



CORPUS CHRISTI REGIONAL  
TRANSPORTATION AUTHORITY

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5658 Bear Lane ~~~ Corpus Christi, Texas 78405 ~~~ 361 289 2712

**Financial Report**

**December 2013**

**Prepared by:**

**Finance Department**

**Cindy O'Brien, Director of Finance**

**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY**

**Financial Report for December 2013**

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**CORPUS CHRISTI REGIONAL TRANSPORTATION AUTHORITY  
PRELIMINARY FINANCIAL REPORT  
MONTH AND YEAR TO DATE DECEMBER 2013**

The Corpus Christi Regional Transportation Authority (Authority) desires to supply clear and concise financial information to those who are interested in its financial activities. The financial information contained in this monthly financial report is un-audited. The Authority accounts for its financial activities as a single enterprise fund and issues full accrual basis financial statements, which begin on page 6 of this report. This narrative provides highlights of the results of operations for the month with some emphasis on the year to date where relevant. For a more lengthy discussion about the financial operations of the Authority, please consult the Authority's latest Comprehensive Annual Financial Report (CAFR). An electronic copy of that report in Adobe format can be obtained at <http://www.ccrta.org/assets/2012-ccrta-cafr.pdf> or by filing a written request to the attention of Beth Vidaurri.

**STATEMENT OF NET POSITION**

This statement is located on page 6 of this report. This statement has been updated to reflect current accounting guidelines and to more closely follow the statement presentation in the Comprehensive Annual Financial Report.

At the end of the month, the Authority had assets of \$82.8 million, liabilities of \$5.1 million and net position (assets less liabilities) of \$77.7 million. Assets are comprised of cash, investments, accounts receivable, fuel and parts inventories and capital assets used to fulfill the Authority's mission. Construction in Progress is used to reflect the current year outlays as well as any construction in progress at the end of 2012. At year-end, an analysis will be performed to reclassify these outlays into specific asset categories.

Liabilities include trade payables, accrued payroll and employee benefits, estimated leave balances due to Authority employees and amounts due for the Authority's street improvement program that are accrued but not paid as of the end of the month.

Net position reflects externally funded assets provided primarily by the Federal Transit Administration (FTA) for the purchase of assets, internally designated reserves for particular purposes and unrestricted net position. Net Position includes only three categories: Invested in Capital Assets, Restricted for Pension Obligation and Unrestricted. The following schedule shows the elements of the unrestricted portion of the Net Position including board designations in conformity with the Board's Reserve Policy.

