

**South Central Transit Authority**

**Financial Statements and  
Supplementary Information**

**For the Year Ended June 30, 2016 and the  
Six Month Period Ending June 30, 2015**



# South Central Transit Authority

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## Independent Auditor's Report

To the Board of Directors  
South Central Transit Authority  
Lancaster, Pennsylvania

### Report on the Financial Statements

We have audited the accompanying financial statements of the South Central Transit Authority (the Authority) as of and for the year ended June 30, 2016, and the six month period ending June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 the Pennsylvania Department of Transportation. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Basis for Qualified Opinion on the 2015 Financial Statements**

For the six month period ending June 30, 2015, sufficient information was not provided timely to allow the Authority to fully adopt the provisions of Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The effects on the financial statements of this item are not reasonably determinable.

## **Qualified Opinion on the 2015 Financial Statements**

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the South Central Transit Authority as of June 30, 2015, and the changes in its financial position and its cash flows for the six month period then ended in accordance with accounting principles generally accepted in the United States of America.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the South Central Transit Authority as of June 30, 2016 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 9 and pages 34 and 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report, dated December 2, 2016, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

RKL LLP

December 2, 2016  
Lancaster, Pennsylvania

## **South Central Transit Authority**

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### Management's Discussion and Analysis

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

The following discussion and analysis of the South Central Transit Authority's (SCTA or the Authority) financial performance provides an introduction to the Authority's basic financial statements for year ended June 30, 2016 and the six month period ending June 30, 2015. Please read it in conjunction with the Authority's financial statements, which begin on page 10.

#### **Authority Activities and Highlights**

- SCTA was formed January 1, 2015 by the counties of Lancaster and Berks to provide transportation services to the counties.
- The Authority's assets exceeded its liabilities at June 30, 2016 and 2015 by approximately \$3,608,000 and \$114,000, respectively.
- The Authority's operating revenues increased approximately \$14,492,000 for the year ended June 30, 2016 compared to the six month period ending June 30, 2015, which was comprised entirely of management service income.
- The Authority's operating expenses for the year ended June 30, 2016 increased approximately \$20,739,000 compared to the six month period ending June 30, 2015. For the year ended June 30, 2016, the Authority provided passenger service for Berks and Lancaster Counties. Operating revenues for the six month period ending June 30, 2015 was comprised primarily of salaries and wages and benefits.

#### **Overview of the Financial Statements**

The Authority's basic financial statements include a statement of net position; statement of revenues, expenses, and changes in net position; statement of cash flows; and notes to financial statements. This report also includes other supplementary information in addition to the basic financial statements themselves.

The Authority's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board.

**Statement of Net Position.** The statement of net position presents the financial position of the Authority. It presents information on SCTA's assets and deferred outflows of resources and liabilities and deferred inflows of resources. SCTA's net position is presented as the difference between the Authority's assets and deferred outflows of resources and liabilities and deferred inflows of resources on this report. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

**Statement of Revenues, Expenses, and Changes in Net Position.** The statement of revenues, expenses, and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues are recognized when earned, not when they are received. Expenses are recognized when incurred, not when they are paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned, but unused vacation leave).

**Statement of Cash Flows.** The statement of cash flows presents information on the effect changes in assets and liabilities have on cash during the course of the fiscal year.

## South Central Transit Authority

### Management's Discussion and Analysis

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Overview of the Financial Statements (continued)

**Notes to Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to financial statements are included in this report.

#### Financial Analysis

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by approximately \$3,608,000 and \$114,000 as of June 30, 2016 and the six month period ending June 30, 2015, respectively.

A condensed summary of the Authority's statement of net position is presented below at June 30:

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
Current assets	\$ 14,350,662	\$ 353,573
Capital assets, net	<u>3,431,078</u>	<u>-</u>
<b>Total Assets</b>	<u>17,781,740</u>	<u>353,573</u>
<b>Deferred Outflow of Resources - Pension</b>	<u>111,691</u>	<u>-</u>
<b>Liabilities</b>		
Current liabilities	13,984,519	239,187
Postemployment benefit liability	16,944	-
Net pension liability	<u>283,563</u>	<u>-</u>
<b>Total Liabilities</b>	<u>14,285,026</u>	<u>239,187</u>
<b>Net Position</b>		
Investment in capital assets	3,431,078	-
Unrestricted	<u>177,327</u>	<u>114,386</u>
<b>Total Net Position</b>	<u>\$ 3,608,405</u>	<u>\$ 114,386</u>

The unrestricted net position balance of \$177,327 and \$114,386 at June 30, 2016 and the six month period ending June 30, 2015, respectively, represents unrestricted surplus which is not subject to external restrictions on how it may be used.



## South Central Transit Authority

### Management's Discussion and Analysis

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Financial Analysis (continued)

**Changes in Revenues and Expenses.** A condensed summary of the Authority's statement of revenues, expenses, and changes in net position is presented below for the year ended June 30, 2016 and the six month period ending June 30:

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Passenger fares	\$ 8,688,174	\$ -
Government fare programs	4,661,418	-
Other operating revenues	<u>3,242,536</u>	<u>2,100,000</u>
<b>Total Operating Revenues</b>	<u>16,592,128</u>	<u>2,100,000</u>
<b>Operating Expenses</b>		
Salaries and wages	2,190,855	995,772
Fringe benefits	1,335,214	661,647
Purchased transportation	13,509,989	-
Other operating expenses	5,566,271	328,195
Depreciation	<u>122,707</u>	<u>-</u>
<b>Total Operating Expenses</b>	<u>22,725,036</u>	<u>1,985,614</u>
<b>Nonoperating Revenues (Expenses)</b>		
Operating grants		
Federal government	2,934,712	-
Commonwealth of Pennsylvania Act 44 Funds	3,133,145	-
Interest income	<u>5,285</u>	<u>-</u>
<b>Total Nonoperating Revenues</b>	<u>6,073,142</u>	<u>-</u>
<b>Capital Grant Funding</b>	<u>3,553,785</u>	<u>-</u>
<b>Increase in Net Position</b>	<u>\$ 3,494,019</u>	<u>\$ 114,386</u>

The Authority's major expenses are salaries and wages, fringe benefits, and purchased transportation.

#### Capital Assets and Debt Administration

##### Capital Assets

The Authority's investment in capital assets includes revenue vehicles and equipment, furniture and office equipment, and miscellaneous revenue equipment. Capital acquisitions are recorded at cost. Acquisitions are funded by federal, state, and local governmental grants.

The Authority's investment in capital assets as of June 30, 2016, net of accumulated depreciation, amounted to approximately \$3,431,000. The Authority had no capital assets as of June 30, 2015.

## South Central Transit Authority

### Management's Discussion and Analysis

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Capital Assets and Debt Administration (continued)

##### Capital Assets (continued)

Capital assets as of June 30, 2016 (net of accumulated depreciation) were as follows:

Revenue vehicles and equipment	\$ 3,286,177
Furniture and office equipment	96,354
Miscellaneous revenue equipment	<u>48,547</u>
	<u>\$ 3,431,078</u>

During the year ended June 30, 2016, the Authority expended approximately \$3,554,000 on capital asset activities.

Additional information related to capital assets can be found in Note 10 to the financial statements.

##### Debt Administration

The Authority has no debt. Capital acquisitions are funded by federal, state, and local governmental grants.

##### Economic Factors

This fiscal year represented the first full year of the merger of the administrative functions between the Berks Area Regional Transportation (BARTA) and the Red Rose Transit Authority (RRTA) with the newly formed South Central Transit Authority (SCTA). With the merger, BARTA and RRTA only employ the drivers and mechanics necessary to provide the fixed-route and shared ride services Berks and Lancaster counties while all administrative functions are now performed by SCTA. It should be noted that SCTA is the designated recipient for all new federal and state funds and has direct responsibility for the maintenance of all facilities through a long-term lease agreement with BARTA and RRTA which entails seven facilities in total. All new vehicles purchased for either fixed-route service or shared ride service are now owned by SCTA and leased back to either BARTA or RRTA as appropriate to operate and maintain. Through the cost savings from the merger and increased operating funds from the state, SCTA added service this fiscal year in both communities. The new service was aimed at improving access to jobs by adding Sunday service in Reading on eight of the best performing routes in the system that serve high commercial and shopping areas and extending service to two new high employment areas in Lancaster, namely Urban Outfitters and Nordstrom's.

## **South Central Transit Authority**

### **Management's Discussion and Analysis**

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Economic Factors (continued)**

For the fiscal year, total ridership for both systems decreased by 2.8% with the fixed-route service decreasing by 3.2% and the shared ride service increasing by 1.4%. For BARTA, overall ridership decreased by 4.4% with fixed-route ridership decreasing 4.7% and the shared ride ridership decreasing 0.5%. For RRTA, overall ridership decreased by 1.3% with fixed-route ridership decreasing 0.8% and the shared ride ridership decreasing 4.2%. One of the major reasons for the decrease was due to the blizzard that resulted in over 30" of snow and both services having to shut down service for three days, otherwise ridership would have been close to increasing over the prior fiscal year. This had a greater effect on the shared ride service due to the nature of the ridership being mostly elderly and disabled. SCTA continued its efforts to market the fixed-route service, particularly to residents 65 or older that can ride free due to the funding from the state lottery program which did result in a .6% increase in senior ridership for fixed-route and a 30.7% increase in shared ride senior ridership for BARTA and resulted in a 7.1% increase in senior ridership for fixed-route and a 16.8% increase in shared ride senior ridership for RRTA. Overall, there were positive signs that ridership is continuing to bounce back from the economic downturn experienced a few years ago.

With the economy improving, SCTA took the opportunity to issue the Request for Proposal (RFP) to obtain a tenant for the Franklin Street Station in Reading, the former Reading Railroad station across from the BARTA Transportation Center (BTC). While this effort has thus far been unsuccessful, efforts will continue to try to market the use of this station until a more permanent solution is found for its use. SCTA also took the opportunity to re-issue the RFP to obtain a developer to build on top of the Queen Street Station Parking Garage in Lancaster. The RFP was issued in late spring and was successful in receiving one proposal to build low to moderate income housing along with a rooftop greenhouse project to grow commercial crops. It is expected that this project will take two years to fully finance and construct. SCTA in turn will receive a development fee of roughly \$500,000 or more for the air rights. These funds can then be used for either operating or capital improvements of the Authority. The Authority continues to maximize alternative revenue sources through the lease of space at the BTC, Queen Street Station, and advertising revenue on the buses and shelters.

