/Equipment Improvements, Transit Bus Ancillary Needs	4,009,074	40,648	3,968,426
IMI-24-CNY-00	Innovative Mobility Initiative Pilot Program - Operating Assistance	1,000,000	200,000	800,000
NYSERDA	Mobility on Demand Planning	100,000	100,000	-
		171,399,252	116,920,926	54,478,326

In connection with the above projects, the Authority is committed to participate with its own funds in amounts not to exceed approximately \$5,608,671.

9. 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) (d) for certain employees of Centro of Oneida, Inc.

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

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).

9. PENSION PLANS (Continued)

Centro Defined Benefit Plans

Centro Non-Salaried Employees Retirement Plan

Plan Administration

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:

Inactive plan members or beneficiaries currently receiving benefits	294
Inactive plan members entitled to but not yet receiving benefits	52
Active plan members	64
	<u>410</u>

Benefits Provided

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. The retirement benefit is determined using the following monthly benefit rates:

	<u>25 or More Years of Service</u>	<u>Less than 25 Years of Service</u>
Effective 4/1/16	\$ 70.36	\$ 59.02
Effective 4/1/18	\$ 71.77	\$ 60.20
Effective 4/1/19	\$ 73.21	\$ 61.40
Effective 4/1/20	\$ 74.67	\$ 62.63
Effective 4/1/23	\$ 79.24	\$ 66.46
Effective 4/1/24	\$ 81.62	\$ 68.45

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 \$1,602,587 for the year ended March 31, 2026.

Net Pension Liability

The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2026 was performed as of April 1, 2025. Resulting amounts were rolled forward to the measurement date.

9. PENSION PLANS (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of April 1, 2025 for the year ended March 31, 2026, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.50 percent, including inflation
Investment rate of return	7.0 percent, including inflation
Actuarial cost method	Unit Credit Method

Actuarial Assumptions

Mortality rates were based on the 2025 IRS 430 Table (combined) for the April 1, 2025 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 Member's target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	65%	5.90%
Fixed Income – U.S. Investment	35%	2.70%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

9. PENSION PLANS (Continued)

Changes in the Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at March 31, 2025	\$ 47,051,378	\$ 38,843,620	\$ 8,207,758
Changes for the Year:			
Service cost	117,642	-	117,642
Interest	3,184,408	-	3,184,408
Changes in benefit terms	379,107	-	379,107
Differences between expected and actual experience	(101,108)	-	(101,108)
Changes in assumptions	259,505	-	259,505
Contributions - employer	-	1,602,587	(1,602,587)
Net investment income	-	5,950,118	(5,950,118)
Benefit payments, including refunds of employee	(3,412,657)	(3,412,657)	-
Administrative expense	-	-	-
Net changes	<u>426,897</u>	<u>4,140,048</u>	<u>(3,713,151)</u>
Balance at March 31, 2026	<u>\$ 47,478,275</u>	<u>\$ 42,983,668</u>	<u>\$ 4,494,607</u>

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 (asset)	\$ 8,834,393	\$ 4,494,607	\$ 491,539

Pension Plan Fiduciary Net Position

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

9. PENSION PLANS (Continued)

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

For the year ended March 31, 2026, the Authority recognized pension expense of \$1,033,267. At March 31, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,525
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>2,371,329</u>
Total	<u>\$ -</u>	<u>\$ 2,375,854</u>

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

2027	\$ (130,221)
2028	(1,062,484)
2029	(526,646)
2030	(656,503)
2031	-
Thereafter	-
	<u>\$ (2,375,854)</u>

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:

Inactive plan members or beneficiaries currently receiving benefits	96
Inactive plan members entitled to but not yet receiving benefits	21
Active plan members	<u>30</u>
	<u>147</u>

9. PENSION PLANS (Continued)

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 25 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 who 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 \$1,171,731 for the year ended March 31, 2026.

Net Pension Liability

The actuarial valuation used to calculate the total pension liability for the measurement date of March 31, 2026 was performed as of April 1, 2025. 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, 2025 for the year ended March 31, 2026 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.50 percent, including inflation
Investment rate of return	7.00 percent, net of pension plan investment expense and including inflation
Actuarial cost method	Entry Age Method

Mortality rates were based on the 2025 IRS 430 Table (combined) for the April 1, 2025 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.

9. PENSION PLANS (Continued)

Actuarial Assumptions (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 tables:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	65%	5.90%
Fixed Income – U.S. Investment	<u>35%</u>	2.70%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 (Asset) (a) - (b)
Balance at March 31, 2025	\$ 44,408,802	\$ 38,340,932	\$ 6,067,870
Changes for the Year:			
Service cost	219,032	-	219,032
Interest	3,025,331	-	3,025,331
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(492,071)	-	(492,071)
Changes in assumptions	1,001,868	-	1,001,868
Contributions - employer	-	1,171,731	(1,171,731)
Net investment income	-	5,829,343	(5,829,343)
Benefit payments, including refunds of employee	(2,866,118)	(2,866,118)	-
Administrative expense	-	-	-
Net changes	<u>888,042</u>	<u>4,134,956</u>	<u>(3,246,914)</u>
Balance at March 31, 2026	<u>\$ 45,296,844</u>	<u>\$ 42,475,888</u>	<u>\$ 2,820,956</u>

9. PENSION PLANS (Continued)

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

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

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Authority's net pension liability (asset)	\$ 7,407,182	\$ 2,820,956	\$ (1,366,960)

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, 2026, the Authority recognized pension expense of \$1,761,124. At March 31, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 70,889
Changes of assumptions	-	5,283
Net difference between projected and actual earnings on pension plan investments	-	<u>2,295,127</u>
Total	<u>\$ -</u>	<u>\$ 2,371,299</u>

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

2027	\$ (201,970)
2028	(1,034,148)
2029	(495,256)
2030	(639,925)
2031	-
Thereafter	-
	<u>\$ (2,371,299)</u>

9. PENSION PLANS (Continued)

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 5) 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. The salaried and non-salaried plans have a fiscal year which ends December 31st, and the accompanying financial statements include financial information for the plan year ended December 31, 2025. For the plan year ended December 31, 2025, employer contributions to the 401(a) plan were \$1,073,662.

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 the valuation date pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	51
Inactive plan members entitled to but not yet receiving benefits	24
Active plan members	<u>66</u>
	<u>141</u>

Benefits Provided

The monthly retirement benefit for active plan members is equal to \$77.19 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 and is equal to \$79.13 for the year beginning January 1, 2026. 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 year ended December 31, 2025, the contribution rate as a percent of wages equaled 5% for employee contributions and 10% for employer contributions. Employer contributions were \$400,613 for the plan year ended December 31, 2025, and was equal to 100% of the required contributions. Employee contributions to the plan for the plan years ended December 31, 2025 was \$189,103.

9. PENSION PLANS (Continued)

Net Pension Liability

For the year ended March 31, 2026 the total pension liability was determined by an actuarial valuation as of January 1, 2026, with a measurement date of March 31 2026.

Actuarial Assumptions

The total pension liability in the January 1, 2026 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.00 percent
Investment rate of return	7.00 percent, net of pension plan investment expense and including inflation
Actuarial cost method	Entry Age Method

Mortality rates were based on the 2026 IRC Section 430 Table (combined) for the January 1, 2026 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 January 1, 2026:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	65%	5.90%
Fixed Income – U.S. Investment	<u>35%</u>	2.70%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

9. PENSION PLANS (Continued)

Changes in the Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
	<u> </u>	<u> </u>	<u> </u>
Balance at March 31, 2025	\$ 10,763,212	\$ 12,294,099	\$ (1,530,887)
Changes for the Year:			
Service cost	305,248	-	305,248
Interest	753,574	-	753,574
Changes in benefit terms	58,983	-	58,983
Differences between expected and actual experience	(101,929)	-	(101,929)
Changes in assumptions	-	-	-
Contributions - employer	-	400,613	(400,613)
Contributions - employee	-	189,103	(189,103)
Net investment income	-	1,835,421	(1,835,421)
Benefit payments, including refunds of employee	(616,670)	(616,670)	-
Administrative expense	-	(31,655)	31,655
	<u> </u>	<u> </u>	<u> </u>
Net changes	399,206	1,776,812	(1,377,606)
	<u> </u>	<u> </u>	<u> </u>
Balance at March 31, 2026	\$ 11,162,418	\$ 14,070,911	\$ (2,908,493)

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)	\$ (1,760,951)	\$ (2,908,493)	\$ (3,888,960)

Pension Plan Fiduciary Net Position

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

9. **PENSION PLANS** (Continued)

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

For the year ended March 31, 2026, the Authority recognized pension expense of \$31,484. At March 31, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 144,339	\$ 833,032
Changes of assumptions	75,884	13,731
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>707,153</u>
Total	<u>\$ 220,223</u>	<u>\$ 1,553,916</u>

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

2027	\$ (143,305)
2028	(551,754)
2029	(336,765)
2030	(301,869)
2031	-
Thereafter	-
	<u>\$ (1,333,693)</u>

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.

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.