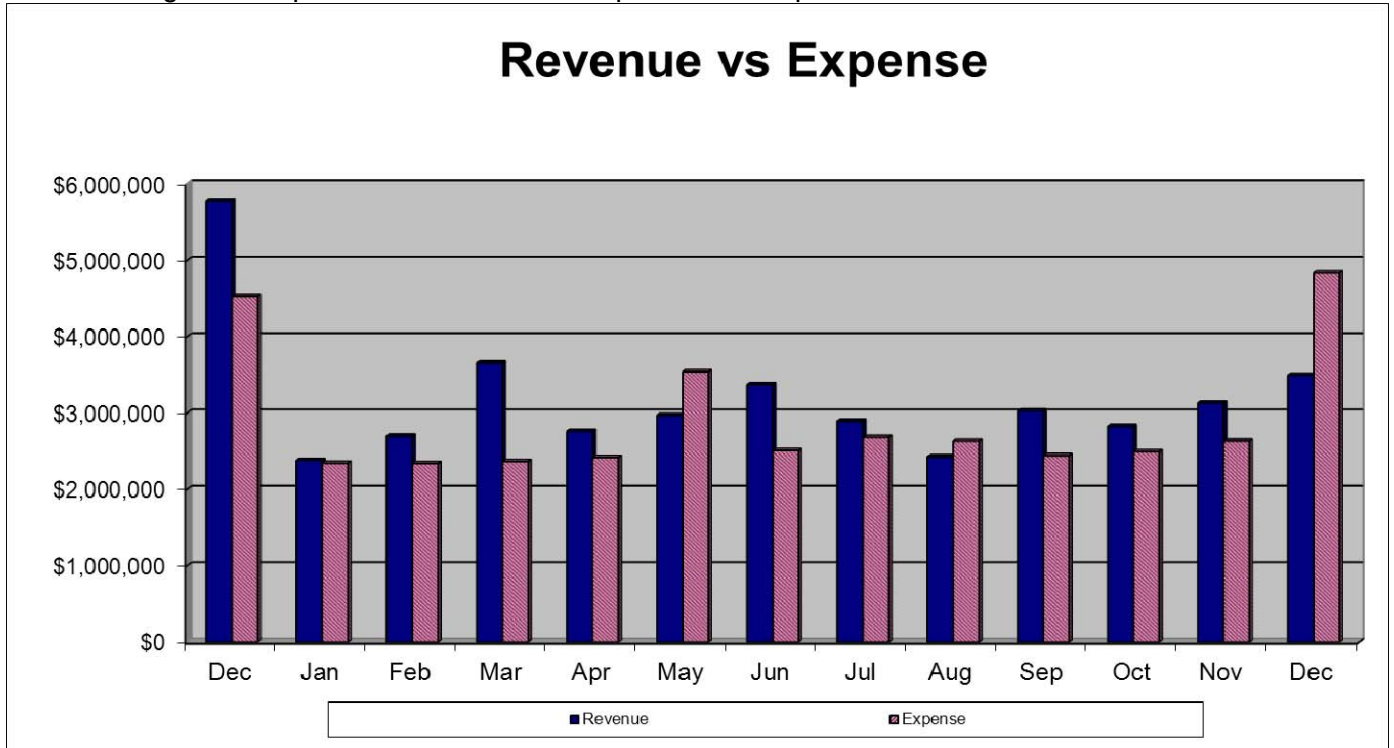
Unrestricted Net Position

Designated for Operating reserve	\$8,329,717
Designated for Employee Benefits	590,536
Capital Reserve	4,999,910
Undesignated	15,690,719
Total Unrestricted Net Position	<u><u>\$29,610,882</u></u>

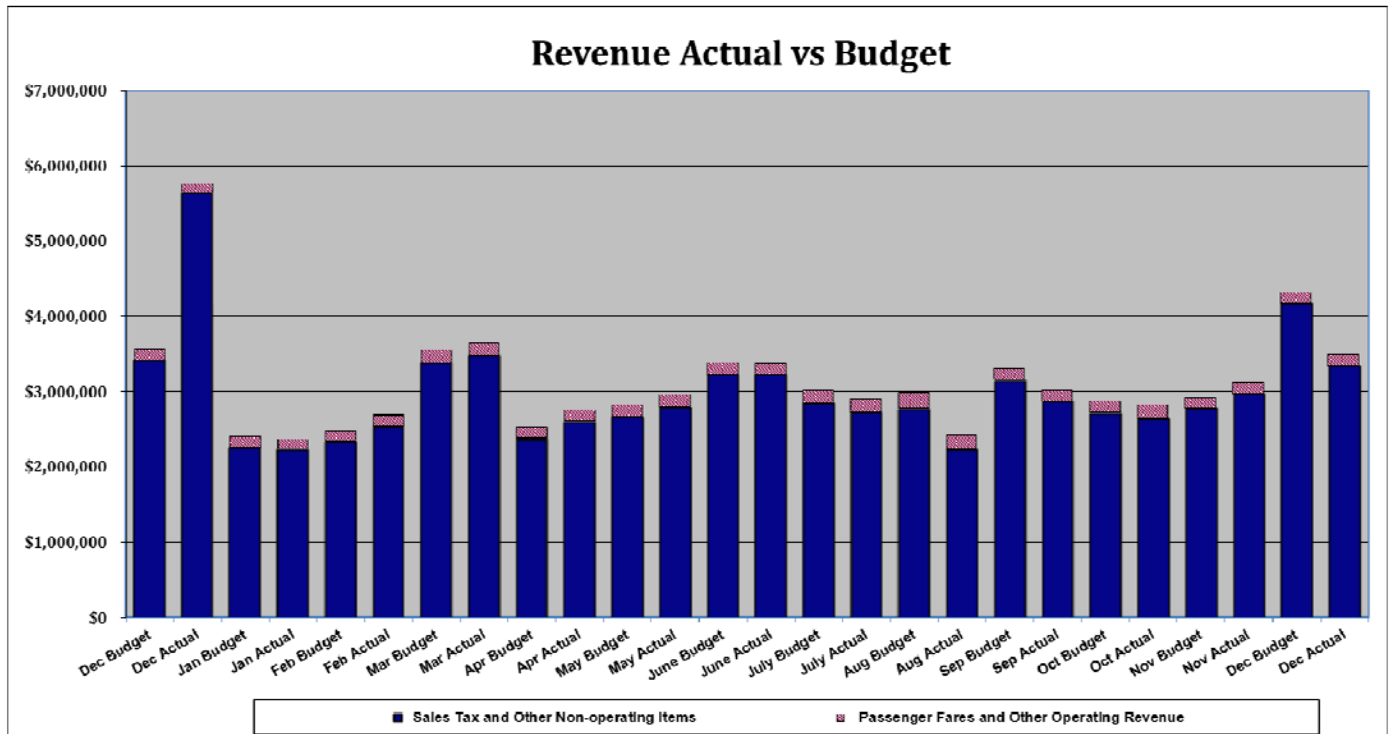
## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The monthly and annual statements of revenues and expenditures and changes in net position begin on page 7. The Authority has year-to-date net income of \$2.4 million compared to budgeted year-to-date net income of \$957,000. The total year to date increase in Net Position is \$4.4 million.