In terms of capital improvements, SCTA received three new hybrid electric buses in October 2015 in Reading that replaced three 2003 Opus buses that were beyond their useful life. Another four new hybrid electric buses are expected to be delivered near the end of October 2016 to replace the last four of the 2003 Opus buses. SCTA received ten new hybrid electric buses in October 2015 in Lancaster that replaced ten 2003 Opus buses that were beyond their useful life. Another four new hybrid electric buses were delivered near the end of the fiscal year to replace the last four of the 2003 Opus buses with a total of 19 out of a total fleet of 42 buses being hybrid electric. These buses are operating more efficiently with an 8% overall reduction in fuel usage for the fiscal year even though operating miles increased 6.2%. It is expected that another eight buses will be replaced next fiscal year which will further add to the reduction in diesel fuel usage and corresponding cost savings. For the shared ride service, vehicle replacements were also completed with seven vans being replaced in Reading and 17 vans being replaced in Lancaster during the fiscal year during the fiscal year and another 23 ordered at the end of the fiscal year for both systems. This will reduce the operating and maintenance costs for this service.

## **South Central Transit Authority**

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### Management's Discussion and Analysis

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Economic Factors (continued)**

One of the major projects planned in Reading is the expansion of the vehicle storage area at the BARTA operations center. At present, only about half of the vehicle fleets, both fixed-route and shared ride can be stored inside which has created some issues during the winter with snow removal and vehicle maintenance. SCTA has started to program federal funds for this project and the PADOT is funding the design and engineering for this project. In Lancaster, one of the major projects planned is the rehabilitation of the Queen Street Station - Phase I facility which is now over ten years old and showing great signs of unexpected wear and tear of the pavement drive area. Federal capital funds have been programmed for this project and the PADOT is funding the design and engineering for this project.

Further, with the continuing decrease in oil prices during the fiscal year, SCTA was able to lock-in fuel purchases for a two year period at \$1.3163 per gallon the first year and \$1.5055 the second year compared to \$2.08 per gallon in fiscal year 2015. For gasoline for the shared ride fleet, the price is \$1.1669 the first year and \$1.3214 the second year compared to \$1.7657 in fiscal year 2015. This translates into operating savings of nearly \$700,000 for an entire fiscal year. There has also been an effort to increase shared ride fares in Reading in order to reduce the financial burden of this service on the operating reserves which has become unsustainable. SCTA is continuing to explore other operating savings from the merger of the systems from parts purchases to health care. SCTA facilitated BARTA being able to join a public health care consortium that saved over \$160,000 in premiums compared to the fully insured option. Other efforts include the annual review of potential route and schedule changes to improve the efficiency and effectiveness of the fixed-route service in both communities.

#### **Contacting the Authority's Financial Management**

This financial report is designed to provide our customers and funding agencies with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If there are any questions about this report or if additional financial information is required, please contact the Authority's Chief Financial Officer, Benjamin Dice, at South Central Transit Authority, 45 Erick Road, Lancaster, PA 17601.

# South Central Transit Authority

## Statement of Net Position

	June 30,	
	2016	2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 401,566	\$ 351,914
Cash and cash equivalents - restricted	11,755,773	-
Accounts receivable	1,366,638	421
Inventory	688,757	-
Prepaid expenses	14,732	1,238
Operating and planning grants receivable	28,978	-
Capital grants receivable	94,218	-
<b>Total Current Assets</b>	<b>14,350,662</b>	<b>353,573</b>
<b>Capital Assets Being Depreciated, Net</b>	<b>3,431,078</b>	<b>-</b>
<b>Total Assets</b>	<b>17,781,740</b>	<b>353,573</b>
<b>Deferred Outflow of Resources - Pension</b>	<b>111,691</b>	<b>-</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>17,893,431</b>	<b>353,573</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable - operating	1,888,405	75,191
Accrued payroll	63,395	-
Accrued payroll taxes and withholdings	12,676	15,797
Accrued vacation	192,073	148,199
Unearned federal operating revenue	72,197	-
Unearned Commonwealth of Pennsylvania Act 44 revenue	11,755,773	-
<b>Total Current Liabilities</b>	<b>13,984,519</b>	<b>239,187</b>
<b>Long-Term Liabilities</b>		
Postemployment benefit liability	16,944	-
Net pension liability	283,563	-
<b>Total Liabilities</b>	<b>14,285,026</b>	<b>239,187</b>
<b>Net Position</b>		
<b>Net Position</b>		
Investment in capital assets	3,431,078	-
Unrestricted	177,327	114,386
<b>Total Net Position</b>	<b>\$ 3,608,405</b>	<b>\$ 114,386</b>

See accompanying notes.

## South Central Transit Authority

### Statement of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30, 2016	Six Month Period Ending June 30, 2015
<b>Operating Revenues</b>		
Passenger fares	\$ 5,484,220	\$ -
State Medical Assistance Transportation Program	4,322,326	-
State Shared Ride Program	3,203,954	-
Area Agency on Aging	339,092	-
Other contract revenue	2,547,926	-
Advertising	253,604	-
Miscellaneous income	441,006	-
In-kind purchased transportation revenue	8,925,101	-
Management service income	-	2,100,000
	<u>25,517,229</u>	<u>2,100,000</u>
<b>Operating Expenses</b>		
Salaries and wages	2,190,855	995,772
Fringe benefits	1,514,350	742,158
Services	896,673	12,480
Fuel and lubricants	1,855,962	199,951
Tires and tubes	206,792	-
Other materials and supplies	1,708,601	13,573
Utilities	470,927	-
Casualty and liability	116,637	2,997
Purchased transportation	13,509,989	-
In-kind purchased transportation	8,925,101	-
Miscellaneous expense	131,543	18,683
Depreciation	122,707	-
	<u>31,650,137</u>	<u>1,985,614</u>
	<u>(6,132,908)</u>	<u>114,386</u>
<b>Nonoperating Revenues</b>		
Operating grants		
Federal Government	2,934,712	-
Commonwealth of Pennsylvania Act 44 funds	3,133,145	-
	<u>6,067,857</u>	<u>-</u>
Interest income	5,285	-
	<u>6,073,142</u>	<u>-</u>
	<u>(59,766)</u>	<u>114,386</u>

## South Central Transit Authority

### Statement of Revenues, Expenses, and Changes in Net Position (continued)

	Year Ended June 30, 2016	Six Month Period Ending June 30, 2015
<b>Capital Grant Funding</b>		
Federal government	2,025,628	-
Commonwealth of Pennsylvania Act 44 Funds	1,486,264	-
Local governments	41,893	-
	<u>3,553,785</u>	<u>-</u>
<b>    Total Capital Grant Funding</b>	<b>3,553,785</b>	<b>-</b>
<b>        Increase in Net Position</b>	<b>3,494,019</b>	<b>114,386</b>
<b>Net Position, Beginning of Period</b>	<u>114,386</u>	<u>-</u>
<b>Net Position, End of Period</b>	<u><b>\$ 3,608,405</b></u>	<u><b>\$ 114,386</b></u>

# South Central Transit Authority

## Statement of Cash Flows

	Year Ended June 30, 2016	Six Month Period Ending June 30, 2015
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 14,784,905	\$ 2,099,579
Cash payments to suppliers for goods and services	(26,525,567)	(154,937)
Cash payments to employees for services	(3,597,936)	(1,592,728)
Other operating cash receipts	441,006	-
	<u>(14,897,592)</u>	<u>351,914</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>		
	<u>(14,897,592)</u>	<u>351,914</u>
<b>Cash Flows Provided by Noncapital Financing Activities</b>		
Receipts from operating and planning grants	17,866,849	-
	<u>17,866,849</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Receipts from capital grants	3,459,567	-
Purchase of capital assets	(3,553,785)	-
	<u>(94,218)</u>	<u>-</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>		
	<u>(94,218)</u>	<u>-</u>
<b>Cash Flows Provided by Investing Activities</b>		
Interest income received	5,285	-
	<u>5,285</u>	<u>-</u>
<b>Net Increase in Cash and Cash Equivalents</b>		
	2,880,324	351,914
<b>Cash and Cash Equivalents, Beginning of Period</b>		
	351,914	-
	<u>351,914</u>	<u>-</u>
<b>Cash and Cash Equivalents, End of Period</b>		
	<u>\$ 3,232,238</u>	<u>\$ 351,914</u>
<b>Cash and Cash Equivalents is Comprised of the Following on the Statement of Net Position</b>		
Cash and cash equivalents	\$ 401,566	\$ 351,914
Cash and cash equivalents - restricted	11,755,773	-
	<u>\$ 12,157,339</u>	<u>\$ 351,914</u>



## South Central Transit Authority

### Statement of Cash Flows

	Year Ended June 30, 2016	Six Month Period Ending June 30, 2015
<b>Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities</b>		
Income (loss) from operations	\$ (6,132,908)	\$ 114,386
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities		
Depreciation	122,707	-
Increase (decrease) in assets		
Accounts receivable	(1,366,217)	(421)
Inventories	(688,757)	-
Prepaid expenses	(13,494)	(1,238)
Increase in deferred outflows of resources - pension	(111,691)	-
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	1,917,362	239,187
Postemployment benefit liability	16,944	-
Net pension liability	283,563	-
	<u>1,917,362</u>	<u>239,187</u>
	<u>283,563</u>	<u>-</u>
	<u>283,563</u>	<u>-</u>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>\$ (5,972,491)</u></b>	<b><u>\$ 351,914</u></b>

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 1 - Nature of Activity**

The South Central Transit Authority (the Authority) was created January 1, 2015 under the laws of the Commonwealth of Pennsylvania, in compliance with the Pennsylvania Municipality Authorities Act, for the purpose of providing public transportation within Lancaster and Berks Counties. The Authority is governed by a ten member Board of Directors comprised of five board members appointed by both Lancaster and Berks Counties.

The Authority was created to merge the administrative staff at both Red Rose Transit Authority (RRTA) and Berks Area Regional Transportation Authority (BARTA). South Central Transit Authority is the administrative authority that oversees both RRTA and BARTA services.

The Authority is funded by a combination of operating revenues and federal, state, and local operating, planning, and capital grants.

#### **Note 2 - Summary of Significant Accounting Policies**

The accompanying financial statements are in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant accounting policies used by the Authority.

##### **The Financial Reporting Entity**

Accounting principles generally accepted in the United States of America require that the reporting entity consists of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine through the exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization should be included as a component unit if the nature and significance of their relationship with the primary government or other component units are such that exclusion from the financial reporting entity would render the financial reporting entity's financial statements to be incomplete or misleading. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the above criteria. There are no agencies or entities which should be presented with the Authority.

##### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 2 - Summary of Significant Accounting Policies (continued)**

##### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Operating revenues and expenses are distinguished from nonoperating items in the statement of revenues, expenses, and changes in net position. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority were management services income through June 30, 2015. Effective July 1, 2015, the Authority assumed responsibility for providing public transportation services to Berks and Lancaster Counties at which time the principal operating revenues of the Authority became charges to customers for transportation services. Operating expenses include the cost of providing transportation services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The principal nonoperating revenues of the Authority are operating and capital grants from the federal, state, and local government's interest income, and gained disposal of capital assets. The principal nonoperating expenses of the Authority are interest expense and loss on disposal of capital assets.