9. PENSION PLANS (Continued)

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

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, 2026	\$	307,314
March 31, 2025	\$	246,548
March 30, 2024	\$	191,042

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

At March 31, 2026 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, 2025 for the year ended March 31, 2026, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation. 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, 2026 the Authority reported the following:

Net pension liability (asset)	\$	962,016
Authority's proportion percent		0.0056108%
Pension expense	\$	232,396

At March 31, 2026, the Authority reported deferred outflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 238,779	\$ 11,263
Changes of assumptions	40,345	-
Net difference between projected and actual earnings on pension plan investments	75,477	-
Changes in proportion and differences between the contributions and proportionate share of contributions	144,454	117,658
Contributions subsequent to measurement date	<u>307,314</u>	<u>-</u>
Total	<u>\$ 806,369</u>	<u>\$ 128,921</u>

9. PENSION PLANS (Continued)

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

The Authority recognized deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2025 which will be recognized during the year ending March 31, 2027.

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

2026	\$	181,758
2027		254,749
2028		(74,953)
2029		8,580
2030		-
Thereafter		-
	\$	<u>370,134</u>

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

The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.90% for the plan year ended March 31, 2025, 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:

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Proportionate share of net pension liability (asset)	\$ 2,784,195	\$ 962,016	\$ (559,505)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2025 measurement date were as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	\$ 247,600,239,000
Net position	<u>230,454,512,000</u>
Net pension liability (asset)	<u>\$ 17,145,727,000</u>
Fiduciary net position as a percentage of total pension liability	<u>93.08%</u>

9. PENSION PLANS (Continued)

Actuarial Assumptions

The total pension liability for the March 31, 2025 measurement date was determined by using an actuarial valuation as of April 1, 2025, with update procedures used to roll forward the total pension liability to March 31, 2025.

Actuarial cost method	Entry age normal
Inflation	2.90 percent
Salary scale	4.30 percent indexed by service
Projected COLAs	1.50 percent compounded annually
Decrements	Developed from the Plan's 2015 experience study of the period April 1, 2015 through March 31, 2020
Mortality table	Society of Actuaries Scale MP-2021
Investment rate of return	5.9% compounded annually, net of investment expenses

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 return, net of investment expenses 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.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 is summarized below:

Long-Term Expected Rate of Return

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	25.00%	3.54%
International equity	14.00%	6.57%
Private equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic/ARS portfolio	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	3.00%	5.55%
Fixed income	22.00%	2.00%
Cash	<u>1.00%</u>	0.25%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 5.9% for March 31, 2025. 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.

9. PENSION PLANS (Continued)

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

The components of the net pension asset, net pension liabilities, deferred outflows of resources, and deferred inflows of resources are as follows as of March 31, 2026:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Centro Non-Salaried Employees Retirement Plan	\$ -	\$ 4,494,607	\$ -	\$ 2,375,854
Centro Salaried Employees Pension Plan	-	2,820,956	-	2,371,299
Utica Transit Service Corporation Pension Plan	2,908,493	-	220,223	1,553,916
New York State and Local Employees' Retirement	-	962,016	806,369	128,921
Total	<u>\$ 2,908,493</u>	<u>\$ 8,277,579</u>	<u>\$ 1,026,592</u>	<u>\$ 6,429,990</u>

10. 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 amended, 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 No. 75.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms

At the valuation date, April 1, 2025, which is the census collection date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	490
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>369</u>
Total participants	<u><u>859</u></u>

Total OPEB Liability

The Authority's total OPEB liability of \$187,643,234 at March 31, 2026, was measured as of March 31, 2026, and was determined by an actuarial valuation as of April 1, 2025.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 1, 2025 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, 2026
Measurement Date	March 31, 2026
Actuarial Valuation Date	April 1, 2025
Discount Rate	4.56%
Rate of Compensation Increase	2%
Inflation Rate	2.00% / 5.90% in year one, 9.50% / 6.10% in year two, decreasing to the ultimate inflation rate of 5.00% in 2031
Actuarial Cost Method	Entry Age Normal
Amortization Method	Straight Line
Amortization Period	5 years

The discount rate was based on the index provided by Standard & Poor Municipal Bond 20-Year High Grade Index as of March 31, 2026.

Mortality rates were based on SOA RP-2014 (base year 2006) Total Dataset Mortality with Scale MP-2021 for the measurement date of March 31, 2026. 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, 2025 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.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability

Changes in the total OPEB liability were as follows for the fiscal year ended March 31, 2026:

Balance at April 1, 2025	\$ 184,220,905
Changes for the year:	
Service cost	1,227,838
Interest	8,306,378
Assumption changes	(264,887)
Difference between actual and expected experience	-
Benefit payments	<u>(5,847,000)</u>
Balance at March 31, 2026	<u>\$ 187,643,234</u>

Changes in assumptions reflect a change in the discount rate from 4.55% as of March 31, 2025 to 4.56% as of March 31, 2026.

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 (5.56%) or 1% lower (3.56%) than the current discount rate (4.56%).

	1% Decrease (3.56%)	Current Discount Rate (4.56%)	1% Increase (5.56%)
Total OPEB liability	\$ 218,799,720	\$ 187,643,234	\$ 162,955,451

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 (5.25%) or 1% lower (3.25%) than the current healthcare cost trend rate (4.25%).

	1% Decrease (3.25%)	Current Healthcare Cost Trend Rate (4.25%)	1% Increase (5.25%)
Total OPEB liability	\$ 162,582,356	\$ 187,643,234	\$ 219,087,376

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The Authority recognized negative OPEB expense of \$34,143,537 for the fiscal year ended March 31, 2026. At March 31, 2026, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 49,963,109
Changes of assumptions	<u>-</u>	<u>15,715,736</u>
Total	<u>\$ -</u>	<u>\$ 65,678,845</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

2027	\$ (38,940,917)
2028	(13,960,949)
2029	(12,724,000)
2030	<u>(52,979)</u>
	<u>\$ (65,678,845)</u>

11. LEASES

The Authority as a Lessor

The Authority has the following lease receivables at year end:

The Authority leases premises at its Intermodal Transportation Center to Greyhound Lines, Inc. through July 2039 for escalating annual rents ranging between \$40,656 and \$54,113. The imputed interest is 2.73% for this agreement.	\$ 507,613
The Authority leases premises at its Intermodal Transportation Center to the National Railroad Passenger Corporation (Amtrak) through October 2029 for a 3% escalating annual rent increase. The imputed interest is 2.73% for this agreement.	135,585
The Authority leases premises at the Syracuse Walsh Regional Transportation Center to Grab and Go NewsStand Syracuse, Inc. through October 2043 with monthly rents escalating annually and ranging between \$2,000 - \$2,914. The imputed interest is 4.05% for this agreement.	366,968
The Authority leases premises at its Intermodal Transportation Center to Adirondack Trailways through March 2043 with monthly rents escalating annually and ranging between \$288 - \$399. The imputed interest is 4.05% for this agreement.	57,664
The Authority leases premises at its Intermodal Transportation Center to Subway Real Estate Corp. through July 2039 for a escalating monthly rents ranging between \$1,750 and \$1,970. The imputed interest is 2.73% for this agreement.	<u>95,481</u>
Subtotal	1,163,311
Accrued interest receivable	<u>2,896</u>
Total lease receivable at year-end	<u>\$ 1,166,207</u>

Activity of lease inflows for the year ended March 31, 2026 is summarized as follows:

Lease-related

Lease revenue	
Building	\$ 30,405
Office space	19,505
Land	<u>120,080</u>
Total lease revenue	169,990
Interest revenue	<u>38,727</u>
Total	<u>\$ 208,717</u>

11. LEASES (Continued)

Future minimum lease payments due to the Authority are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 102,310	\$ 36,024	\$ 138,334
2028	107,095	33,007	140,102
2029	111,974	29,843	141,817
2030	82,009	26,743	108,752
2031	51,747	24,884	76,631
2032-2036	303,631	97,438	401,069
2037-2041	308,908	43,228	352,136
2042-2046	<u>95,637</u>	<u>5,153</u>	<u>100,790</u>
	<u>\$ 1,163,311</u>	<u>\$ 296,320</u>	<u>\$ 1,459,631</u>

The Authority as a Lessee

The Authority has the following lease liabilities at year end:

The Authority leases premises at 40 Grant Street, Cortland, New York from 1657 Hillside, LLC through February 2035 for a escalating monthly rents ranging between \$14,546 and \$60,749. The imputed interest is 4.23% for this agreement.	<u>\$ 3,470,129</u>
Subtotal	3,470,129
Accrued interest payable	<u>12,232</u>
Total lease liability at year-end	<u>\$ 3,482,361</u>

11. LEASES (Continued)

Activity of lease outflows for the year ended March 31, 2026 is summarized as follows:

Lease-related

Lease expense	
Amortization expense by class of underlying asset	
Buildings	\$ <u>351,668</u>
 Total amortization expense	 351,668
Interest expense	<u>147,511</u>
Total	<u>\$ 499,179</u>

Activity of lease liabilities for the year ended March 31, 2026 is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liability	\$ <u>3,516,680</u>	\$ <u>-</u>	\$ <u>(46,551)</u>	\$ <u>3,470,129</u>	\$ <u>96,253</u>

Future minimum lease payments due by the Authority are as follows:

	Principal	Interest	Total
2027	\$ 96,253	\$ 145,033	\$ 241,286
2028	163,218	139,673	302,891
2029	233,071	131,425	364,496
2030	305,937	120,165	426,102
2031	381,945	105,761	487,706
2032-2036	<u>2,289,705</u>	<u>211,288</u>	<u>2,500,993</u>
	<u>\$ 3,470,129</u>	<u>\$ 853,345</u>	<u>\$ 4,323,474</u>

12. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The Authority has the following SBITA liabilities at year end:

The Authority leases microtransit software from Via Transportation, Inc. through February 2028 for monthly payments of \$2,400. The imputed interest is 4.05% for this agreement.	\$ 53,026
The Authority leases an email security solution from vPrime Tech Inc. through September 2026 for annual payments of \$49,940. The imputed interest is 4.05% for this agreement.	<u>49,939</u>
Subtotal	102,965
Accrued interest payable	<u>1,133</u>
Total SBITA liability at year-end	<u><u>\$ 104,098</u></u>

SBITA liability activity for the year ended March 31, 2026 is summarized as follows:

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
SBITA liability	<u>\$ 308,378</u>	<u>\$ -</u>	<u>\$ (205,413)</u>	<u>\$ 102,965</u>	<u>\$ 77,092</u>

Activity of SBITA outflows for the year ended March 31, 2026 is summarized as follows:

Amortization expense by class of underlying asset	
SBITA	<u>\$ 448,832</u>
Total amortization expense	448,832
Interest on SBITA liabilities	<u>10,343</u>
Total	<u><u>\$ 459,175</u></u>

Future minimum SBITA payments due from the Authority are as follows:

	Principal	Interest	Total
2027	\$ 77,092	\$ 3,967	\$ 81,059
2028	<u>25,873</u>	<u>527</u>	<u>26,400</u>
	<u><u>\$ 102,965</u></u>	<u><u>\$ 4,494</u></u>	<u><u>\$ 107,459</u></u>

13. OTHER BUSINESS MATTERS

As of March 31, 2026, the Authority had a negative unrestricted net position of \$209,732,293 resulting from several years of recording expense entries for other postemployment benefits and net pension liability. 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 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.

14. CONDENSED FINANCIAL INFORMATION

The financial statements of the Authority include the accounts of CNYRTA and its public benefit subsidiary corporations for which the Authority is financially accountable. Condensed financial information for each of these entities as of March 31, 2026 is as follows:

Condensed Statement of Net Position (Deficit) (in Millions) as of March 31, 2026

	CNYRTA	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.
Assets:								
Current	\$ 80.42	\$ 12.90	\$ 0.45	\$ 1.04	\$ 0.20	\$ 1.70	\$ 1.81	\$ 0.69
Capital	-	96.15	1.02	0.88	4.42	0.80	14.22	7.82
Other	-	-	-	-	-	-	2.91	1.06
Total assets	80.42	109.05	1.47	1.92	4.62	2.50	18.94	9.57
Deferred outflows of resources	0.16	-	-	-	-	-	0.87	-
Total assets and deferred outflows of resources	80.58	109.05	1.47	1.92	4.62	2.50	19.81	9.57
Liabilities:								
Current	0.19	11.94	0.55	1.27	2.01	1.73	27.36	4.11
Long-term	2.09	107.41	8.71	6.18	3.37	29.85	36.80	0.76
Total liabilities	2.28	119.35	9.26	7.45	5.38	31.58	64.16	4.87
Deferred inflows of resources	0.85	39.90	3.26	2.40	-	10.91	14.53	1.33
Total liabilities and deferred inflows of resources	3.13	159.25	12.52	9.85	5.38	42.49	78.69	6.20
Net position (deficit):								
Unrestricted	77.44	(146.24)	(12.07)	(8.82)	(1.71)	(40.79)	(73.10)	(4.44)
Net investment in capital assets	-	96.05	1.02	0.88	0.96	0.80	14.22	7.81
Total net position (deficit)	\$ 77.44	\$ (50.19)	\$ (11.05)	\$ (7.94)	\$ (0.75)	\$ (39.99)	\$ (58.88)	\$ 3.36

14. **CONDENSED FINANCIAL INFORMATION** (Continued)

Condensed Statement of Revenues, Expenses and Changes in Net Position (in Millions) For the Year Ended March 31, 2026

	CNYRТА	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.
Operating revenues	\$ 0.25	\$ 11.75	\$ 0.54	\$ 0.23	\$ 0.10	\$ 0.53	\$ 1.07	\$ 1.07
Operating expenses	(0.31)	29.91	4.32	2.87	2.35	2.46	7.82	1.22
Depreciation and amortization	-	11.07	0.23	0.20	0.68	0.38	1.68	0.70
Operating income (loss)	0.56	(29.23)	(4.01)	(2.84)	(2.93)	(2.31)	(8.43)	(0.85)
Non-operating revenues (expenses)	11.83	35.88	4.46	3.61	0.78	11.64	11.56	0.03
Capital contributions	-	6.28	0.02	0.05	0.09	0.01	0.60	0.19
Transfers	(0.53)	0.43	0.00	0.01	0.01	0.00	0.06	0.02
Change in net position	11.86	13.36	0.47	0.83	(2.05)	9.34	3.79	(0.59)
Net position, beginning of year (as restated)	65.58	(63.55)	(11.52)	(8.77)	1.29	(49.33)	(62.67)	3.97
Net position, end of year	\$ 77.44	\$ (50.19)	\$ (11.05)	\$ (7.94)	\$ (0.76)	\$ (39.99)	\$ (58.88)	\$ 3.37

14. **CONDENSED FINANCIAL INFORMATION** (Continued)

Condensed Statement of Cash Flows (in Millions) For the Year Ended March 31, 2026

	CNYRTA	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.
Cash provided by (used for):								
Operating activities	\$ (0.68)	\$ (43.69)	\$ (4.24)	\$ (3.42)	\$ (2.44)	\$ (10.94)	\$ (14.09)	\$ (0.27)
Noncapital financing activities	6.14	36.81	4.18	3.44	2.44	11.02	14.23	0.82
Capital and related financing activities	(0.53)	11.22	0.06	(0.01)	0.00	(0.00)	(0.04)	(0.28)
Investing activities	<u>(1.48)</u>	<u>0.01</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	<u>3.45</u>	<u>4.35</u>	<u>0.00</u>	<u>0.01</u>	<u>0.00</u>	<u>0.08</u>	<u>0.10</u>	<u>0.27</u>
Cash and cash equivalents, beginning of year	<u>18.76</u>	<u>(3.36)</u>	<u>0.01</u>	<u>0.01</u>	<u>0.00</u>	<u>0.06</u>	<u>0.11</u>	<u>0.22</u>
Cash and cash equivalents, end of year	<u>\$ 22.21</u>	<u>\$ 0.99</u>	<u>\$ 0.01</u>	<u>\$ 0.02</u>	<u>\$ 0.00</u>	<u>\$ 0.14</u>	<u>\$ 0.21</u>	<u>\$ 0.49</u>

15. RESTATEMENT

Correction of an Error

During 2026, the Authority discovered that subscription-based information technology arrangement (SBITA) assets, liabilities, and accrued interest payable recorded as of March 31, 2025, were understated.

This change was incorporated into the Authority’s financial statements and had the following impact on net position:

	<u>SBITA assets, net</u>	<u>SBITA liabilities</u>	<u>Accrued interest payable</u>	<u>Net position</u>
Balance as of March 31, 2025, as previously stated	\$ 444,561	\$ 210,451	\$ 1,601	\$ (125,561,857)
Restatement for error correction	<u>654,030</u>	<u>97,927</u>	<u>1,494</u>	<u>554,609</u>
Balance as of April 1, 2025, as restated	<u>\$ 1,098,591</u>	<u>\$ 308,378</u>	<u>\$ 3,095</u>	<u>\$ (125,007,248)</u>