The following chart depicts revenues versus expense for the past 13 months.



**Revenue:** The following graph shows revenue versus budget by major type for the past 13 months.



## Passenger Fares and Other Operating Revenues:

These revenues represent income from all of the various transportation services and ancillary activities. Total operating revenues are \$7,756 more than the Fiscal 2013 budget and \$24,035 more than 2012. The following discussion provides further details:

- Passenger Service – This represents fares received from all modes of transportation services. For the year, these revenues are \$16,507 (0.95%) more than budgeted. Revenues from passenger service are \$43,949 (2.6%) more than in 2012. Harbor Ferry fares are up by about \$13,000 over 2012. The remaining increase is primarily from commuter routes.
- Bus Advertising – This represents contractual on-board advertising. These revenues are \$22,242 less than the budgeted and prior year amounts.
- Other Operating – These revenues include bus bench advertising, charges for copies, sales of scrap metals, and other expense reimbursements. These revenues are \$13,332 (21.3%) above budget and \$2,170 (2.9%) more than 2012 primarily due to timing of payments for bus bench advertising.

## Sales Tax:

November Sales Tax was \$2,575,435 which was a 12.5% decrease from 2012. This is \$93,579 more than budgeted.

Year to Date through November Sales tax was \$28,638,700, an increase of \$963,155 (3.48%) over 2012.

December sales tax has been estimated at \$3,620,126 which is a 7.1% decrease from 2012.