When restricted and unrestricted resources are available for its use, it is the Authority's policy to use unrestricted resources for current operating purposes first.

##### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### **Assets, Liabilities, Net Position, Revenues, and Expenses**

###### **Cash and Cash Equivalents**

For purposes of reporting cash flows, the Authority considers all cash and cash equivalent accounts, including accounts subjected to withdrawal restrictions and all highly-liquid debt investments purchased with a maturity of three months or less to be cash and cash equivalents.

###### **Restricted Assets**

Certain proceeds from the Authority's state and local grants are classified as restricted assets on the statement of net position because their use is limited by the grantor.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 2 - Summary of Significant Accounting Policies (continued)**

##### **Assets, Liabilities, Net Position, Revenues, and Expenses (continued)**

###### **Accounts Receivable**

All accounts receivable are shown net of an allowance for uncollectible, as applicable. Accounts receivable in excess of 90 days are evaluated for collectability and an allowance is established, as deemed necessary, based on the best information available and in an amount that management believes is adequate. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. The allowance was \$-0- at June 30, 2016 and 2015.

###### **Investments**

The Board of Directors is permitted to invest the Authority's funds as defined in the Pennsylvania Municipality Authorities Act. Authorized types of investments include the following:

1. U.S. Treasury bills
2. Short-term obligations of the U.S. Government and Federal agencies
3. Insured savings and checking accounts and certificates of deposit in banks, savings and loan associations, and credit unions
4. General obligation bonds of the federal government, the Commonwealth of Pennsylvania or any state agency, or of any Pennsylvania political subdivision
5. Shares of mutual funds whose investments are restricted to the above categories

When making investments, the Board of Directors can combine monies from more than one fund under the Authority's control for the purchase of a single investment and join with other political subdivisions and municipal authorities in the purchase of a single investment.

Investments are stated at fair value.

###### **Inventories and Prepaid Expenses**

Inventories are valued at the lower of cost or market on a first-in, first-out basis method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 2 - Summary of Significant Accounting Policies (continued)

##### Assets, Liabilities, Net Position, Revenues, and Expenses (continued)

###### Capital Assets

Capital assets are those assets with a cost in excess of \$250 and purchased under capital grant agreements with an estimated useful life greater than one year. Capital assets are recorded at cost and depreciated utilizing the straight-line method over their estimated useful lives as follows:

Revenue vehicles and equipment	5 to 12 years
Furniture and office equipment	3 to 10 years
Miscellaneous revenue equipment	5 to 15 years

Maintenance and repairs of capital assets are expensed when incurred. Upon retirement, sale, or other disposition of capital assets, the cost and accumulated depreciation are eliminated.

Upon the sale of capital assets, the proceeds, net of disposal costs, may be required to be returned to the various funding sources that initially funded the acquisition of these items.

###### Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows and discount rates reflecting varying degrees of perceived risk. Management has concluded that no impairment adjustments were required during the year ended June 30, 2016 and the period ending June 30, 2015.

###### Compensated Absences

The Authority records its obligation to compensate employees for vacation and sick time as the liability is incurred. The liability has been determined according to personnel policies of the Authority.

###### Unearned Revenues

Unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts are measurable, but are not available.

###### Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period not recognized as an outflow of resources until that future period. A deferred inflow of resources represents an acquisition of net position that applies to a future period not recognized as an inflow of resources until that future period.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 2 - Summary of Significant Accounting Policies (continued)**

##### **Assets, Liabilities, Net Position, Revenues, and Expenses (continued)**

###### **Net Position**

Net position is classified into three categories as follows:

Investment in capital assets consist of capital assets, net of accumulated depreciation.

Restricted net position are amounts that have externally imposed restrictions on how the funds can be spent. The Authority had no restricted amounts as of June 30, 2016 or 2015.

Unrestricted net position are amounts that do not meet the definitions of "investment in capital assets" or "restricted" and are available for Authority operations.

###### **Capital Grants**

Capital grants are recorded for amounts restricted to capital acquisition. The Authority recognizes capital grants when earned (generally when the related capital expenditure is incurred). Capital grants are reported in the statement of revenues, expenses, and changes in net position, after nonoperating revenues.

###### **Advertising Costs**

Advertising costs are expensed as incurred.

###### **Employee Benefits**

The Authority participates in a pension plan covering substantially all employees. Pension plan expense is determined as specified in the plan. The Authority's policy is to fund all required pension costs.

###### **Postemployment Benefits**

The Authority provides for one-half of the health insurance premiums for retired employees for the ages 62 through 64. The Authority funds postemployment benefits as they are incurred.

###### **Recent Accounting Pronouncements**

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pensions*. This statement amends and expands certain disclosures and required supplementary information for other postemployment benefit (OPEB) plans. GASB statement No. 74 is effective for periods beginning after June 15, 2016.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*. This statement amends and financial accounting and reporting requirements for sponsors (employers) of OPEB plans. GASB Statement No. 75 is effective for periods beginning after June 15, 2017.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 2 - Summary of Significant Accounting Policies (continued)**

##### **Recent Accounting Pronouncements (continued)**

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. The provisions of this statement permit qualifying external investment pools and pool participants to measure investments amortized cost for financial reporting purposes. GASB Statement No. 79 is effective for periods beginning after June 15, 2015.

In March 2016, the GASB issued Statement No. 82, *Pension Issues - an Amendment of GASB Statements No. 67, No. 68, and No. 73*. This statement amends and clarifies certain pension disclosures promulgated by Statements No. 67, 68, and 73. Statement No. 82 is effective for periods beginning after June 15, 2016.

The Authority is currently evaluating what effect the adoption of these GASB statements will have on its financial statements.

#### **Note 3 - Budget Matters**

The Authority has an annual budget, however, the Pennsylvania Municipal Authorities Act does not require it.

#### **Note 4 - Stewardship, Compliance, and Accountability**

##### **Compliance with Finance-Related Legal and Contractual Provisions**

The Authority had no material violations of finance-related legal and contractual provisions.

#### **Note 5 - Cash and Cash Equivalents**

##### **Cash Deposits**

The Authority has custodial credit risk on cash deposits. This is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority has a deposit policy for custodial risk that requires depository institutions to pledge securities as collateral for deposits that exceed depository insurance.

As of June 30, 2016 and 2015, the carrying amount of the Authority's bank deposits were \$12,157,339 and \$351,914 respectively, and the corresponding bank balances were \$11,977,369 and \$371,326 respectively, of which \$11,477,369 and \$121,326, respectively, were exposed to custodial risk because it was uninsured, but was collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Authority's name.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 6 - Restricted Cash

Cash, whose use is limited to a specific purpose, has been classified as "restricted" in the financial statements. Restricted cash and cash equivalents consists of the following at June 30:

	<u>2016</u>	<u>2015</u>
<b>Commonwealth of Pennsylvania Act 44 Funds</b>	<b>\$ 11,755,773</b>	<b>\$ -</b>

#### Note 7 - Inventories

As of June 30, 2016, inventory in the amount of \$688,757 consisted entirely of parts and supplies. At June 30, 2015, \$-0- of inventory was held by the Authority.

#### Note 8 - Operating and Planning Grants Receivable

Operating and planning grant receivable balances due from the federal government as of June 30, 2016 and 2015 were \$28,978 and \$-0-, respectively.

#### Note 9 - Capital Grants Receivable

Capital grant receivable balances are as follows at June 30:

	<u>2016</u>	<u>2015</u>
Federal government	\$ 5,421	\$ -
Commonwealth of Pennsylvania	<u>88,797</u>	<u>-</u>
	<u>\$ 94,218</u>	<u>\$ -</u>



## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 10 - Capital Assets

Capital asset activity is as follows for the year ended June 30, 2016:

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
<b>Capital Assets Being Depreciated</b>				
Revenue vehicles and equipment	\$ -	\$ 3,402,360	\$ -	\$ 3,402,360
Furniture and office equipment	-	101,862	-	101,862
Miscellaneous revenue equipment	-	49,563	-	49,563
	<u>-</u>	<u>3,553,785</u>	<u>-</u>	<u>3,553,785</u>
<b>Total Capital Assets Being Depreciated</b>	<u>-</u>	<u>3,553,785</u>	<u>-</u>	<u>3,553,785</u>
<b>Accumulated Depreciation</b>				
Revenue vehicles and equipment	-	116,183	-	116,183
Furniture and office equipment	-	5,508	-	5,508
Miscellaneous revenue equipment	-	1,016	-	1,016
	<u>-</u>	<u>122,707</u>	<u>-</u>	<u>122,707</u>
<b>Accumulated Depreciation</b>	<u>-</u>	<u>122,707</u>	<u>-</u>	<u>122,707</u>
<b>Capital Assets Being Depreciated, Net</b>	<u>\$ -</u>	<u>\$ 3,431,078</u>	<u>\$ -</u>	<u>\$ 3,431,078</u>

There was no capital asset activity for the six month period ending June 30, 2015.

#### Note 11 - Unearned Commonwealth of Pennsylvania Act 44 Funds

In July 2007, the Pennsylvania legislature enacted Act 44 which provides a dedicated source of funding for public transportation. The funding under this Act replaces state operating grants, the State Senior Citizens Program Grant, and dedicated tax revenues under Act 26 and Act 3. Funding under Act 44, as amended by Act 89, is to be used for operating purposes and requires certain levels of local government support. Funds not expended in the year of receipt can be carried forward for future operating expenses. The year ended June 30, 2016 was the initial year the Authority was allocated Act 44 funds. The following transactions occurred in relation to Act 44 account for the year ended June 30, 2016:

Funds received - state	14,888,918
Funds expended - Lancaster	(482,583)
Funds expended - Reading	<u>(2,650,562)</u>
	<u>\$ 11,755,773</u>

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 12 - South Central Transit Authority Pension Plan**

##### **Plan Description**

The South Central Transit Authority Pension Plan (the Plan) is a single-employer defined benefit pension plan administered by the Authority. A full-time non-union employee becomes a participant in the Plan on the July 1 after completion of one year of service. In addition, all eligible employees who are former non-union employees of Berks Area Regional Transportation Authority join the Plan effective January 1, 2015.

Prior to July 1, 2015, the Plan was administered by Red Rose Transit Authority. On January 1, 2015, all salaried employees transferred from Red Rose Transit Authority to South Central Transit Authority. Effective July 1, 2015, the related pension assets and liability for this plan also transferred to South Central Transit Authority.

##### **Benefits Accrued for Service Prior to January 1, 2015**

###### **Benefits Provided**

###### **Normal Retirement**

A participant is eligible for normal retirement after attainment of age 65 and completion of ten years of vesting service.

The normal retirement pension is payable monthly during the participant's lifetime, with payments ceasing upon the participant's death.

The amount of monthly pension is equal to 60% of average monthly compensation, less 83 1/3% of Primary Social Security, prorated if the member has less than 15 years of benefit service at the normal retirement date.