**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

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 – Single Employer Pension Plans (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Centro Non-Salaried Pension Plan:										
Total pension liability (asset):										
Service cost	\$ 117,642	\$ 120,750	\$ 150,835	\$ 176,411	\$ 437,497	\$ 395,049	\$ 461,036	\$ 538,855	\$ 551,188	\$ 562,050
Interest	3,184,408	3,165,728	3,166,608	3,205,876	3,199,859	3,160,978	3,206,972	3,150,669	2,937,876	2,831,165
Changes of benefit terms	379,107	427,779	809,413	-	-	-	-	-	1,208,097	-
Differences between expected and actual experience	(101,108)	(36,754)	(779,052)	(658,001)	(15,830)	(1,225,191)	90,216	687,693	(856,150)	(18,310)
Changes of assumptions	259,506	-	-	-	-	(53,983)	(183,994)	1,344,953	64,607	969,700
Benefit payments, including refunds of employee contributions	<u>(3,412,657)</u>	<u>(3,402,583)</u>	<u>(3,260,401)</u>	<u>(3,258,970)</u>	<u>(3,289,490)</u>	<u>(3,111,500)</u>	<u>(2,824,388)</u>	<u>(2,582,663)</u>	<u>(2,335,727)</u>	<u>(2,202,063)</u>
Net change in total pension liability (asset)	426,898	274,920	87,403	(534,684)	332,036	(834,647)	749,842	3,139,507	1,569,891	2,142,542
Total pension liability (asset) - beginning	<u>47,051,377</u>	<u>46,776,457</u>	<u>46,689,054</u>	<u>47,223,738</u>	<u>46,891,702</u>	<u>47,726,349</u>	<u>46,976,507</u>	<u>43,837,000</u>	<u>42,267,109</u>	<u>40,124,567</u>
Total pension liability (asset) - ending	<u>\$ 47,478,275</u>	<u>\$ 47,051,377</u>	<u>\$ 46,776,457</u>	<u>\$ 46,689,054</u>	<u>\$ 47,223,738</u>	<u>\$ 46,891,702</u>	<u>\$ 47,726,349</u>	<u>\$ 46,976,507</u>	<u>\$ 43,837,000</u>	<u>\$ 42,267,109</u>
Plan fiduciary net position:										
Contributions - employer	\$ 1,602,587	\$ 1,376,875	\$ 1,991,676	\$ 2,416,125	\$ 1,611,932	\$ 2,977,970	\$ 1,715,824	\$ 1,537,193	\$ 1,771,621	\$ 1,896,467
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	5,950,118	2,009,703	5,063,666	(2,058,562)	1,579,353	10,306,891	(1,115,696)	1,516,357	2,223,756	2,300,425
Benefit payments, including refunds of employee contributions	(3,412,657)	(3,402,583)	(3,260,401)	(3,258,970)	(3,289,490)	(3,111,500)	(2,824,388)	(2,582,663)	(2,335,727)	(2,202,063)
Administrative expense	-	-	-	(14,172)	(16,585)	(13,406)	(47,031)	(45,423)	(43,699)	(27,513)
Other	-	-	-	-	-	293	16,030	-	-	-
Net change in plan fiduciary net position	4,140,048	(16,005)	3,794,941	(2,915,579)	(114,790)	10,160,248	(2,255,261)	425,464	1,615,951	1,967,316
Plan fiduciary net position - beginning	<u>38,843,620</u>	<u>38,859,625</u>	<u>35,064,684</u>	<u>37,980,263</u>	<u>38,095,053</u>	<u>27,934,805</u>	<u>30,190,066</u>	<u>29,764,602</u>	<u>28,148,651</u>	<u>26,181,335</u>
Plan fiduciary net position - ending	<u>\$ 42,983,668</u>	<u>\$ 38,843,620</u>	<u>\$ 38,859,625</u>	<u>\$ 35,064,684</u>	<u>\$ 37,980,263</u>	<u>\$ 38,095,053</u>	<u>\$ 27,934,805</u>	<u>\$ 30,190,066</u>	<u>\$ 29,764,602</u>	<u>\$ 28,148,651</u>
Net pension liability (asset)	<u>\$ 4,494,607</u>	<u>\$ 8,207,757</u>	<u>\$ 7,916,832</u>	<u>\$ 11,624,370</u>	<u>\$ 9,243,475</u>	<u>\$ 8,796,649</u>	<u>\$ 19,791,544</u>	<u>\$ 16,786,441</u>	<u>\$ 14,072,398</u>	<u>\$ 14,118,458</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)										
	<u>90.53%</u>	<u>82.56%</u>	<u>83.08%</u>	<u>75.10%</u>	<u>81.24%</u>	<u>81.24%</u>	<u>58.53%</u>	<u>64.27%</u>	<u>67.90%</u>	<u>66.60%</u>
Covered employee payroll	<u>\$ 4,591,531</u>	<u>\$ 5,033,453</u>	<u>\$ 5,060,735</u>	<u>\$ 6,136,250</u>	<u>\$ 6,514,866</u>	<u>\$ 14,328,755</u>	<u>\$ 10,165,179</u>	<u>\$ 9,044,192</u>	<u>\$ 10,106,791</u>	<u>\$ 10,484,908</u>
Net pension liability (asset) as a percentage of covered employee payroll	<u>97.89%</u>	<u>163.06%</u>	<u>156.44%</u>	<u>189.44%</u>	<u>141.88%</u>	<u>61.39%</u>	<u>194.70%</u>	<u>185.60%</u>	<u>139.24%</u>	<u>134.66%</u>

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 – Single Employer Pension Plans (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Centro Salaried Employees Pension Plan:										
Total pension liability (asset):										
Service cost	\$ 219,032	\$ 337,407	\$ 351,456	\$ 367,990	\$ 422,529	\$ 554,340	\$ 590,178	\$ 608,181	\$ 634,989	\$ 611,060
Interest	3,025,331	2,923,241	2,846,743	2,846,385	2,741,732	2,671,536	2,562,999	2,489,524	2,326,615	2,182,459
Changes of benefit terms	-	-	-	-	-	903,187	-	1,034,760	-	-
Differences between expected and actual experience	(492,071)	1,105,068	562,740	(709,379)	738,573	(496,235)	(215,588)	(541,705)	434,272	140,359
Changes of assumptions	1,001,868	-	-	-	-	(36,963)	(111,375)	424,999	213,067	774,504
Benefit payments, including refunds of employee contributions	(2,866,118)	(2,714,268)	(2,595,879)	(2,374,537)	(2,332,697)	(2,061,017)	(1,789,991)	(1,600,446)	(1,437,041)	(1,368,104)
Net change in total pension liability (asset)	888,042	1,651,448	1,165,060	130,459	1,570,137	1,534,848	1,036,223	2,415,313	2,171,902	2,340,278
Total pension liability (asset) - beginning	44,408,802	42,757,354	41,592,294	41,461,835	39,891,698	38,356,850	37,320,627	34,905,314	32,733,412	30,393,134
Total pension liability (asset) - ending	\$ 45,296,844	\$ 44,408,802	\$ 42,757,354	\$ 41,592,294	\$ 41,461,835	\$ 39,891,698	\$ 38,356,850	\$ 37,320,627	\$ 34,905,314	\$ 32,733,412
Plan fiduciary net position:										
Contributions - employer	\$ 1,171,731	\$ 1,100,299	\$ 1,215,180	\$ 1,714,413	\$ 1,074,438	\$ 1,982,998	\$ 1,310,753	\$ 1,537,196	\$ 1,301,088	\$ 1,288,741
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	5,829,343	1,893,724	5,050,907	(1,996,412)	1,530,419	10,001,028	(1,136,679)	1,402,379	2,037,332	2,088,729
Benefit payments, including refunds of employee contributions	(2,866,118)	(2,714,268)	(2,595,879)	(2,374,537)	(2,332,697)	(2,061,017)	(1,789,991)	(1,600,446)	(1,437,041)	(1,368,104)
Administrative expense	-	-	-	(13,366)	(15,440)	(12,493)	(44,035)	(41,111)	(39,503)	(34,010)
Other	-	-	-	-	-	1,134	(12,253)	-	-	-
Net change in plan fiduciary net position	4,134,956	279,755	3,670,208	(2,669,902)	256,720	9,911,650	(1,672,205)	1,298,018	1,861,876	1,975,356
Plan fiduciary net position - beginning	38,340,932	38,061,177	34,390,969	37,060,871	36,804,151	26,892,501	28,564,706	27,266,688	25,404,812	23,429,456
Plan fiduciary net position - ending	\$ 42,475,888	\$ 38,340,932	\$ 38,061,177	\$ 34,390,969	\$ 37,060,871	\$ 36,804,151	\$ 26,892,501	\$ 28,564,706	\$ 27,266,688	\$ 25,404,812
Net pension liability (asset)	\$ 2,820,956	\$ 6,067,870	\$ 4,696,177	\$ 7,201,325	\$ 4,400,964	\$ 3,087,547	\$ 11,464,349	\$ 8,755,921	\$ 7,638,626	\$ 7,328,600
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.77%	86.34%	89.02%	82.69%	89.39%	92.26%	70.11%	76.54%	78.12%	77.61%
Covered employee payroll	\$ 2,842,123	\$ 3,130,063	\$ 3,115,140	\$ 3,256,678	\$ 3,710,373	\$ 4,460,556	\$ 4,668,898	\$ 5,083,252	\$ 5,184,844	\$ 5,309,216
Net pension liability (asset) as a percentage of covered employee payroll	99.26%	193.86%	150.75%	221.12%	118.61%	69.22%	245.55%	172.25%	147.33%	138.04%