## Federal, state and local grant assistance:

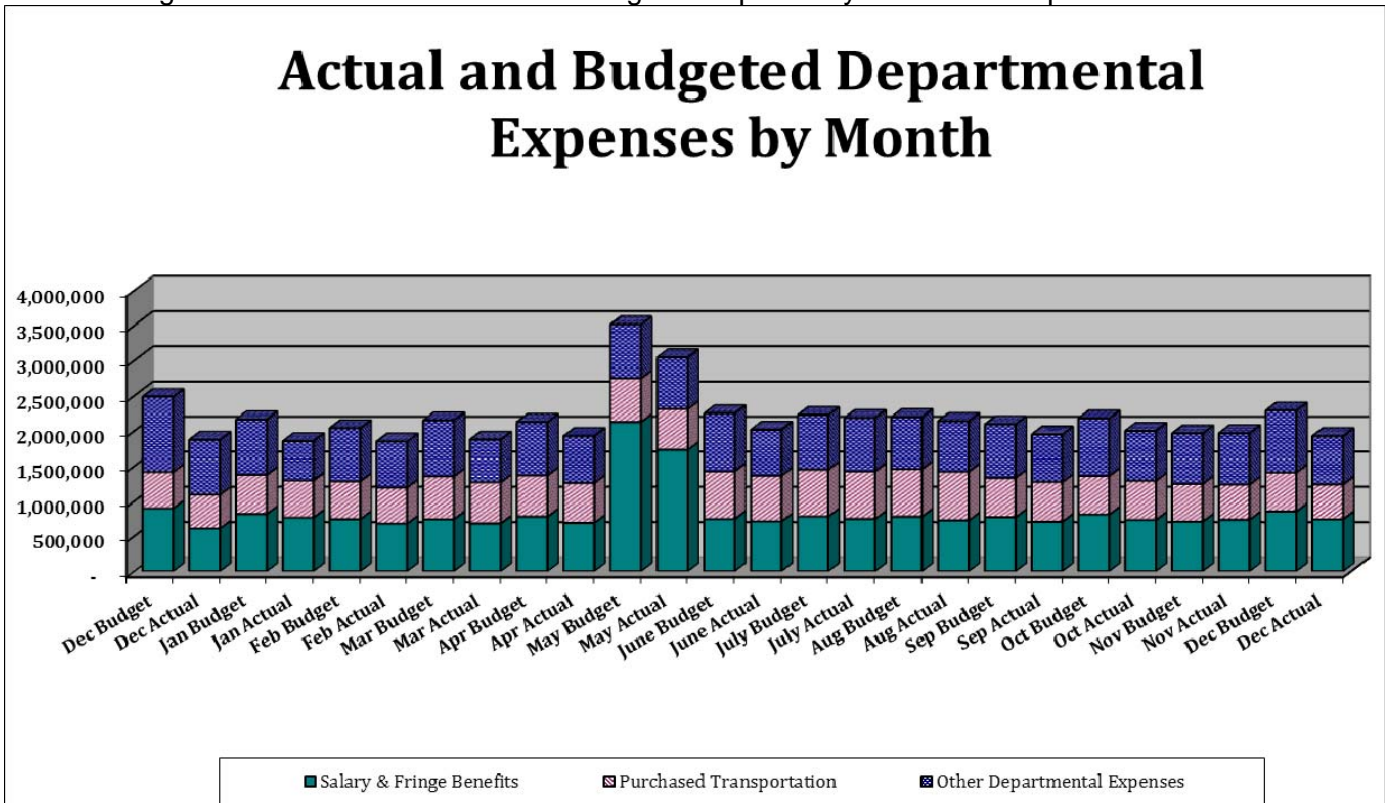
Total grant revenues for non-capital expenses are \$1,416,959 which is \$1,809,102 less than 2012. Capital contributions for the year to date are at \$2,025,996 compared to \$5,792,677 in 2012.

## Operating Expenses:

Operating expenses shown in the financial statements are listed by department or 'cost center.' For this more detailed discussion, expenses are presented by type of activity or "object code" for both the month and year-to-date:

Expense	Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Salaries & Benefits	\$ 740,195	850,863	110,668	9,619,165	10,628,646	1,009,481
Services	134,915	245,652	110,737	1,421,245	1,727,581	306,336
Materials & Supplies	348,145	359,553	11,408	4,214,869	4,518,780	303,911
Utilities	45,467	29,518	(15,949)	393,422	381,540	(11,882)
Insurance	131,534	218,971	87,437	1,690,601	2,288,858	598,257
Purchased Transportation	495,560	555,022	59,462	6,918,204	7,143,167	224,963
Miscellaneous	20,590	18,596	(1,994)	360,627	385,960	25,333
Leases	6,585	5,586	(999)	68,551	67,586	(965)
Total Department Expenses	\$ 1,922,991	2,283,761	360,770	24,686,684	27,142,118	2,455,434

The following chart shows the actual versus budgeted expense by month for the past 13 months.