Average monthly compensation is based upon the five consecutive plan years of highest compensation out of the last ten years preceding retirement.

###### **Late Retirement**

If a participant continues working after the normal retirement date, the participant's pension does not start until the participant actually retires. The late retirement pension is equal to the greater of the actuarial equivalent of the retirement benefit determined as of the preceding plan year or the benefit determined by the normal retirement pension formula.

###### **Early Retirement**

A participant is eligible for early retirement after attainment of age 55 and completion of ten years of vesting service. The early retirement pension is equal to the benefit accrued to the date of early retirement, reduced 5/9 of 1% for each of the first 60 months early and 5/18 of 1% for each month early in excess of 60 months.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 12 - South Central Transit Authority Pension Plan (continued)**

##### **Benefits Accrued for Service Prior to January 1, 2015 (continued)**

###### **Benefits Provided (continued)**

###### **Disability Retirement**

For active members with a service related disability, a disability pension is payable equal to 50% of average monthly compensation. The disability benefit is reduced by Workers' Compensation benefits, or insurance benefits provided by the employer that are received by the member.

For active members with a non-service related disability after ten or more years of vesting service, the disability benefit is equal to 30% of average monthly compensation.

###### **Death Benefits**

The death benefit for a participant who has been married at least one year and is eligible for normal retirement or early retirement is a survivor pension for the participant's spouse equal to 50% of the actuarially reduced pension the participant would have been entitled to if the participant had retired on the day before death and elected a joint and 50% survivor pension.

##### **Benefits Accrued for Service after January 1, 2015**

###### **Benefits Provided**

###### **Normal Retirement**

A participant is eligible for normal retirement after attainment of age 60.

The normal retirement pension is payable monthly during the participant's lifetime, with payments ceasing upon the participant's death.

The amount of monthly pension is equal to 1.67% of average monthly compensation multiplied by the number of years of benefit service completed by the member after January 1, 2015.

###### **Late Retirement**

If a participant continues working after his normal retirement date, the participant's pension does not start until the participant actually retires. The late retirement pension is equal to the benefit accrued to the late retirement date.

###### **Early Retirement**

A participant is eligible for early retirement after attainment of age 55 and completion of ten years of vesting service. The early retirement pension is equal to the benefit accrued to the date of early retirement, reduced 5/9 of 1% for each of the first 60 months early and 5/18 of 1% for each month early in excess of 60 months.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 12 - South Central Transit Authority Pension Plan (continued)

##### Benefits Accrued for Service after January 1, 2015 (continued)

###### Benefits Provided (continued)

###### Disability Retirement

For active members with a service related disability, a disability pension is payable equal to 50% of average monthly compensation. The disability benefit is reduced by Workers' Compensation benefits, or insurance benefits provided by the employer that are received by the member.

For active members with a non-service related disability after ten or more years of vesting service, the disability benefit is equal to 30% of average monthly compensation.

###### Death Benefits

The death benefit for a participant who has been married at least one year and is eligible for normal retirement or early retirement is a survivor pension for the participant's spouse equal to 50% of the actuarially reduced pension the participant would have been entitled to if the participant had retired on the day before death and elected a joint and 50% survivor pension.

###### Employees Covered by Benefit Terms

Inactive members or beneficiaries currently receiving benefits	12
Inactive members entitled to, but not yet receiving benefits	8
Active members	<u>40</u>
<b>Total Members</b>	<u><u>60</u></u>

###### Contributions

The employer pays the full cost of the Plan. Member contributions are not required.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 12 - South Central Transit Authority Pension Plan (continued)

##### Net Pension Liability, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At June 30, 2016, the Authority reported a liability of \$283,563 for its net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability was determined by rolling forward the liabilities from an actuarial valuation as of July 1, 2015. For the year ended June 30, 2016, the Authority recognized pension expense of \$171,870. The Authority reported deferred outflows of resources related to the South Central Transit Authority Pension Plan from the following source at June 30, 2016:

##### Deferred Outflows of Resources

Differences between projected and actual earnings on pension plan investments	\$ 5,421
Differences between expected and actual experience	<u>88,797</u>
	<u>\$ 111,691</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows for the years ending June 30:

2017	\$ 27,476
2018	27,476
2019	27,476
2020	27,475
2021	1,788

##### Actuarial Assumptions

The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	5.00
Investment rate of return	7.50

Mortality rates were based on the RP-2000 table for males and females which does not include projected mortality improvements.

The actuarial assumptions used in the July 1, 2015 valuation were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 12 - South Central Transit Authority Pension Plan (continued)

##### Actuarial Assumptions (continued)

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 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table as of June 30, 2016:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equity	50.00 %	5.50 - 7.50 %
International equity	8.00	4.50 - 6.50
Fixed income	40.00	1.00 - 3.00
Cash	2.00	0.00 - 1.00

##### Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. 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. The employer has always met the funding requirements of Pennsylvania law Act 205 of 1984. Act 205 requires full funding of the entry age normal cost plus plan expenses, as well as amortization of the unfunded liability.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 12 - South Central Transit Authority Pension Plan (continued)

##### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balance at June 30, 2015</b>	\$ -	\$ -	\$ -
Service cost	133,502	-	133,502
Interest cost	170,647	-	170,647
Changes for experience	10,738	-	10,738
Changes of benefit terms	(56,160)	-	(56,160)
Contributions - employer	-	138,252	(138,252)
Net investment income	-	26,572	(26,572)
Benefit payments, including refunds of member contributions	(84,763)	(84,763)	-
Transfer from Red Rose Transit Authority	2,229,601	2,039,941	189,660
<b>Net Changes</b>	<b>2,403,565</b>	<b>2,120,002</b>	<b>283,563</b>
<b>Balance at June 30, 2016</b>	<b>\$ 2,403,565</b>	<b>\$ 2,120,002</b>	<b>\$ 283,563</b>

##### Sensitivity of the Authority's Net Pension Liability to Changes in the Discount Rate

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability calculated using the discount rate of 7.50% as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
<b>Net Pension Liability</b>	<b>\$ 511,585</b>	<b>\$ 283,563</b>	<b>\$ 86,665</b>

#### Note 13 - Postemployment Benefits Other than Pensions

Upon normal or early retirement, the Authority provides postemployment benefits for employees who are age 62, have completed 15 years of service and were hired by either Berks Area Regional Transportation Authority or Red Rose Transit Authority prior to January 1, 2015.

South Central Transit Authority pays 50% of the health insurance premiums for the member only from ages 62 through 64. During this time, the member must pay the remaining premium, as well as any additional premium to cover dependents. Upon the member attaining age 65 or the death of the member, all coverage ceases. Additionally, upon the spouse attaining age 65, coverage for the spouse ceases.

## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 13 - Postemployment Benefits Other than Pensions (continued)

The Authority will also pay a death benefit, with a face value of \$6,000.

##### Funding Policy and Annual OPEB Cost

The Authority currently funds other postemployment benefit (OPEB) costs as they occur. For the year ended June 30, 2016, the Authority incurred \$16,014 in OPEB costs for current premiums. Plan members receiving benefits contributed \$7,590 or approximately 47% of the total premiums through their required contributions.

The audit opinion on the June 30, 2015 financial statements was qualified due to the lack of available information related to the Authority's OPEB. Based on the information subsequently received, the OPEB liability at June 30, 2015 was \$5,151 and recorded as a component of the OPEB costs for the year ended June 30, 2016. The Authority considers this amount to be immaterial to the results from operations for the year ended June 30, 2016.

The Authority's annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Authority's annual OPEB cost for the current year and the related information is as follows:

Annual required contribution	\$ 25,368
Adjustment to the annual required contribution	-
Interest on net OPEB obligation	-
	<hr/>
Annual OPEB cost	25,368
Contributions made	<u>(8,424)</u>
Increase in net OPEB obligation	16,944
<b>Net OPEB Obligation at Beginning of Year</b>	<hr/> -
<b>Net OPEB Obligation at End of Year</b>	<u><u>\$ 16,944</u></u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the plan were as follows for the year ended June 30, 2016:

Year Ended	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net Pension Liability
6/30/16	\$ 25,368	33.2%	\$ 16,944



## South Central Transit Authority

### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 13 - Postemployment Benefits Other than Pensions (continued)

##### Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, the most recent actuarial valuation, was as follows:

Number of participants covered, active	44
Actuarial present value at attained age (APVAA)	\$ 217,881
Actuarial accrued liability (AAL)	\$ 137,018
Actuarial value of assets (AVA)	-
Unfunded actuarial accrued liability (UAAL)	\$ 137,018
Funded ratio	0%
Covered payroll	\$ 2,217,917
Unfunded actuarial accrued liability as a percentage of covered payroll	6.18%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as supplementary information provide multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

##### Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

<b>Actuarial Valuation Date</b>	January 1, 2015
<b>Actuarial Cost Method</b>	Entry age normal
<b>Amortization Method</b>	Level annual dollar amount
<b>Remaining Amortization Period</b>	30 year open period
<b>Asset Valuation Method</b>	Market value
<b>Actuarial Assumptions</b>	
Investment rate of return	4.50% per annum
Projected salary increases	5.00% per annum

## South Central Transit Authority

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### Note 13 - Postemployment Benefits Other than Pensions (continued)

##### Actuarial Methods and Assumptions (continued)

<b>Healthcare Inflation Rate</b>	6.0% in 2015, 5.5% in 2016 through 2020. Rates gradually decreasing from 5.4% in 2021 to 3.8% in 2075 and later.
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#### Note 14 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Authority has joined together with other transit organizations in the Commonwealth of Pennsylvania to form the State Association for Transportation Insurance (SAFTI) Property and Liability Pool, a public entity risk pool currently operating as a common risk management and insurance program. The Authority pays annual premiums to the SAFTI Property and Liability Pool for its property; general liability; automobile liability; automobile physical damage; crime, boiler and machinery, and public officials' errors and omissions insurance coverage. The agreement for formation of the SAFTI Property and Liability Pool provides that the SAFTI Property and Liability Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain amounts specified for each type of coverage. In the event annual contributions are not sufficient to fund operations or obligations of the SAFTI Property and Liability Pool, additional supplementary premiums may be assessed to members on a pro-rata basis. Premiums paid to the SAFTI Property and Liability Pool and charged to operations during the year ended June 30, 2016 and six month period ending 2015 amounted to \$77,182 and \$-0-, respectively.

The Authority has joined together with other transit organizations in the Commonwealth of Pennsylvania to form the SAFTI Workers' Compensation Pool, a public entity risk pool currently operating as a common risk management and insurance program. The Authority pays annual premiums to the SAFTI Workers' Compensation Pool for its workers' compensation insurance coverage. The agreement for formation of the SAFTI Workers' Compensation Pool provides that the SAFTI Workers' Compensation Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain amounts specified. In the event annual premiums are not sufficient to fund operations or obligations of the SAFTI Workers' Compensation Pool, additional supplementary premiums may be assessed to members on a pro-rata basis. Premiums paid to the SAFTI Workers' Compensation Pool and charged to operations during the year ended June 30, 2016 and six month period ending 2015 amounted to \$6,177 and \$-0-, respectively.