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 – Single Employer Pension Plans (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Utica Transit Service Pension Plan:										
Total pension liability (asset):										
Service cost	\$ 305,248	\$ 294,926	\$ 263,870	\$ 257,996	\$ 243,931	\$ 340,285	\$ 320,295	\$ 313,114	\$ 299,771	\$ 240,019
Interest	753,574	724,895	684,074	668,840	582,731	611,050	579,549	558,076	513,066	497,022
Changes of benefit terms	58,983	108,983	411,407	119,336	-	-	-	-	-	575,518
Differences between expected and actual experience	(101,929)	(185,184)	(247,321)	(308,483)	866,049	(847,989)	(86,702)	(216,490)	(53,833)	(264,184)
Changes of assumptions	-	56,834	-	-	-	(10,987)	(31,129)	200,911	16,055	353,452
Benefit payments, including refunds of employee contributions	(616,670)	(586,012)	(534,702)	(517,471)	(437,173)	(429,095)	(304,801)	(346,641)	(310,933)	(329,554)
Net change in total pension liability (asset)	399,206	414,442	577,328	220,218	1,255,538	(336,736)	477,212	508,970	464,126	1,072,273
Total pension liability (asset) - beginning	10,763,212	10,348,770	9,771,442	9,551,224	8,295,686	8,632,422	8,155,210	7,646,240	7,182,114	6,109,841
Total pension liability (asset) - ending	\$ 11,162,418	\$ 10,763,212	\$ 10,348,770	\$ 9,771,442	\$ 9,551,224	\$ 8,295,686	\$ 8,632,422	\$ 8,155,210	\$ 7,646,240	\$ 7,182,114
Plan fiduciary net position:										
Contributions - employer	\$ 400,613	\$ 360,525	\$ 342,789	\$ 311,685	\$ 292,196	\$ 280,978	\$ 278,589	\$ 275,839	\$ 258,903	\$ 241,852
Contributions - employee	189,103	166,045	159,634	157,258	136,919	134,694	133,113	130,419	126,869	117,490
Net investment income	1,835,421	602,507	1,529,303	(576,233)	420,348	1,287,618	1,332,567	(209,159)	947,407	252,385
Benefit payments, including refunds of employee contributions	(616,670)	(586,012)	(534,702)	(517,471)	(437,173)	(429,095)	(304,801)	(346,641)	(310,933)	(329,554)
Administrative expense	(31,655)	(25,416)	(21,354)	(4,092)	(4,536)	(11,974)	(27,401)	(26,245)	(18,446)	(21,032)
Other	-	-	-	-	440,827	-	-	-	-	-
Net change in plan fiduciary net position	1,776,812	517,649	1,475,670	(628,853)	848,581	1,262,221	1,412,067	(175,787)	1,003,800	261,141
Plan fiduciary net position - beginning	12,294,099	11,776,450	10,300,780	10,929,633	10,081,052	8,818,831	7,406,764	7,582,551	6,578,751	6,317,610
Plan fiduciary net position - ending	\$ 14,070,911	\$ 12,294,099	\$ 11,776,450	\$ 10,300,780	\$ 10,929,633	\$ 10,081,052	\$ 8,818,831	\$ 7,406,764	\$ 7,582,551	\$ 6,578,751
Net pension liability (asset)	\$ (2,908,493)	\$ (1,530,887)	\$ (1,427,680)	\$ (529,338)	\$ (1,378,409)	\$ (1,785,366)	\$ (186,409)	\$ 748,446	\$ 63,689	\$ 603,363
Plan fiduciary net position as a percentage of the total pension liability (asset)	126.06%	114.22%	113.80%	105.42%	114.43%	121.52%	102.16%	90.82%	99.17%	91.60%
Covered employee payroll	\$ 4,283,018	\$ 3,971,472	\$ 3,410,314	\$ 3,269,737	\$ 3,320,994	\$ 3,211,207	\$ 3,552,683	\$ 3,221,442	\$ 3,106,094	\$ 2,946,799
Net pension liability (asset) as a percentage of covered employee payroll	-67.91%	-38.55%	-41.86%	-16.19%	-55.60%	-55.60%	-5.25%	23.23%	2.05%	20.48%

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 – Single Employer Pension Plans (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Centro Non-Salaried Employees Pension Plan:										
Actuarially determined contribution	\$ 1,302,585	\$ 1,376,872	\$ 1,423,543	\$ 1,461,009	\$ 1,373,193	\$ 2,977,970	\$ 1,715,824	\$ 1,537,193	\$ 1,771,621	\$ 1,896,467
Contributions in relation to the actuarially determined contribution	<u>1,602,587</u>	<u>1,376,875</u>	<u>1,991,676</u>	<u>2,416,125</u>	<u>1,611,932</u>	<u>2,977,970</u>	<u>1,715,824</u>	<u>1,537,193</u>	<u>1,771,621</u>	<u>1,896,467</u>
Contributions deficiency (excess)	\$ (300,002)	\$ (3)	\$ (568,133)	\$ (955,116)	\$ (238,739)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 4,591,531	\$ 5,033,453	\$ 5,060,735	\$ 6,136,250	\$ 6,514,866	\$ 14,328,755	\$ 10,165,179	\$ 9,044,192	\$ 10,106,791	\$ 10,484,908
Contributions as a percentage of covered employee payroll	<u>34.90%</u>	<u>27.35%</u>	<u>39.36%</u>	<u>39.37%</u>	<u>24.74%</u>	<u>20.78%</u>	<u>16.88%</u>	<u>17.00%</u>	<u>17.53%</u>	<u>18.09%</u>
Centro Salaried Employees Pension Plan										
Actuarially determined contribution	\$ 1,071,731	\$ 1,100,300	\$ 951,691	\$ 914,412	\$ 976,726	\$ 1,982,998	\$ 1,310,753	\$ 1,537,196	\$ 1,301,088	\$ 1,288,741
Contributions in relation to the actuarially determined contribution	<u>1,171,731</u>	<u>1,100,299</u>	<u>1,215,180</u>	<u>1,714,413</u>	<u>1,074,438</u>	<u>1,982,998</u>	<u>1,310,753</u>	<u>1,537,196</u>	<u>1,301,088</u>	<u>1,288,741</u>
Contributions deficiency (excess)	\$ (100,000)	\$ 1	\$ (263,489)	\$ (800,001)	\$ (97,712)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,842,123	\$ 3,130,063	\$ 3,115,410	\$ 3,256,678	\$ 3,710,373	\$ 4,460,556	\$ 4,668,898	\$ 5,083,252	\$ 5,184,844	\$ 5,309,216
Contributions as a percentage of covered employee payroll	<u>41.23%</u>	<u>35.15%</u>	<u>39.01%</u>	<u>52.64%</u>	<u>28.96%</u>	<u>44.46%</u>	<u>28.07%</u>	<u>30.24%</u>	<u>25.09%</u>	<u>24.27%</u>
Utica Transit Service Corporation Pension Plan										
Contractually required contribution	\$ 400,613	\$ 360,525	\$ 342,789	\$ 311,685	\$ 292,196	\$ 280,978	\$ 278,589	\$ 275,839	\$ 258,903	\$ 241,852
Contributions in relation to the contractually required contribution	<u>400,613</u>	<u>360,525</u>	<u>342,789</u>	<u>311,685</u>	<u>292,196</u>	<u>280,978</u>	<u>278,589</u>	<u>275,839</u>	<u>258,903</u>	<u>241,852</u>
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 4,283,018	\$ 3,971,472	\$ 3,410,314	\$ 3,269,737	\$ 3,320,994	\$ 3,211,207	\$ 3,552,683	\$ 3,221,442	\$ 3,106,094	\$ 2,946,799
Contributions as a percentage of covered employee payroll	<u>9.35%</u>	<u>9.08%</u>	<u>10.05%</u>	<u>9.53%</u>	<u>8.80%</u>	<u>8.75%</u>	<u>7.84%</u>	<u>8.56%</u>	<u>8.34%</u>	<u>8.21%</u>

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 Proportionate Share of Net Pension Liability (Asset) – Cost Sharing Multiple Employer Plan (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
New York State Employees'										
Retirement System Plan:										
Proportion of the net pension liability (asset)	0.0056108%	0.0040777%	0.0035803%	0.0035234%	0.0039415%	0.0037731%	0.0038855%	0.0039471%	0.0037590%	0.0037966%
Proportionate share of the net pension liability (asset)	\$ 962,016	\$ 600,410	\$ 767,752	\$ (288,022)	\$ 3,925	\$ 999,146	\$ 275,297	\$ 127,389	\$ 353,172	\$ 609,365
Covered-employee payroll	\$ 2,188,151	\$ 1,927,269	\$ 1,733,633	\$ 1,484,654	\$ 1,477,302	\$ 1,328,136	\$ 1,386,331	\$ 1,319,375	\$ 1,400,994	\$ 1,276,367
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	43.96%	31.15%	44.29%	-19.40%	0.27%	75.23%	19.86%	9.66%	25.21%	47.74%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

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 Years Ended March 31:

	Last 10 Fiscal Years									
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
NEW YORK STATE EMPLOYEES'										
RETIREMENT SYSTEM PLAN:										
Contractually required contribution	\$ 307,314	\$ 246,548	\$ 191,042	\$ 140,504	\$ 204,104	\$ 170,712	\$ 180,450	\$ 174,357	\$ 191,127	\$ 174,257
Contributions in relation to the contractually required contribution	<u>307,314</u>	<u>246,548</u>	<u>191,042</u>	<u>140,504</u>	<u>204,104</u>	<u>170,712</u>	<u>180,450</u>	<u>174,357</u>	<u>191,127</u>	<u>174,257</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,188,151	\$ 1,927,269	\$ 1,733,633	\$ 1,484,654	\$ 1,477,302	\$ 1,328,136	\$ 1,386,331	\$ 1,319,375	\$ 1,400,994	\$ 1,276,367
Contributions as a percentage of covered-employee payroll	14.04%	12.79%	11.02%	9.46%	13.82%	12.85%	13.02%	13.22%	13.64%	13.65%

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 Total Other Postemployment Benefit Liability and Related Ratios (Unaudited)
For the Years Ended March 31:

	Last 10 Fiscal Years									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:										
Service cost	\$ 1,227,838	\$ 2,307,709	\$ 2,262,460	\$ 7,472,376	\$ 7,290,123	\$ 7,112,316	\$ 8,330,688	\$ 4,274,266	\$ 4,151,964	
Interest	8,306,378	10,157,794	9,703,325	9,763,405	8,737,656	8,354,392	8,440,200	8,532,691	8,261,216	
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Plan change	-	-	-	-	-	9,250,260	-	-	-	-
Differences between expected and actual experience	-	(55,224,114)	-	(84,143,197)	-	(41,515,948)	49,431,007	-	-	-
Changes in assumptions	(264,887)	(8,131,013)	(6,184,722)	(40,756,653)	(17,546,992)	(626,058)	96,502,358	-	(1,250,811)	
Benefit payments	(5,847,000)	(5,381,722)	(5,177,861)	(5,181,886)	(5,019,618)	(8,585,003)	(6,603,985)	(5,945,444)	(5,722,824)	
Total change in total OPEB liability	3,422,329	(56,271,346)	603,202	(112,845,955)	(6,538,831)	(26,010,041)	156,100,268	6,861,513	5,439,545	
Total OPEB liability - beginning	184,220,905	240,492,251	239,889,049	352,735,004	359,273,835	385,283,876	229,183,608	222,322,095	216,882,550	
Total OPEB liability - ending	\$ 187,643,234	\$ 184,220,905	\$ 240,492,251	\$ 239,889,049	\$ 352,735,004	\$ 359,273,835	\$ 385,283,876	\$ 229,183,608	\$ 222,322,095	
Covered-employee payroll	\$ 40,665,288	\$ 38,733,072	\$ 36,457,306	\$ 34,005,791	\$ 32,031,021	\$ 27,169,754	\$ 23,077,958	\$ 22,488,468	\$ 26,636,788	
Total OPEB liability as a percentage of covered-employee payroll	461.43%	475.62%	659.65%	705.44%	1101.23%	1322.33%	1669.49%	1019.12%	834.64%	

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as it becomes available.

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:

Discount rate	4.56%	4.55%	4.23%	4.05%	2.73%	2.40%	2.27%	3.89%	3.86%
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Plan assets. No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

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)

Notes to the Schedule of Contributions – Single Employer Pension Plans
For the Year Ended March 31, 2026

	<u>Centro Non-Salaried Employees Pension Plan</u>	<u>Centro Salaried Employees Pension Plan</u>	<u>Utica Transit Service Corporation Pension Plan</u>
Valuation Date	The actuarial valuation date used to calculate the total pension liability for the measurement date of March 31, 2026 was performed as of April 1, 2025.	The actuarial valuation date used to calculate the total pension liability for the measurement date of March 31, 2026 was performed as of April 1, 2025.	The actuarial valuation date used to calculate the total pension liability for the measurement date of March 31, 2026 was performed as of January 1, 2026.
Methods and assumptions used to determine contribution rates:			
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	2.75%	2.75%	2.50%
Salary increases	3.50%, including inflation	3.50%, including inflation	3.00%
Investment rate of return	7.00%, net of inflation	7.00%, net of pension investment expense, including inflation	7.00%, net of pension investment expense, including inflation
Retirement age	Normal, or the age from 63 to 65 when 25 years are credited	Normal, or the age from 63 to 65 when 25 years are credited	Normal retirement age, 65 or 5 years of service, 55 with 10 years of service but benefits reduced by 4% for each year that retirement date precedes age 60
Mortality	2024 IRS 430 Combined	2024 IRS 430 Combined	2024 IRC 430 Combined

SUPPLEMENTARY INFORMATION

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

Combining Statements of Net Position (Deficit)
March 31, 2026

	Central New York Regional Transportation Authority						Intermodal Transportation Center, Inc.		Eliminations	Total
	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.				
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES										
CURRENT ASSETS:										
Cash and cash equivalents	\$ 12,622,069	\$ 986,799	\$ 11,844	\$ 24,442	\$ 3,819	\$ 139,783	\$ 205,343	\$ 492,014	\$ -	\$ 14,486,113
Cash and cash equivalents - designated	9,588,859	-	-	-	-	-	-	-	-	9,588,859
Investments - designated	24,847,900	-	-	-	-	-	-	-	-	24,847,900
Accounts receivable	699,588	435,766	1,158,786	890,351	2,526	39,608	433,773	8,910	-	3,669,308
Grants receivable	-	4,883,511	17,035	52,045	102,759	-	367,469	17,818	-	5,440,637
Accrued lease interest receivable	-	-	-	-	-	-	-	2,896	-	2,896
Lease receivable, current portion	-	-	-	-	-	-	-	102,310	-	102,310
Due from affiliates	32,642,447	-	(834,538)	-	-	1,357,442	-	-	(33,165,351)	-
Materials and supplies	-	2,785,520	67,263	49,877	19,244	-	649,086	-	-	3,570,990
Prepaid expenses and other current assets	16,732	3,811,611	26,795	21,838	76,002	160,825	154,646	70,250	-	4,338,699
Total current assets	80,417,595	12,903,207	447,185	1,038,553	204,350	1,697,658	1,810,317	694,198	(33,165,351)	66,047,712
NONCURRENT ASSETS:										
Net pension asset	-	-	-	-	-	-	2,908,493	-	-	2,908,493
Lease receivable, net of current portion	-	-	-	-	-	-	-	1,061,001	-	1,061,001
Capital assets, non-depreciable	-	10,261,158	111,000	131,969	-	-	564,896	712,743	-	11,781,766
Capital assets, net of accumulated depreciation and amortization	-	85,890,307	908,413	744,338	4,422,487	802,337	13,658,811	7,104,906	-	113,531,599
Total noncurrent assets	-	96,151,465	1,019,413	876,307	4,422,487	802,337	17,132,200	8,878,650	-	129,282,859
TOTAL ASSETS	80,417,595	109,054,672	1,466,598	1,914,860	4,626,837	2,499,995	18,942,517	9,572,848	(33,165,351)	195,330,571
DEFERRED OUTFLOWS OF RESOURCES										
Deferred outflows of resources - pension	161,274	-	-	-	-	-	865,318	-	-	1,026,592
Total deferred outflows of resources	161,274	-	-	-	-	-	865,318	-	-	1,026,592
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 80,578,869	\$ 109,054,672	\$ 1,466,598	\$ 1,914,860	\$ 4,626,837	\$ 2,499,995	\$ 19,807,835	\$ 9,572,848	\$ (33,165,351)	\$ 196,357,163

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

Combining Statements of Net Position (Deficit) (Continued)
March 31, 2026

	Central New York Regional Transportation Authority						Intermodal Transportation Center, Inc.		Eliminations	Total
	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)										
CURRENT LIABILITIES:										
Accounts payable	\$ 47,629	\$ 2,230,986	\$ 45,274	\$ 14,853	\$ 26,628	\$ 721,251	\$ 161,624	\$ 130,913	\$ -	\$ 3,379,158
Accrued salaries, liabilities and benefits	6,444	594,635	39,098	33,276	56,867	-	125,476	1,937	-	857,733
Unearned revenue	-	1,278,117	-	-	-	-	-	31,922	-	1,310,039
Compensated absences	62,178	1,884,373	138,517	112,129	-	32,922	675,480	9,851	-	2,915,450
Estimated claims payable, current portion	12,375	878,632	49,500	37,125	37,125	-	222,752	-	-	1,237,509
Accrued interest payable	-	1,133	-	-	-	-	-	-	-	13,365
Lease liability, current portion	-	-	-	-	96,253	-	-	-	-	96,253
SBITA liability, current portion	-	77,092	-	-	-	-	-	-	-	77,092
Total other postemployment benefits, current portion	61,136	3,368,606	281,227	201,750	-	978,180	1,198,270	24,454	-	6,113,623
Due to affiliates	-	1,626,999	-	873,000	1,781,678	-	24,977,221	3,906,453	(33,165,351)	-
Total current liabilities	189,762	11,940,573	553,616	1,272,133	2,010,783	1,732,353	27,360,823	4,105,530	(33,165,351)	16,000,222
LONG-TERM LIABILITIES										
Total other postemployment benefits, net of current portion	1,815,296	100,022,816	8,350,362	5,990,477	-	29,044,737	35,579,804	726,119	-	181,529,611
Net pension liability	278,986	5,857,959	325,967	184,783	-	805,803	824,081	-	-	8,277,579
Estimated claims payable, net of current portion	-	1,500,024	30,333	3,849	-	-	393,527	35,015	-	1,962,748
Lease liability, net of current portion	-	-	-	-	3,373,876	-	-	-	-	3,373,876
SBITA liability, net of current portion	-	25,873	-	-	-	-	-	-	-	25,873
Total long-term liabilities	2,094,282	107,406,672	8,706,662	6,179,109	3,373,876	29,850,540	36,797,412	761,134	-	195,169,687
TOTAL LIABILITIES	2,284,044	119,347,245	9,260,278	7,451,242	5,384,659	31,582,893	64,158,235	4,866,664	(33,165,351)	211,169,909
DEFERRED INFLOWS OF RESOURCES:										
Deferred inflows of resources - pension related	197,344	3,706,179	235,776	235,776	-	397,862	1,657,053	-	-	6,429,990
Deferred inflows of resources - OPEB related	656,788	36,189,044	3,021,227	2,167,402	-	10,508,615	12,873,054	262,715	-	65,678,845
Deferred inflows of resources - lease related	-	-	-	-	-	-	-	1,070,441	-	1,070,441
Total deferred inflows of resources	854,132	39,895,223	3,257,003	2,403,178	-	10,906,477	14,530,107	1,333,156	-	73,179,276
NET POSITION (DEFICIT):										
Net investment in capital assets	-	96,048,500	1,019,413	876,307	952,358	802,337	14,223,707	7,817,649	-	121,740,271
Unrestricted	77,440,693	(146,236,296)	(12,070,096)	(8,815,867)	(1,710,180)	(40,791,712)	(73,104,214)	(4,444,621)	-	(209,732,293)
Total net position (deficit)	77,440,693	(50,187,796)	(11,050,683)	(7,939,560)	(757,822)	(39,989,375)	(58,880,507)	3,373,028	-	(87,992,022)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)	\$ 80,578,869	\$ 109,054,672	\$ 1,466,596	\$ 1,914,860	\$ 4,626,837	\$ 2,499,995	\$ 19,807,835	\$ 9,572,848	\$ (33,165,351)	\$ 196,357,163