- Salaries & Benefits – Favorable to budget by \$1,009,481 (9.5%) for the year. Salaries & wages are under budget primarily due to vacant positions. Benefits are under budget due to the lower than expected required pension contribution resulting from strong market performance in 2012.
- Services – Year to date service costs are below budget by \$306,336 (17.7%). This is due primarily to lower year to date spending for security services and lagging invoices from consultants and other service providers.
- Materials – Fuel and related taxes and fees for directly operated modes of transportation and service vehicles are about \$370,000 (14.7%) under budget for the year. Prices were lower than budgeted. Details as of the end of December:

<u>Fuel Type</u>	<u>Budget Price</u>	<u>Year to Date Average Price</u>	<u>Last Price Paid</u>
Diesel	\$ 3.44	\$ 3.05	\$ 3.07
Unleaded	\$ 3.18	\$ 2.80	\$ 2.61
CNG*	\$1.20	\$1.26	\$1.35

\*Includes related electric compression costs.

Bus Repair Parts and related Vehicle Materials & Supplies combined are over budget by about \$146,000.

Other materials and supplies are about \$80,000 under budget.

- Utilities – About \$12,000 over budget for the year.
- Insurance – The Authority's self-funded health insurance is about \$601,000 (30.7%) under budget due primarily to lower than anticipated year to date claims costs. This is about \$29,000 less than in 2012. Property & liability insurance costs are about even with budget for the year.
- Purchased Transportation– \$6,918,000 with a favorable variance of about \$225,000. Savings are primarily due to budgeted costs of a new Northwest route not yet initiated of about \$121,000. Lower than anticipated utilization of B-Line services has contributed savings of about \$142,000.
- Miscellaneous Expenses – Overall, these expenses are about \$25,000 under budget.
- Leases & Rentals – About even with budget for the year.

### **STATEMENT OF CASH FLOWS**

The Statement of Cash Flows on page 9 shows the sources and uses of the Authority's cash since January 1, 2013. The format of the statement is designed to clearly show the activities affecting cash flows. Of note is that the scope of this statement is cash and cash equivalents. For example, when investing activities section shows net of cash "used," this means that cash was put into longer term investments that are outside the scope of this statement. Also, when reviewing the Authority's cash position as it relates to net position, it is important to understand that the Authority's cash and investments are not necessarily idle resources without a purpose attached to them. The primary uses are for the future replacement of buses and bus facilities in the Authority's capital improvement program, which require grant matching funds.

Corpus Christi Regional Transportation Authority  
 Comparative Statements of Net Position (Unaudited)  
 At December 31, 2013 & November 30, 2013 & December 31, 2012

	<u>December 31, 2013</u>	<u>November 30, 2013</u>	<u>December 31, 2012</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 7,802,527	8,880,820	14,941,878
Investments	17,626,319	17,641,441	10,455,218
Receivables			
Sales taxes	6,195,562	5,554,757	6,841,088
Accrued interest receivable	68,318	68,369	44,438
Due from federal/state Government	10,011	189,487	1,936,569
Other	2,253,100	88,962	54,623
Inventories	624,863	570,841	510,868
Prepaid Expenses	136,480	178,164	150,359
Net Pension Asset	452,465	452,465	169,511
<b>Total Current Assets</b>	<u>35,169,645</u>	<u>33,625,306</u>	<u>35,104,552</u>
<b>Capital Assets:</b>			
Land and Construction in progress	14,522,774	13,276,543	4,383,312
Other capital assets, net of depreciation	33,111,008	33,606,445	39,056,263
<b>Total Capital Assets</b>	<u>47,633,782</u>	<u>46,882,988</u>	<u>43,439,575</u>
<b>Total Assets</b>	<u><b>82,803,427</b></u>	<u><b>80,508,294</b></u>	<u><b>78,544,127</b></u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	610,760	542,106	1,332,816
Accrued compensated absences	175,493	175,493	258,394
Distributions to regional entities payable	3,222,897	807,813	2,632,121
Other accrued liabilities	489,634	429,376	429,721
<b>Total current liabilities</b>	<u>4,498,784</u>	<u>1,954,788</u>	<u>4,653,052</u>
<b>Non-Current Liabilities:</b>			
Accrued compensated absences	76,467	76,467	76,467
Other Post Employment Benefits	531,047	531,047	531,047
	<u>607,514</u>	<u>607,514</u>	<u>607,514</u>
<b>Total Liabilities</b>	<u><b>5,106,298</b></u>	<u><b>2,562,302</b></u>	<u><b>5,260,566</b></u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	47,633,782	46,882,988	43,439,575
Restricted for pension plan obligation	452,465	452,465	169,511
Unrestricted	29,610,882	30,610,539	29,674,475
<b>Total Net Position</b>	<u><b>\$ 77,697,129</b></u>	<u><b>77,945,992</b></u>	<u><b>73,283,561</b></u>