The Authority carries commercial insurance for other risks, including employee benefits.

For the year ended June 30, 2016 and six month period ending 2015, claims settled were not in excess of insurance coverage. In addition, settled claims have not exceeded the insurance coverage purchased for the year ended June 30, 2016 and six month period ending 2015.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 15 - Advertising**

Advertising costs included in the statement of revenues, expenses, and changes in net position for the year ended June 30, 2016 and the six month period ending June 30, 2015 were \$218,600 and \$39,143, respectively.

#### **Note 16 - Commitment and Contingencies**

##### **Commitment**

###### **Fuel**

The Authority has entered into an agreement to purchase bio-diesel at a fixed price of \$1.3163 per gallon for the period of April 1, 2016 through March 31, 2017, and at a fixed price of \$1.5055 for the period of April 1, 2017 through March 31, 2018.

The Authority has also entered into an agreement to purchase gasoline at a fixed price of \$1.1669 per gallon for the period of April 1, 2016 through March 31, 2017, and at a fixed price of \$1.3214 for the period of April 1, 2017 through March 31, 2018.

###### **Capital Purchases**

The Authority has made commitments at June 30, 2016 of approximately \$8,529,000 for the purchase of eight electric hybrid buses, 47 shared ride vehicles (to be split between the Reading and Lancaster locations), and various other capital expenditures.

###### **Parking Lot Lease**

The Authority leases a parking lot for the park and ride program on behalf of Red Rose Transit Authority. The lease term is for one year, with the option to extend for an additional four years. Under the terms of the lease, monthly payments of \$900 are due through June 30, 2017. The future minimum rental commitment totaled \$10,800 as of June 30, 2016.

##### **Contingencies**

###### **Grants**

A significant portion of the Authority's support is received from transit authorities which depend on federal, state, and local governments in the form of operating and capital grant assistance. A significant reduction in the level of this support would have a material effect on the Authority's operations.

###### **Audit**

The grants received by the Authority are subject to audit by the federal and state governments. As of the date of this report, management is unaware of any material adjustments that will be required as a result of such audits.

## **South Central Transit Authority**

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### Notes to Financial Statements

Year Ended June 30, 2016 and the Six Month Period Ending June 30, 2015

#### **Note 16 - Commitment and Contingencies (continued)**

##### **Contingencies (continued)**

###### **Unemployment Compensation**

The Authority has elected to fund unemployment compensation insurance with the Commonwealth of Pennsylvania Unemployment Compensation Fund on a reimbursable status, whereby the Authority reimburses the Commonwealth for actual benefits paid to qualified claimants.

#### **Note 17 - Management Agreement**

The Authority entered into Mutual Cooperation Agreements with the Red Rose Transportation Authority (RRTA) and the Berks Area Regional Transportation Authority (BARTA) which took effect on January 1, 2015. The agreements called for South Central Transit Authority to provide all executive, management, administrative, and support services to RRTA and BARTA in exchange for monthly payments of \$175,000 from each Authority. The initial term of the agreement ended June 30, 2015. Management service income included in the statement of revenues, expenses, and changes in net position for the six month period ending June 30, 2015 was \$2,100,000.

The Authority then entered into a subcontract agreement with the RRTA and BARTA which took effect on July 1, 2015 and extends through June 30, 2020. The agreement calls for the Authority to provide fixed route transportation services and paratransit services for Lancaster and Berks Counties. Under the agreement, the Authority will utilize existing vehicles and facilities of RRTA and BARTA. The payment of all such maintenance, repairs, operating, and insurance costs by South Central Transit Authority shall be the consideration for the lease of such properties, without the payment of any additional sums and shall be considered the rent for such properties. South Central Transit Authority will be receiving future grants which will fund transportation services in the County of Berks and Lancaster and as a result, South Central Transit Authority may purchase vehicles, supplies, and services needed to provide the contracted transportation services. Funding for these transportation services for the year ended June 30, 2016 totaled \$6,457,071.

#### **Note 18 - Subsequent Events**

The Authority has evaluated subsequent events through December 2, 2016. This date is the date the financial statements were available to be issued. No events subsequent to June 30, 2016 were noted.

## South Central Transit Authority

Schedule of Changes in Net Pension Liability and Related Ratios  
Year Ended June 30, 2016

<b>Total Pension Liability</b>	
Service cost	\$ 133,502
Interest	170,647
Benefit payments, including refunds of member contributions	(84,763)
Changes of benefit terms	(56,160)
Changes for experience	10,738
Transfer of liability from Red Rose Transit Authority	<u>2,229,601</u>
<b>Net Change in Total Pension Liability</b>	<b>2,403,565</b>
<b>Total Pension Liability, Beginning</b>	<u>-</u>
<b>Total Pension Liability, Ending</b>	<b><u>\$ 2,403,565</u></b>
<b>Plan Fiduciary Net Position</b>	
Contributions - employer	\$ 138,252
Contributions - member	-
Net investment income	26,572
Benefit payments, including refunds of member contributions	(84,763)
Administrative expense	-
Transfer of assets from Red Rose Transit Authority	<u>2,039,941</u>
<b>Net Change in Plan Fiduciary Net Position</b>	<b>2,120,002</b>
<b>Plan Net Position, Beginning</b>	<u>-</u>
<b>Plan Net Position, Ending</b>	<b><u>\$ 2,120,002</u></b>
<b>Authority's Net Pension Liability</b>	<b><u>\$ 283,563</u></b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b><u>88.2%</u></b>
<b>Covered Employee Payroll</b>	<b><u>\$ 2,067,570</u></b>
<b>Authority's Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b><u>13.7%</u></b>

\* This schedule is to present the information for ten years. However, until a full ten-year trend is compiled, information for the year(s) available is shown.

## South Central Transit Authority

### Schedule of Pension Contributions - Salaried Employees' Pension Plan Last Ten Fiscal Years\*

Years	Actuarially Determined Contribution	Contributions from Employer	Contribution Deficiency/ (Excess)	Covered Employee Payroll	Contributions as a % of Payroll
2016	\$ 138,252	\$ 138,252	\$ -	\$ 2,067,570	6.69 %

#### Actuarial Methods and Assumptions

Valuation Date: Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates are as follows:

<b>Actuarial Valuation Date</b>	7/1/2013
<b>Actuarial Cost Method</b>	Entry age normal
<b>Amortization Method</b>	Level dollar closed
<b>Remaining Amortization Period</b>	14 years
<b>Asset Valuation Method</b>	Market value of assets as determined by the trustee
<b>Inflation</b>	3.00%
<b>Salary Increases</b>	5.00%
<b>Investment Rate of Return</b>	7.50%
<b>Retirement Age</b>	Normal Retirement Age
<b>Mortality</b>	RP2000 Table - This table does not include projected mortality improvements.

There have been no changes in the benefit terms since January 1, 2015. Effective July 1, 2015, the pension liability and related expenses transferred to South Central Transit Authority from Red Rose Transit Authority.

\* Only one year available.

**South Central Transit Authority**

Schedule of Funding Progress - Post-Employment Benefits Other than Pension

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Entry Age (b)</b>	<b>Unfunded AAL UAAL (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
July 1, 2015	\$ -	\$ 137,018	\$ 137,018	- %	\$ 2,217,917	6.2 %

## South Central Transit Authority

Schedule of LEG - Fixed Route Urban Expenses - FY 15-16  
Year Ended June 30, 2016

Operating Expenses	Vehicle Operation	Maintenance	General Admin	Totals
1. Operators' Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2. Other Salaries & Wages	425,422	259,441	637,557	1,322,420
3. Fringe Benefits	-	-	839,275	839,275
4. Services	-	358,557	302,197	660,754
5. Fuel & Lubricants	1,558,561	-	-	1,558,561
6. Tires & Tubes	-	157,345	-	157,345
7. Other Materials & Supplies	-	1,385,019	91,298	1,476,317
8. Utilities	-	-	361,773	361,773
9. Casualty & Liability Costs	-	-	61,575	61,575
10. Taxes	-	-	-	-
11. Purchased Transportation	10,793,419	1,757,068	-	12,550,487
12. Miscellaneous Expenses	-	-	166,802	166,802
<b>13. Total System Expenses</b>	<b>\$ 12,777,402</b>	<b>\$ 3,917,430</b>	<b>\$ 2,460,477</b>	<b>19,155,309</b>
<b>Applied Reconciling Items</b>				
14. Interest Expenses				-
15. Leases & Rentals				-
16. Depreciation (privately funded assets only)				-
17. Amortization of Intangibles				-
18. Purchase Lease Agreement				-
19. Related Parties Lease Agreement				-
20. Other Reconciling Items				-
Identify:				-
<b>21. Total Applied Reconciling Items</b>				<b>-</b>
<b>22. Total Operating Expenses</b>				<b>19,155,309</b>
<b>Non-Applied Reconciling Items</b>				
23. Depreciation (publicly funded assets only)				98,166
24. Other Post Employment Benefits (OPEB)				16,944
25. Other Reconciling Items				-
Identify: Pension				98,826
Identify: Release of Restricted Funds				42,253
<b>26. Total Non-Applied Reconciling Items</b>				<b>256,189</b>
<b>27. Total Operating Expenses per Audit</b>				<b>\$ 19,411,498</b>



## South Central Transit Authority

Schedule of LEG - Non-Fixed Route ADA Paratransit Expenses - Urban - FY 15-16  
 Year Ended June 30, 2016

Operating Expenses	Vehicle Operation	Maintenance	General Admin	Totals
1. Operators' Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2. Other Salaries & Wages	-	-	144,297	144,297
3. Fringe Benefits	-	-	87,399	87,399
4. Services	-	-	24,077	24,077
5. Fuel & Lubricants	49,415	-	-	49,415
6. Tires & Tubes	8,216	-	-	8,216
7. Other Materials & Supplies	-	-	38,596	38,596
8. Utilities	-	-	17,158	17,158
9. Casualty & Liability Costs	-	-	3,572	3,572
10. Taxes	-	-	-	-
11. Purchased Transportation	1,401,521	207,633	387,315	1,996,469
12. Miscellaneous Expenses	-	-	2,196	2,196
<b>13. Total System Expenses</b>	<b>\$ 1,459,152</b>	<b>\$ 207,633</b>	<b>\$ 704,610</b>	<b>2,371,395</b>
<b>Applied Reconciling Items</b>				
14. Interest Expenses				-
15. Leases & Rentals				-
16. Depreciation (privately funded assets only)				-
17. Amortization of Intangibles				-
18. Purchase Lease Agreement				-
19. Related Parties Lease Agreement				-
20. Other Reconciling Items				-
Identify:				-
<b>21. Total Applied Reconciling Items</b>				<b>-</b>
<b>22. Total Operating Expenses</b>				<b>2,371,395</b>
<b>Non-Applied Reconciling Items</b>				
23. Depreciation (publicly funded assets only)				-
24. Other Post Employment Benefits (OPEB)				-
25. Other Reconciling Items				-
Identify:				-
<b>26. Total Non-Applied Reconciling Items</b>				<b>-</b>
<b>27. Total Operating Expenses per Audit</b>				<b>\$ 2,371,395</b>