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

Combining Statements of Revenues, Expenses and Changes in Net Position (Deficit)
For the Year Ended March 31, 2026

	Central New York Regional Transportation Authority	CNY Centro, Inc.	Centro of Oswego, Inc.	Centro of Cayuga, Inc.	Centro of Cortland, Inc.	Centro Call-A-Bus, Inc.	Centro of Oneida, Inc.	Intermodal Transportation Center, Inc.	Eliminations	Total
OPERATING REVENUES:										
Regular line passenger revenue	\$ -	\$ 2,852,377	\$ 163,762	\$ 170,982	\$ 71,578	\$ 528,559	\$ 898,966	\$ -	\$ -	\$ 4,686,224
Special line passenger revenue	-	8,062,700	362,678	15,571	-	-	-	-	-	8,440,949
Advertising and other revenue	249,470	837,994	16,135	45,437	23,837	-	175,668	1,068,542	-	2,417,083
Total operating revenues	249,470	11,753,071	542,575	231,990	95,415	528,559	1,074,634	1,068,542	-	15,544,256
OPERATING EXPENSES:										
Salaries and wages	54,071	21,228,866	2,804,820	2,160,060	1,225,936	3,814,855	8,767,387	185,965	-	40,241,960
Other employee benefits and payroll taxes	50,274	3,017,380	170,203	140,203	74,430	123,177	665,315	13,395	-	4,254,377
Healthcare benefits - active	46,252	6,078,767	291,053	236,275	60,481	389,096	1,824,240	-	-	8,926,164
Other post-employment benefits	(1,279,844)	(17,701,198)	(59,287)	(627,233)	-	(8,744,987)	(6,895,580)	(159,963)	-	(35,468,092)
Pension benefits	256,217	2,859,868	173,616	130,323	23,797	206,984	466,228	-	-	4,117,033
Workers compensation	12,982	2,374,215	(73,332)	79,146	27,829	53,168	510,946	53,279	-	3,038,233
Risk management	16,314	3,561,144	232,515	153,986	134,805	243,890	515,436	152,929	-	5,011,019
Purchased transportation	-	-	-	2,400	-	5,943,960	-	-	-	5,946,360
Materials and supplies	36,644	2,959,348	299,957	221,347	154,932	93,225	595,881	15,333	-	4,376,667
Services	321,612	4,240,442	132,554	102,986	316,020	247,450	476,652	824,033	-	6,661,749
Fuel	-	637,723	298,758	217,059	101,572	69,944	715,231	443	-	2,040,730
Utilities	9,330	465,491	44,465	48,348	36,798	15,000	162,488	114,257	-	896,177
Other expenses	168,104	186,034	1,670	1,212	187,266	(2,171)	14,720	15,383	-	572,218
Depreciation	-	11,073,972	234,004	202,828	663,217	384,477	1,683,886	700,180	-	14,962,564
Total operating expenses	(308,044)	40,982,052	4,550,996	3,068,940	3,027,083	2,838,068	9,502,830	1,915,234	-	65,577,159
OPERATING INCOME (LOSS)	557,514	(29,228,981)	(4,008,421)	(2,836,950)	(2,931,668)	(2,309,509)	(8,428,196)	(846,692)	-	(50,032,903)
NON-OPERATING REVENUES (EXPENSES):										
Operating and other assistance:										
Federal assistance	-	4,142,897	477,750	363,161	-	-	1,566,166	-	-	6,549,974
State assistance	-	29,378,406	3,880,769	3,082,420	741,000	11,497,917	9,477,994	-	-	58,058,506
Local assistance	-	2,265,211	105,680	162,388	37,623	144,586	515,139	-	-	3,230,627
Mortgage tax revenue	10,540,761	-	-	-	-	-	-	-	-	10,540,761
Interest	1,294,153	4,730	-	-	-	-	-	38,727	-	1,337,610
Gain (loss) on disposal of capital	-	93,189	-	-	-	-	-	-	-	93,189
Total non-operating revenues (expenses)	11,834,914	35,884,433	4,464,199	3,607,969	778,623	11,642,503	11,559,299	38,727	-	79,810,667
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	12,392,428	6,655,452	455,778	771,019	(2,153,045)	9,332,994	3,131,103	(807,965)	-	29,777,764
CAPITAL CONTRIBUTIONS										
Federal grants	-	3,276,855	14,440	45,560	82,980	6,538	505,016	171,676	-	4,103,065
State grants	-	3,004,165	1,805	5,695	10,373	817	90,083	21,459	-	3,134,397
Total capital contributions	-	6,281,020	16,245	51,255	93,353	7,355	595,099	193,135	-	7,237,462
TRANSFER OF FUNDS:										
Capital transfers in	-	426,068	1,805	5,695	10,373	817	63,127	21,459	(529,344)	-
Capital transfers out	(529,344)	-	-	-	-	-	-	-	529,344	-
Total transfers	(529,344)	426,068	1,805	5,695	10,373	817	63,127	21,459	-	-
CHANGES IN NET POSITION	11,863,084	13,362,540	473,828	827,969	(2,049,319)	9,341,166	3,789,329	(593,371)	-	37,015,226
NET POSITION (DEFICIT) - beginning of year, as previously reported	65,577,609	(64,104,945)	(11,524,511)	(8,767,529)	1,291,497	(49,330,541)	(62,669,836)	3,966,399	-	(125,561,857)
RESTATEMENT (Note 15)	-	554,609	-	-	-	-	-	-	-	554,609
NET POSITION (DEFICIT) - beginning of year, as restated	65,577,609	(63,550,336)	(11,524,511)	(8,767,529)	1,291,497	(49,330,541)	(62,669,836)	3,966,399	-	(125,007,248)
NET POSITION (DEFICIT) - end of year	\$ 77,440,693	\$ (50,187,796)	\$ (11,050,683)	\$ (7,939,560)	\$ (757,822)	\$ (39,989,375)	\$ (58,880,507)	\$ 3,373,028	\$ -	\$ (87,992,022)

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

Combining Statements of Fiduciary Net Position Pension and Other Employee Benefit Trust Funds
March 31, 2026

	Fiduciary Activities					Total
	Centro Non-Salaried Defined-Benefit Pension	Centro Salaried Defined- Benefit Pension	Utica Transit Service Defined-Benefit Pension	Centro Non-Salaried Defined- Contribution Pension	Centro Salaried Defined- Contribution Pension	
ASSETS						
Cash	\$ 665,457	\$ 699,198	\$ 355,170	\$ 2,921	\$ 931	\$ 1,723,677
Receivables:						
Investment income	36,990	35,056	10,510	-	-	82,556
Total receivables	36,990	35,056	10,510	-	-	82,556
Investments at fair value:						
Corporate debt - other	20	10	-	-	-	30
Corporate stock - common	32,550,712	32,136,054	10,715,653	-	-	75,402,419
U.S. Government Securities	-	1	-	-	-	1
Collective investment funds	-	-	-	272,306	63,706	336,012
Mutual Funds	9,730,489	9,605,569	2,989,578	4,422,577	1,782,049	28,530,262
Total investments	42,281,221	41,741,634	13,705,231	4,694,883	1,845,755	104,268,724
Total assets	42,983,668	42,475,888	14,070,911	4,697,804	1,846,686	106,074,957
NET POSITION						
Restricted for pensions	42,983,668	42,475,888	14,070,911	4,697,804	1,846,686	106,074,957
Total net position	\$ 42,983,668	\$ 42,475,888	\$ 14,070,911	\$ 4,697,804	\$ 1,846,686	\$ 106,074,957

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

Combining Statements of Changes in Fiduciary Net Position Pension and Other Employee Benefit Trust Funds
For the Year Ended March 31, 2026