Note - See Accompanying Narrative



**Corpus Christi Regional Transportation Authority**  
**Statement of Revenues and Expenditures By Cost Center (Unaudited)**  
**Months ended December 31, 2013 & December 31, 2012**

	Current Month			Prior Year Comparison	
	Actual	Budget	Favorable (Unfavorable)	2012	Favorable (Unfavorable)
			Variance		Comparison
A	B	A vs B	C	A vs C	
Operating Revenues:					
Passenger service	\$ 135,682	132,917	2,765	115,790	19,892
Bus advertising	3,334	3,333	1	3,333	1
Charter service	-	-	-	-	-
Other operating revenues	7,866	5,201	2,665	4,672	3,194
Total Operating Revenues	146,882	141,451	5,431	123,795	23,087
Operating Expenses:					
Transportation	422,990	477,753	54,763	401,650	(21,340)
Customer Programs	9,531	17,315	7,784	(82,470)	(92,001)
Purchased Transportation	552,909	617,001	64,092	602,757	49,848
Service Development	21,578	24,929	3,351	69,563	47,985
MIS	35,796	28,260	(7,536)	24,927	(10,869)
Vehicle Maintenance	427,193	457,993	30,800	356,830	(70,363)
Facilities Maintenance	105,511	89,066	(16,445)	75,698	(29,813)
Contracts and Procurements	18,386	16,969	(1,417)	19,303	917
CEO's Office	35,402	41,668	6,266	74,657	39,255
Finance and Accounting	28,839	32,665	3,826	28,670	(169)
Materials Management	14,898	14,039	(859)	11,498	(3,400)
Human Resources	123,563	242,219	118,656	(95,528)	(219,091)
General Administration	24,369	135,998	111,629	192,192	167,823
Capital Project Management	21,335	14,754	(6,581)	71,676	50,341
Marketing & Communications	37,364	27,493	(9,871)	65,224	27,860
Safety & Security	43,327	45,639	2,312	52,692	9,365
TCN - Regional Coordinator	-	-	-	-	-
Total Departmental Expenses	1,922,991	2,283,761	360,770	1,869,339	(53,652)
Depreciation	495,437	495,437	-	389,997	(105,440)
Total Operating Expenses	2,418,428	2,779,198	360,770	2,259,336	(159,092)
Operating Income (Loss)	(2,271,546)	(2,637,747)	366,201	(2,135,541)	(136,005)
Other Income (Expense)					
Sales Tax Revenue	3,162,871	3,610,382	(447,511)	4,653,858	(1,490,987)
Federal, state and local grant assistance	179,168	562,067	(382,899)	985,155	(805,987)
Investment Income	4,661	4,600	61	4,533	128
Gain (Loss) on Disposition of Property	-	-	-	-	-
Street Improvements Program for CCRTA Region Entities	(2,415,084)	(2,415,084)	-	(2,064,093)	(350,991)
Net Income (Loss) Before Capital Grants and Donations	(1,339,930)	(875,782)	(464,148)	1,443,912	(2,783,842)
Capital Grants & Donations	1,091,075	2,540,000	(1,448,925)	201,280	889,795
Change in Net Assets	\$ (248,855)	1,664,218	(1,913,073)	1,645,192	(1,894,047)

The unaudited financial statements for the month of December 31, 2013 have been reviewed and appear to be reasonable. CO Reviewed