## South Central Transit Authority

Schedule of LEG - Non-Fixed Route Shared Ride Expenses - Urban Standard - FY 15-16  
 Year Ended June 30, 2016

Operating Expenses	Vehicle Operation	Maintenance	General Admin	Totals
1. Operators' Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2. Other Salaries & Wages	-	-	650,991	650,991
3. Fringe Benefits	-	-	394,300	394,300
4. Services	-	-	108,622	108,622
5. Fuel & Lubricants	222,936	-	-	222,936
6. Tires & Tubes	37,066	-	-	37,066
7. Other Materials & Supplies	-	-	174,125	174,125
8. Utilities	-	-	77,407	77,407
9. Casualty & Liability Costs	-	-	16,114	16,114
10. Taxes	-	-	-	-
11. Purchased Transportation	5,324,286	788,783	1,471,384	7,584,453
12. Miscellaneous Expenses	-	-	9,904	9,904
<b>13. Total System Expenses</b>	<b>\$ 5,584,288</b>	<b>\$ 788,783</b>	<b>\$ 2,902,847</b>	<b>9,275,918</b>
<b>Applied Reconciling Items</b>				
14. Interest Expenses				-
15. Leases & Rentals				-
16. Depreciation (privately funded assets only)				-
17. Amortization of Intangibles				-
18. Purchase Lease Agreement				-
19. Related Parties Lease Agreement				-
20. Other Reconciling Items Identify				-
<b>21. Total Applied Reconciling Items</b>				<b>-</b>
<b>22. Total Operating Expenses</b>				<b>9,275,918</b>
<b>Non-Applied Reconciling Items</b>				
23. Depreciation (publicly funded assets only)				24,541
24. Other Post Employment Benefits (OPEB)				-
25. Other Reconciling Items Identify: Pension				73,046
Identify: Copays				(550,952)
Identify: Rounding				1
<b>26. Total Non-Applied Reconciling Items</b>				<b>(453,364)</b>
<b>27. Total Operating Expenses per Audit</b>				<b>\$ 8,822,554</b>

## South Central Transit Authority

Schedule of LEG - Non-Public Expenses - Other Transportation - FY 15-16  
 Year Ended June 30, 2016

Operating Expenses	Non-Shared Ride Paratransit	MATP Non-Shared Ride Paratransit	MATP Mileage Reimbursement	Other (Identify Above)	Totals
1. Operators' Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -
2. Other Salaries & Wages	-	57,111	-	10,782	67,893
3. Fringe Benefits	-	34,592	-	6,531	41,123
4. Services	-	9,529	-	1,799	11,328
5. Fuel & Lubricants	-	19,558	-	3,692	23,250
6. Tires & Tubes	-	3,252	-	614	3,866
7. Other Materials & Supplies	-	15,276	-	2,884	18,160
8. Utilities	-	6,791	-	1,282	8,073
9. Casualty & Liability Costs	-	1,414	-	267	1,681
10. Taxes	-	-	-	-	-
11. Purchased Transportation	-	650,043	-	144,782	794,825
12. Miscellaneous Expenses	-	869	-	165	1,034
13. Mileage Reimbursement	-	-	59,805	-	59,805
14. MATP - Non-Public Service Admin Reimb.	-	-	13,652	-	13,652
<b>15. Total System Expenses</b>	<b>\$ -</b>	<b>\$ 798,435</b>	<b>\$ 73,457</b>	<b>\$ 172,798</b>	<b>1,044,690</b>
<b>Applied Reconciling Items</b>					
16. Interest Expenses					-
17. Leases & Rentals					-
18. Depreciation (privately funded assets only)					-
19. Amortization of Intangibles					-
20. Purchase Lease Agreement					-
21. Related Parties Lease Agreement					-
22. Other Reconciling Items					-
Identify:					-
<b>23. Total Applied Reconciling Items</b>					<b>-</b>
<b>24. Total Operating Expenses</b>					<b>1,044,690</b>
<b>Non-Applied Reconciling Items</b>					
25. Depreciation (publicly funded assets only)					-
26. Other Post Employment Benefits (OPEB)					-
27. Other Reconciling Items					-
Identify:					-
<b>28. Total Non-Applied Reconciling Items</b>					<b>-</b>
<b>29. Total Operating Expenses per Audit</b>					<b>\$ 1,044,690</b>

## **South Central Transit Authority**

Reconciliation of Operating Expenses to Financial Statements Prepared under Accounting  
Principles Generally Accepted in the United States of America  
Year Ended June 30, 2016

Operating expenses reported on Schedule of LEG - Fixed Route Urban Expenses	<b>\$ 19,411,498</b>
Operating expenses reported on Schedule of LEG - Non-Fixed Route ADA Paratransit Expenses - Urban	<b>2,371,395</b>
Operating expenses reported on Schedule of LEG - Non-Fixed Route Shared Ride Expenses - Urban Standard	<b>8,822,554</b>
Operating expenses reported on Schedule of LEG - Non-Public Expenses - Other Transportation	<b><u>1,044,690</u></b>
 <b>Operating Expenses Reported on the Statement of Revenues, Expenses, and Changes in Net Position</b>	 <b><u><u>\$ 31,650,137</u></u></b>

## South Central Transit Authority

Schedule of LEG - Fixed Route Revenues - FY 15-16

Year Ended June 30, 2016

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
<b>Transportation Revenues</b>			
1. Passenger Fares	\$ 6,266,577	\$ -	\$ 6,266,577
2. Advertising	253,604	-	253,604
3. Charter	-	-	-
4. Route Guarantees	-	-	-
<b>Other Revenue</b>			
5. Identify: Concessions/Interest	7,110	-	7,110
6. Identify: PG & Lease Income	544,167	-	544,167
7. Identify: Other Misc Income	112,715	-	112,715
<b>8. Total Revenue</b>	<u>7,184,173</u>	<u>-</u>	<u>7,184,173</u>
<b>Non-Applied Reconciling Items</b>			
9. Interest/Investment Income	-	-	-
10. Identify: Gain on Disposal of Capital Assets	-	-	-
11. Identify:	-	-	-
<b>12. Total Non-Applied Reconciling Items</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>13. Total Revenue per Audit</b>	<u>\$ 7,184,173</u>	<u>\$ -</u>	<u>\$ 7,184,173</u>

**South Central Transit Authority**

Schedule of LEG - Non-Fixed Route Revenues - Urban - FY 15-16  
 Year Ended June 30, 2016

	ADA	Shared Ride 65+		Shared Ride Under 65		Public	Total
	Paratransit	Standard	DAS*	Standard	DAS*	Vanpool	
<b>Transportation Revenues</b>							
1. Passenger Fares	\$ 297,005	\$ 316,980	\$ -	\$ 28,993	\$ -	\$ -	\$ 642,978
2. Advertising	-	-	-	-	-	-	-
3. Shared-Ride Lottery Trip Reimbursement	-	3,203,954	-	-	-	-	3,203,954
4. PwD Trip Reimbursement	-	-	-	341,641	-	-	341,641
5. PwD Passenger Fares	-	-	-	81,263	-	-	81,263
6. AAA	-	201,211	-	137,881	-	-	339,092
7. MH/MR - Shared Ride Fare Structure	-	14,174	-	1,254,464	-	-	1,268,638
8. W2W - Shared Ride Fare Structure	-	-	-	-	-	-	-
9. MATP - Shared Ride Fare Structure	-	-	-	-	-	-	-
Other Agencies/Third Party Sponsors	-	164,481	-	3,161,111	-	-	3,325,592
10. Identify: Other Agencies	-	46,207	-	393,898	-	-	440,105
11. Identify:	-	-	-	-	-	-	-
<b>Other Revenue</b>							
MATP							
12. Admin Reimbursement for MATP Shared Ride Fare Structure	-	-	-	-	-	-	-
<b>Other (i.e. Block Grant)</b>							
13. Identify: Misc Income	-	-	-	-	-	-	-
14. Identify:	-	-	-	-	-	-	-
15. Identify:	-	-	-	-	-	-	-
16. Interest/Investment Income	-	-	-	2,241	-	-	2,241
<b>17. Total Revenue</b>	<b>297,005</b>	<b>3,947,007</b>	<b>-</b>	<b>5,401,492</b>	<b>-</b>	<b>-</b>	<b>9,645,504</b>
<b>Non-Applied Reconciling Items</b>							
18. Identify: Shared Ride Co-Pays Netted	-	-	-	(550,952)	-	-	(550,952)
19. Identify: Rounding	-	-	-	-	-	-	-
<b>20. Total Non-Applied Reconciling Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(550,952)</b>	<b>-</b>	<b>-</b>	<b>(550,952)</b>
<b>21. Total Revenue per Audit</b>	<b>\$ 297,005</b>	<b>\$ 3,947,007</b>	<b>\$ -</b>	<b>\$ 4,850,540</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,094,552</b>

\* Additional Department Approved Service (DAS) is Shared Ride Service provided by selected agencies grandfathered into the Section 1513 allocation formula.