	Fiduciary Activities					Total
	Centro Non-Salaried Defined-Benefit Pension	Centro Salaried Defined- Benefit Pension	Utica Transit Service Defined-Benefit Pension	Centro Non-Salaried Defined- Contribution Pension	Centro Salaried Defined- Contribution Pension	
ADDITIONS:						
Contributions:						
Employer contributions	\$ 1,602,587	\$ 1,171,731	\$ 400,613	\$ 740,532	\$ 333,130	\$ 4,248,593
Member contributions	-	-	189,103	-	-	189,103
Total contributions	<u>1,602,587</u>	<u>1,171,731</u>	<u>589,716</u>	<u>740,532</u>	<u>333,130</u>	<u>4,437,696</u>
Investment income:						
Net appreciation/ (depreciation) in fair value of investments	5,950,118	5,829,343	1,835,421	398,099	128,808	14,141,789
Interest and dividends	-	-	-	173,587	73,197	246,784
Other	-	-	-	47,501	66,373	113,874
Total additions	<u>7,552,705</u>	<u>7,001,074</u>	<u>2,425,137</u>	<u>1,359,719</u>	<u>601,508</u>	<u>18,940,143</u>
DEDUCTIONS:						
Benefit payments and withdrawals	3,412,657	2,866,118	616,670	133,937	266,791	7,296,173
Administrative expenses	-	-	31,655	10,724	3,949	46,328
Total deductions	<u>3,412,657</u>	<u>2,866,118</u>	<u>648,325</u>	<u>144,661</u>	<u>270,740</u>	<u>7,342,501</u>
Change in fiduciary net position	<u>4,140,048</u>	<u>4,134,956</u>	<u>1,776,812</u>	<u>1,215,058</u>	<u>330,768</u>	<u>11,597,642</u>
NET POSITION						
Restricted for Pensions:						
Beginning of year	<u>38,843,620</u>	<u>38,340,932</u>	<u>12,294,099</u>	<u>3,482,746</u>	<u>1,515,918</u>	<u>94,477,315</u>
End of year	<u>\$ 42,983,668</u>	<u>\$ 42,475,888</u>	<u>\$ 14,070,911</u>	<u>\$ 4,697,804</u>	<u>\$ 1,846,686</u>	<u>\$ 106,074,957</u>

SECTION B

**REPORTS REQUIRED UNDER THE
UNIFORM GUIDANCE**

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

June 19, 2026

To the Board of Members of
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 General of the United States, the financial statements of the business-type activities and fiduciary activities 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, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 19, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the 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 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 or significant deficiencies may exist that were not identified.

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

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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)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic 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 financial statements. 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 entity'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.

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

June 19, 2026

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

Report on Compliance for Each Major Federal Program

Opinion on 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, 2026. 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.

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, 2026.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

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(Continued)

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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.

(Continued)

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

(Continued)

Report on Internal Control Over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

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, 2026

Assistance Listing #	Grant # and Program	Expenditures	Expenditures to Subrecipients
U.S. Department of Transportation:			
Federal Transit Cluster:			
20.507	Federal Transit - Formula Grants:		
	NY2019-035 Acquire Software, Preventative Manintenance, Oneida Operating Assistance	\$ 4,274,441	\$ -
	NY2017-042 CNG Station	171,312	-
	NY2023-043 Project Engineering Phase	503,211	-
	NY2023-038 Maintenance Facility Upgrades, Engineering Services, Computer Hardware and Software, Service Vehicles	1,478,115	-
	NY2020-055 Supervisor Vehicles Oneida, Oneida Operating Assistance	1,175,106	-
	NY2024-030 Computer Hardware, Supervisor Vehicles, Facility Maintenance Projects	1,745,268	-
	NY2025-048 Computer Hardware	<u>10,275</u>	<u>-</u>
	Total Federal Transit - Formula Grants	<u>9,357,728</u>	<u>-</u>
20.526	Bus and Bus Facilities Formula Program:		
	NY2017-072 Support Vehicles	<u>13,249</u>	<u>-</u>
	Total Bus and Bus Facilities Formula Program	<u>13,249</u>	<u>-</u>
	Total Federal Transit Cluster	<u>9,370,977</u>	<u>-</u>

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 Expenditures of Federal Awards
For the Year Ended March 31, 2026

Assistance Listing #	Grant # and Program	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	86,000	-
	Oswego County	477,750	-
	Cayuga County	363,162	-
	Oneida County	187,170	-
	C005742 Auburn and Oswego Repave	(32,465)	-
	C00613 SA3 Farebox System	82,980	-
	C006013 Auburn and Oswego Backup Generator, Oswego Repave	<u>92,465</u>	<u>-</u>
	Total Formula Grants for Rural Areas	<u>1,257,062</u>	<u>-</u>
	Total U.S Department of Transportation	<u>10,628,039</u>	<u>-</u>
U.S. Department of Health and Human Services:			
93.558	Temporary Assistance for Needy Families Cluster (passed through the Office of Temporary & Disability Assistance)	<u>25,000</u>	<u>-</u>
	Total	<u>\$ 10,653,039</u>	<u>\$ -</u>

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)**

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2026**

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 15 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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

**Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2026**

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 Uniform Guidance 2 CFR, section 200.516(a)? Yes No

Identification of programs tested as major program:
U.S. Department of Transportation – Federal Transit Cluster –
AL# 20.507 Federal Transit Formula Grants and AL# 20.526
Bus and Bus Facilities Formula Program

Dollar threshold used to distinguish between Type A and Type B programs: \$1,000,000

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

**REPORTS REQUIRED UNDER THE NEW YORK
STATE SINGLE AUDIT**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY PART 43 OF THE NEW YORK CODES, RULES, AND REGULATIONS

June 19, 2026

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

Report on Compliance of the State Transportation Assistance Program

Opinion on Each State Transportation Assistance Program Tested

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 Part 43 of the New York State Codes, 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, 2026. The program tested is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 state transportation assistance program tested for the year ended March 31, 2026.

Basis For Opinion on Each State Transportation Assistance Program Tested

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 Part 43 of NYSCRR. Our responsibilities under those standards and Part 43 of NYSCRR are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance of the State Transportation Assistance Program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

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(Continued)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE TRANSPORTATION ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY PART 43 OF THE NEW YORK CODES, RULES, AND REGULATIONS

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Part 43 of NYSCRR will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Authority's compliance with the requirements of each state transportation assistance program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Part 43 of NYSCRR, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Part 43 of NYSCRR, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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.

(Continued)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE STATE
TRANSPORTATION ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY PART 43 OF THE NEW YORK CODES, RULES, AND
REGULATIONS**

(Continued)

Report on Internal Control Over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Part 43 of NYSCRR. Accordingly, this report is not suitable for any other purpose.

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, 2026

<u>Program Title</u>	<u>Contract #</u>	<u>Reference #</u>	<u>Expenditures</u>
State Matching Grants for Direct FTA Programs (040):			
Master Agreement	K007549	2822.09.001	\$ 73,108
		3829.74.001	96
			14,000
		3829.48.001	5,587
		3829.51.001	2,768
		3829.60.001	5,209
		3829.53.001	73,071
		2822.03.001	131
		2822.05.001	28
		2822.07.001	78
		3829.45.001	62,901
Master Agreement - Supplemental #1	K007389	3829.49.001	6,191
		2822.11.001	817
		3829.84.001	7,412
		3829.54.001	203,738
Master Agreement - Supplemental #2	K007200	3828.31.001	21,414
		2821.74.001	1,656
Master Agreement - Supplemental #3	K007389	3828.61.001	2,639
	K007549	3829.50.001	1,284
Master Agreement - Supplemental #5	K007389	3828.57.001	2,193
		3828.64.001	510,112
Master Agreement - Supplemental #6	K007389	3829.30.001	<u>10,690</u>
Total State Matching Grants for Direct FTA Programs			<u>1,005,123</u>
State Matching Grants for 5311 FTA Programs:			
	C005742	3797.06.301	(273)
		3797.34.304	(3,785)
	C006013	3790.06.304	5,695
		3790.01.301	4,058
		3790.01.204	1,805
		3790.05.502	<u>10,373</u>
Total State Matching Grants for 5311 FTA Programs			<u>17,873</u>

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 State Transportation Assistance Expended
For the Year Ended March 31, 2026

<u>Program Title</u>	<u>Contract #</u>	<u>Reference #</u>	<u>Expenditures</u>
State Discretionary Funds (SDF) for Non-MTA Transit Capital Programs (008):			
Master Agreement-Supplemental #2	K005881	2821.48.001	2,949
Master Agreement-Supplemental #2	K007200	3823.81.001	5,237
		3823.81.001	1,058,507
Master Agreement-Supplemental #5	K007389	3829.42.001	1,390,164
Master Agreement-Supplemental #6	K007389	3829.10.001	24,008
Master Agreement-Supplemental #2	K007549	3820.05.001	20,041
		3829.55.001	20,606
Master Agreement-Supplemental #2	K007618	CNYR.TA.001	<u>200,000</u>
Total State Discretionary Funds (SDF) for Non-MTA Transit Capital Programs			<u>2,721,512</u>
State Transit Operating Assistance for Specified Systems (003-03):			
	NYS-18B		3,215,628
	NYS-GRT		<u>57,348,394</u>
Total State Transit Operating Assistance for Specific Systems			<u>60,564,022</u>
Total			<u>\$ 64,308,530</u>

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)**

**Notes to Schedule of State Transportation Assistance Expended
For the Year Ended March 31, 2026**

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 COSTS

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, 2026**

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

**REPORT REQUIRED UNDER THE NEW YORK
STATE PUBLIC AUTHORITIES LAW**

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

June 19, 2026

To the Board of Members of
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 financial statements of the business-type activities and fiduciary activities of Central New York Regional Transportation Authority and Subsidiaries (the Authority), a discretely presented component unit of the State of New York, as of March 31, 2026 and for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2026.

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.

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

www.bonadio.com