## South Central Transit Authority

Schedule of LEG - Non-Public Revenues - Other Transportation - FY 15-16  
Year Ended June 30, 2016

### Contract Revenue

Agency/Sponsor

1. MATP - Contract Rate Paratransit Revenue	\$	817,769
2. W2W - Contract Rate Paratransit Revenue		-
Other Contract Rate Paratransit Revenue		
3. Identify: JARC - ATJ		154,392
4. Identify: MATP Bus Fare Reimb.		103,728
5. Identify: BH/DS/EI FR Bus Passes		21,503

### Other Revenue

6. MATP - Mileage Reimbursement		75,236
7. W2W - Other (i.e. vehicle purchase/repair, fixed-route fares)		57,689
8. Identify: Add'l Sec 1513 to Balance SR		44,015

### Admin Reimbursement

9. MATP - Contract Rate Paratransit Admin		-
10. MATP - Mileage Reimbursement Admin		-
11. W2W - Admin/Case Management		-
12. Interest/Investment Income		-

**13. Total Revenue** 1,274,332

### Non-Applied Reconciling Items

14. Identify:		-
15. Identify:		-

**16. Total Non-Applied Reconciling Items** -

**17. Total Revenue per Audit** \$ 1,274,332

## South Central Transit Authority

Reconciliation of Operating Revenues to Financial Statements Prepared Under Accounting  
Principles Generally Accepted in the United States of America  
Year Ended June 30, 2016

Operating revenues reported on Schedule of LEG - Fixed Route Revenues	\$ 7,184,173
Operating revenues reported on Schedule of LEG - Non-Fixed Route Revenues - Urban	9,094,552
Operating revenues reported on Schedule of LEG - Non-Public Revenues - Other Transportation	<u>1,274,332</u>
<b>Total Operating Revenues per Schedules</b>	<b><u>17,553,057</u></b>
<b>Reconciling Items</b>	
In-kind transportation revenue	8,925,101
Senior citizen fixed route passenger fares in subsidy	(955,650)
Interest income	(5,285)
Rounding	<u>6</u>
	<b><u>7,964,172</u></b>
<b>Operating Revenues Reported on the Statement of Revenues, Expenses, and Changes in Net Position</b>	<b><u>\$ 25,517,229</u></b>



## South Central Transit Authority

Schedule of LEG - Fixed Route Subsidies - FY 15-16  
Year Ended June 30, 2016

	Fixed Route Urban	Fixed Route Rural	Total
1. Federal Operating Grant	\$ 2,274,510	\$ -	\$ 2,274,510
2. Federal Capital Grant to Fund Preventive Maintenance Costs	-	-	-
3. Federal Capital Grant to Fund Capital Costs of Contracting	-	-	-
4. Federal Capital Grant to Fund Associated Capital Maintenance Costs	-	-	-
5. Other Federal Grants for Operating Costs Identify:	-	-	-
<b>6. Subtotal Federal Subsidy</b>	<b>2,274,510</b>	<b>-</b>	<b>2,274,510</b>
7. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - State Share	-	-	-
8. Act 44 Section 1513 Operating Grant Amount Charged - Current Year - State Share	2,072,766	-	2,072,766
9. Act 3 ASG Grant Amount Charged - State Share	-	-	-
10. Act 3 BSG Grant Amount Charged - State Share	-	-	-
11. Special Operating Grants - State Share Identify: Prior Year Act 44 RRTA & BARTA	7,623,860	-	7,623,860
<b>12. Subtotal State Subsidy</b>	<b>9,696,626</b>	<b>-</b>	<b>9,696,626</b>
13. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - Local Share - Municipal Source*	-	-	-
14. Act 44 Section 1513 Operating Grant Amount Charged - Current Year - Local Share - Municipal Source	-	-	-
15. Act 44 Section 1513 Operating Grant Amount Charged - Current Year - Local Share - Advertising Source**	-	-	-
16. Act 44 Section 1513 Operating Grant Amount Charged - Current Year - Local Share - Private Source	-	-	-
17. Act 3 ASG Grant Amount Charged - Local Share	-	-	-
18. Act 3 BSG Grant Amount Charged - Local Share	-	-	-
19. Special Operating Grants - Local Share Identify:	-	-	-
<b>20. Subtotal Local Subsidy</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>21. Grand Total Subsidy</b>	<b>11,971,136</b>	<b>-</b>	<b>11,971,136</b>
<b>Non-Applied Reconciling Items</b>			
22. Identify: Federal	-	-	-
23. Identify: State	-	-	-
24. Identify: Local	-	-	-
<b>25. Total Non-Applied Reconciling Items</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>26. Grand Total Subsidy per Audit</b>	<b>\$ 11,971,136</b>	<b>\$ -</b>	<b>\$ 11,971,136</b>

\* Local match from municipal sources must be expanded the year it is received except for transit systems providing 15% match.

\*\* Advertising revenue is only available as a local match if a municipality has agreed by resolution to offset any shortfall in advertising which results in insufficient local match funds. The use of advertising as local match reduces revenue available for operations and may reduce level of service or require fare increases.

## South Central Transit Authority

Schedule of LEG - Non-Fixed Route Subsidies - Urban - FY 15-16  
Year Ended June 30, 2016

	ADA	Shared Ride		Public	Total
	Paratransit	Standard	DAS*	Vanpool	
<b>Subsidy</b>					
1. Federal Operating Grant	\$ 660,202	\$ -	\$ -	\$ -	\$ 660,202
2. Federal Capital Grant to Fund Preventive Maintenance Costs	-	-	-	-	-
3. Federal Capital Grant to Fund Capital Costs of Contracting	-	-	-	-	-
4. Federal Capital Grant to Fund Associated Capital Maintenance Costs	-	-	-	-	-
5. Other Federal Grants for Operating Costs Identify:	-	-	-	-	-
6. Federal Shared-Ride Subsidy Identify:	-	-	-	-	-
<b>7. Subtotal Federal Subsidy</b>	<b>660,202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>660,202</b>
8. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - State Share	-	-	-	-	-
9. Act 44 Section 1513 Operating Grant Amount Charged - Current Year - State Share	112,946	(8,217)	-	-	104,729
10. Act 3 ASG Grant Amount Charged - State Share	-	-	-	-	-
11. Act 3 BSG Grant Amount Charged - State Share Special Operating Grants - State Share	-	-	-	-	-
12. Identify:	-	-	-	-	-
13. State Shared Ride Subsidy Identify: Prior year Act 44 RRTA & BARTA	1,301,242	-	-	-	1,301,242
<b>14. Subtotal State Subsidy</b>	<b>1,414,188</b>	<b>(8,217)</b>	<b>-</b>	<b>-</b>	<b>1,405,971</b>
15. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - Local Share - Municipal Source**	-	-	-	-	-
16. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - Local Share - Municipal Source	-	-	-	-	-
17. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - Local Share - Advertising Source***	-	-	-	-	-
18. Act 44 Section 1513 Operating Grant Amount Charged - Prior Years - Local Share - Private Source	-	-	-	-	-
19. Act 3 ASG Grant Amount Charged - Local Share	-	-	-	-	-
20. Act 3 BSG Grant Amount Charged - Local Share	-	-	-	-	-
21. Special Operating Grants - Local Share Identify:	-	-	-	-	-
22. Local Shared Ride Subsidy Identify:	-	-	-	-	-
<b>23. Subtotal Local Subsidy</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>24. Grand Total Subsidy</b>	<b>2,074,390</b>	<b>(8,217)</b>	<b>-</b>	<b>-</b>	<b>2,066,173</b>
<b>Non-Applied Reconciling Items</b>					
25. Identify: Federal	-	-	-	-	-
26. Identify: State	-	-	-	-	-
27. Identify: Local	-	-	-	-	-
<b>28. Total Non-Applied Reconciling Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>29. Grand Total Subsidy per Audit</b>	<b>\$ 2,074,390</b>	<b>\$ (8,217)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,066,173</b>

\* Additional Department Approved Service (DAS) is Shared Ride Service provided by selected agencies grandfathered into the Section 1513 allocation formula.

\*\* Local match from municipal sources must be expanded the year it is received except for transit systems providing 15% match.

\*\*\* Advertising revenue is only available as a local match if a municipality has agreed by resolution to offset any shortfall in advertising which results in insufficient local match funds. The use of advertising as local match reduces revenue available for operations and may reduce level of service or require fare increases.

## **South Central Transit Authority**

Reconciliation of Reported Subsidies to Financial Statements Prepared under Accounting  
Principles Generally Accepted in the United States of America  
Year Ended June 30, 2016

Subsidies Reported on the Schedule of LEG - Fixed Route Subsidies	\$ 11,971,136
Subsidies Reported on the Schedule of LEG - Non-Fixed Route Subsidies - Urban	2,066,173
Reconciling item - senior citizen fixed route passenger fares in subsidy	955,650
Reconciling item - prior year Act 44 funding from BARTA & RRTA	<u>(8,925,102)</u>
	<u>\$ 6,067,857</u>
 <b>Per Financial Statements</b>	
Nonoperating revenues - Federal government	\$ 2,934,712
Nonoperating revenues - State government	<u>3,133,145</u>
 <b>Subsidies Reported on the Statement of Revenues, Expenses, and Changes in Net Position</b>	 <u>\$ 6,067,857</u>

**South Central Transit Authority**

Schedule of LEG - Budget Summary - FY 15-16

Year Ended June 30, 2016

	Fixed Route		Non-Fixed Route								Non-Public Other Transportation	Total	
	Urban	Rural	ADA Paratransit		Shared Ride				Public Vanpool				
			Urban	Rural	Standard Urban	DAS* Urban	Standard Rural	DAS* Rural	Urban	Rural			
1. Total Operating Expenses	\$19,155,309	\$ -	\$2,371,395	\$ -	\$ 9,275,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,044,690	31,847,312
2. Total Revenue	7,184,173	-	297,005	-	9,348,499	-	-	-	-	-	-	1,274,332	18,104,009
<b>3. Operating Deficit</b>	<b>(11,971,136)</b>	<b>-</b>	<b>(2,074,390)</b>	<b>-</b>	<b>72,581</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229,642</b>	<b>(13,743,303)</b>
4. Grand Total Subsidy	11,971,136	-	2,074,390	-	(8,217)	-	-	-	-	-	-	-	14,037,309
<b>5. Applied Operating Result</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,364</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229,642</b>	<b>294,006</b>
<b>Non-Applied Reconciling Items</b>													
6. Total Non-Applied Reconciling Expense Items	256,189	-	-	-	(453,364)	-	-	-	-	-	-	-	(197,175)
7. Total Non-Applied Reconciling Revenue Items	-	-	(550,952)	-	-	-	-	-	-	-	-	-	(550,952)
8. Total Non-Applied Reconciling Subsidy Items	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9. Operating Result per Audit</b>	<b>\$ (256,189)</b>	<b>\$ -</b>	<b>\$ (550,952)</b>	<b>\$ -</b>	<b>\$ 517,728</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 229,642</b>	<b>\$ (59,771)</b>

\* Additional Department Approved Service (DAS) is Shared Ride Service provided by selected agencies grandfathered into the Section 1513 allocation formula.

**South Central Transit Authority**

Schedule S5 - Section 1513 Program Carryover - FY 15-16  
Year Ended June 30, 2016

	State Grant	Local Match	Total
<b>A. FY 2015-16 Section 1513 URBAN Grant Agreement</b>	<b>\$ 14,888,918</b>	<b>\$ -</b>	<b>\$ 14,888,918</b>
<b>Urban Section 1513 Grant Utilization for Fiscal Year Ended June 30, 2016</b>			
1. Section 1513 fund balance as of June 30, 2015	\$ 8,925,101	\$ -	\$ 8,925,101
2. Section 1513 funds received for FY 2016	14,888,918	-	14,888,918
3. PTAF Section 1513 funds received for FY 2016 (applicable to SEPTA and PAAC)	-	-	-
4. Total Section 1513 funds received for FY 2016 (Line 2+3, must agree with A above)	14,888,918	-	14,888,918
5. Interest income earned on Section 1513 funds in FY 2016	-	-	-
6. Total Section 1513 funds available in FY 2016 (Line 1+4+5)	23,814,019	-	23,814,019
7. Section 1513 funds used for Urban fixed route operating expenses in FY 2016	10,652,276	-	10,652,276
8. Section 1513 funds used for Urban non-fixed route operating expenses in FY 2016	1,405,970	-	1,405,970
9. Section 1513 funds used for Rural fixed route operating expenses in FY 2016	-	-	-
10. Section 1513 funds used for Rural non-fixed route operating expenses in FY 2016	-	-	-
11. Section 1513 funds used for Urban capital costs in FY 2016 (waiver required)	-	-	-
12. Section 1513 funds used for Rural capital costs in FY 2016 (waiver required)	-	-	-
13. Total Section 513 used in FY 2016 (Line 7+8+9+10+11+12)	12,058,246	-	12,058,246
14. Section 1513 Fund Balance as of June 30, 2016 (Line 6-13)	\$ 11,755,773	\$ -	\$ 11,755,773
<b>B. FY 2015-16 Section 1513 RURAL Grant Agreement</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Rural Section 1513 Grant Utilization for Fiscal Year Ended June 30, 2016</b>			
15. Section 1513 fund balance as of June 30, 2015	\$ -	\$ -	\$ -
16. Section 1513 funds received for FY 2016 (must agree with B above)	-	-	-
17. Interest income earned on Section 1513 funds in FY 2016	-	-	-
18. Total Section 1513 funds available in FY 2016 (Line 15+16+17)	-	-	-
19. Section 1513 funds used for Rural fixed route operating expenses in FY 2016	-	-	-
20. Section 1513 funds used for Rural non-fixed route operating expenses in FY 2016	-	-	-
21. Section 1513 funds used for Urban fixed route operating expenses in FY 2016	-	-	-
22. Section 1513 funds used for Urban non-fixed route operating expenses in FY 2016	-	-	-
23. Section 1513 funds used for Rural capital costs in FY 2016 (waiver required)	-	-	-
24. Section 1513 funds used for Urban capital costs in FY 2016 (waiver required)	-	-	-
25. Total Section 513 used in FY 2016 (Line 19+20+21+22+23+24)	-	-	-
26. Section 1513 Fund Balance as of June 30, 2016 (Line 18-25)	\$ -	\$ -	\$ -
<b>C. Total Agency Section 1513 Grant Utilization for Fiscal Year Ended June 30, 2016</b>			
27. Section 1513 fund balance as of June 30, 2015	\$ 8,925,101	\$ -	\$ 8,925,101
28. Section 1513 funds received for FY 2016	14,888,918	-	14,888,918
29. PTAF Section 1513 funds received for FY 2016 (applicable to SEPTA and PAAC)	-	-	-
30. Total Section 1513 funds received for FY 2016 (Line 28+29)	14,888,918	-	14,888,918
31. Interest income earned on Section 1513 funds in FY 2016	-	-	-
32. Total Section 1513 funds available for FY 2016 (Line 27+30+31)	23,814,019	-	23,814,019
33. Section 1513 funds used for Urban fixed route operating expenses in FY 2016	10,652,276	-	10,652,276
34. Section 1513 funds used for Urban non-fixed route operating expenses in FY 2016	1,405,970	-	1,405,970
35. Section 1513 funds used for Rural fixed route operating expenses in FY 2016	-	-	-
36. Section 1513 funds used for Rural non-fixed route operating expenses in FY 2016	-	-	-
37. Section 1513 funds used for Urban capital costs in FY 2016 (waiver required)	-	-	-
38. Section 1513 funds used for Rural capital costs in FY 2016 (waiver required)	-	-	-
<b>39. Total Section 1513 Used in FY 2015-16 (Line 33+34+35+36+37+38)</b>	<b>12,058,246</b>	<b>-</b>	<b>12,058,246</b>
<b>40. Section 1513 Fund Balance as of June 30, 2016 (Line 32-39)</b>	<b>\$ 11,755,773</b>	<b>\$ -</b>	<b>\$ 11,755,773</b>

**South Central Transit Authority**

Schedule S6 - Shared Ride Expense Allocation Worksheet

Year Ended June 30, 2016

Please respond to the following questions. Do you use the same administrative staff/facilities and/or vehicles/drivers to:

1. Provide services (i.e. home-delivered meals, etc.) other than passenger transportation?  Yes  No
2. Provide transportation services other than shared ride (i.e. exclusive ride taxi, fixed-route, charter, etc.)?  Yes  No
3. Provide transportation services at fares or contract rates which differ from the shared ride fare structure?  Yes  No

If you answered "yes" to any of the three questions, you must complete the Shared Ride Expense Allocation Worksheet.

**Shared Ride Expense Allocation Worksheet**

	<b>% Allocated to Fixed Route</b>	<b>% Allocated to Paratransit (ADA)</b>	<b>% Allocated to Shared Ride</b>	<b>% Allocated to Non-Public</b>	<b>Basis for Allocation</b>
1. Operators' Salaries & Wages	- %	16.62 %	74.96 %	8.42 %	Other
2. Other Salaries & Wages	-	16.62	74.96	8.42	Other
3. Fringe Benefits	-	16.62	74.96	8.42	Other
4. Services	-	16.62	74.96	8.42	Other
5. Fuel & Lubricants	-	16.62	74.96	8.42	Other
6. Tires & Tubes	-	16.62	74.96	8.42	Other
7. Other Materials & Supplies	-	16.62	74.96	8.42	Other
8. Utilities	-	16.62	74.96	8.42	Other
9. Casualty & Liability Costs	-	16.62	74.96	8.42	Other
10. Taxes	-	-	-	-	Other
11. Purchased Transportation	-	16.62	74.96	8.42	Other
12. Miscellaneous Expenses	-	16.62	74.96	8.42	Other

South Central Transit Authority

Year Ended June 30, 2016

CAPITAL REPORT #1														
FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING														
	A	B	C	D	E	F	G	I	J	J	K=SUM (A-J)	L	M=L-K	
1	Computer Hardware / Software	Office Furniture	Office Equipment	Bus Stop Sign Decals	REI DVR for Buses	Security and Parking Equipment	Shop Equipment	Ecolane Conversion	Fixed Route Buses		Total Spent	Total Granted Funds	Granted Funds Less Amt Spent	
	Capital Project Title:													
2	Expenditures Through the End of the Prior Fiscal Year													
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula	\$ -	\$ -	\$ -	\$ 5,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,421	\$ 5,421	\$ -	
5	Federal Capital - 5309 - FTA Fixed Guideway	-	-	-	-	-	-	-	-	-	-	-	-	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities	-	-	-	-	-	-	-	-	-	-	-	-	
7	Federal Capital - 5309 - FTA New/Small Starts	-	-	-	-	-	-	-	-	-	-	-	-	
8	Federal Capital - 5310 - FTA Senior and PWD	-	-	-	-	-	-	-	-	-	-	-	-	
9	Federal Capital - 5311 - FTA Rural	-	-	-	-	-	-	-	-	-	-	-	-	
10	Federal Capital - 5311 - FTA Other	-	-	-	-	-	-	-	-	-	-	-	-	
11	Federal Capital - 5313/5314 - FTA Research & Tech	-	-	-	-	-	-	-	2,020,207	-	2,020,207	2,020,207	-	
12	Federal Capital - 5316 - FTA JARC	-	-	-	-	-	-	-	-	-	-	-	-	
13	Federal Capital - FLEX	-	-	-	-	-	-	-	-	-	-	-	-	
14	Federal Capital FHWA Programs (CMAQ, ITS, STP)	-	-	-	-	-	-	-	-	-	-	-	-	
15	Federal Capital - Other	-	-	-	-	-	-	-	-	-	-	-	-	
16	State - 1513 - Waiver to Use for Capital	-	-	-	-	-	-	-	-	-	-	-	-	
17	State Capital - 1514 - PA Bond Program	-	-	-	-	-	-	-	-	-	-	-	-	
18	State Capital - 1514 - Discretionary	6,618	-	-	-	96,670	1,736	6,282	-	1,244,024	1,355,330	1,365,770	10,440	
19	State Capital - 1515 - New Initiatives	-	-	-	-	-	-	-	-	-	-	-	-	
20	State Capital - 1516 - CTC	20,303	-	-	-	-	-	-	-	-	20,303	20,303	-	
21	State Capital - 1516 - Other	-	-	-	-	-	-	69,000	-	-	69,000	69,000	-	
22	State Capital - 1517 - Capital Improvement Program	-	2,947	1,041	1,355	-	36,288	-	-	-	41,631	41,631	-	
23	State Capital - PTAF	-	-	-	-	-	-	-	-	-	-	-	-	
24	State Capital - All Sources Used for Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	
25	State Capital - ASG/BSG	-	-	-	-	-	-	-	-	-	-	-	-	
26	State Capital - Other	-	-	-	-	-	-	-	-	-	-	-	-	
27	Local Match - 1513 - Waiver to Use for Capital	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local Match Capital - 1514 - PA Bond Program	-	-	-	-	-	-	-	-	-	-	-	-	
29	Local Match Capital - 1514 - Discretionary	-	-	-	-	-	-	-	-	-	-	-	-	
30	Local Match Capital - 1515 - New Initiatives	-	-	-	-	-	-	-	-	-	-	-	-	
31	Local Match Capital - 1516 - CTC	-	-	-	-	-	-	-	-	-	-	-	-	
32	Local Match Capital - 1516 - Other	-	-	-	-	-	-	-	-	-	-	-	-	
33	Local Match Capital - PTAF	-	-	-	-	-	-	-	-	-	-	-	-	
34	Local Match Capital - All Sources Used for Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	
35	Local Match Capital - ASG/BSG	-	-	-	-	-	-	-	-	-	-	-	-	
36	Local Match Other	187	-	-	-	-	30	217	-	41,459	41,893	42,253	360	
37	Local Contribution	-	-	-	-	-	-	-	-	-	-	-	-	
38	Proceeds from Agency Issued Bonds	-	-	-	-	-	-	-	-	-	-	-	-	
39	Agency Loan Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	
40	Other Financing Transaction Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	
41	Internal Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	
42	Proceeds from Disposition of Assets	-	-	-	-	-	-	-	-	-	-	-	-	
43	Foundations and Non-Profits	-	-	-	-	-	-	-	-	-	-	-	-	
44	Private	-	-	-	-	-	-	-	-	-	-	-	-	
45	Other	-	-	-	-	-	-	-	-	-	-	-	-	
46	Total Sources of Funds Spent in the Current FY	27,108	2,947	1,041	6,776	96,670	38,054	6,499	69,000	3,305,690	3,553,785	\$ 3,564,585	\$ 10,800	
											Grand Total			
47	Total Sources of Funds Spent Inception-to-Date	27,108	2,947	1,041	6,776	96,670	38,054	6,499	69,000	3,305,690	3,553,785			
48	Total Granted Sources of Funds Inception to Date													
49	Granted Sources Less Amount Spent Inception to Date	\$ (27,108)	\$ (2,947)	\$ (1,041)	\$ (6,776)	\$ (96,670)	\$ (38,054)	\$ (6,499)	\$ (69,000)	\$ (3,305,690)	\$ (3,553,785)			