**Corpus Christi Regional Transportation Authority**  
**Statement of Revenues And Expenditures By Cost Center (Unaudited)**  
**Year-to-date December 31, 2013 & December 31, 2012**

	Year-to-date			Prior Year Comparison	
	Actual	Budget	Favorable (Unfavorable)	2012	Favorable (Unfavorable)
			Variance		Comparison
A	B	A vs B	C	A vs C	
<b>Operating Revenues:</b>					
Passenger service	\$ 1,750,477	1,733,970	16,507	1,706,528	43,949
Bus advertising	48,762	71,003	(22,241)	71,004	(22,242)
Charter service	158	-	158	-	158
Other operating revenues	75,876	62,544	13,332	73,706	2,170
<b>Total Operating Revenues</b>	<b>1,875,273</b>	<b>1,867,517</b>	<b>7,756</b>	<b>1,851,238</b>	<b>24,035</b>
<b>Operating Expenses:</b>					
Transportation	5,055,536	5,232,056	176,520	5,071,876	16,340
Customer Programs	176,982	248,782	71,800	216,369	39,387
Purchased Transportation	7,597,846	7,902,852	305,006	7,294,539	(303,307)
Service Development	240,712	278,848	38,136	550,325	309,613
MIS	334,054	345,764	11,710	331,765	(2,289)
Vehicle Maintenance	5,029,529	5,441,721	412,192	5,399,571	370,042
Facilities Maintenance	1,090,046	1,063,846	(26,200)	980,410	(109,636)
Contracts and Procurements	176,456	205,896	29,440	152,737	(23,719)
CEO's Office	567,861	597,728	29,867	682,395	114,534
Finance and Accounting	384,750	361,577	(23,173)	365,602	(19,148)
Materials Management	128,221	147,668	19,447	143,081	14,860
Human Resources	2,594,078	3,603,513	1,009,435	2,743,988	149,910
General Administration	327,514	546,074	218,560	453,786	126,272
Capital Project Management	198,806	174,397	(24,409)	192,881	(5,925)
Marketing & Communications	344,117	470,945	126,828	308,750	(35,367)
Safety & Security	440,176	520,451	80,275	351,785	(88,391)
TCN - Regional Coordinator	-	-	-	-	-
<b>Total Departmental Expenses</b>	<b>24,686,684</b>	<b>27,142,118</b>	<b>2,455,434</b>	<b>25,239,860</b>	<b>553,176</b>
Depreciation	5,945,255	5,945,255	-	5,523,334	(421,921)
<b>Total Operating Expenses</b>	<b>30,631,939</b>	<b>33,087,373</b>	<b>2,455,434</b>	<b>30,763,194</b>	<b>131,255</b>
<b>Operating Income (Loss)</b>	<b>(28,756,666)</b>	<b>(31,219,856)</b>	<b>2,463,190</b>	<b>(28,911,956)</b>	<b>155,290</b>
<b>Other Income (Expense)</b>					
Sales Tax Revenue	32,258,826	31,482,000	776,826	31,571,834	686,992
Federal, state and local grant assistance	1,416,959	3,232,067	(1,815,108)	3,226,061	(1,809,102)
Investment Income	61,861	56,000	5,861	51,173	10,688
Gain (Loss) on Disposition of Property	225	-	225	1,086	(861)
Street Improvements Program for CCRTA Region Entities	(2,593,634)	(2,593,634)	-	(2,154,150)	(439,484)
<b>Net Income (Loss) Before Capital Grants and Donations</b>	<b>2,387,571</b>	<b>956,577</b>	<b>1,430,994</b>	<b>3,784,048</b>	<b>(1,396,477)</b>
Capital Grants & Donations	2,025,996	8,820,000	(6,794,004)	5,792,677	(3,766,681)
<b>Change in Net Assets</b>	<b>\$ 4,413,567</b>	<b>9,776,577</b>	<b>(5,363,010)</b>	<b>9,576,725</b>	<b>(5,163,158)</b>

The unaudited financial statements for year-to-date ended December 31, 2013 have been reviewed and appear to be reason. CO Reviewed

**Corpus Christi Regional Transportation Authority**  
**Statement of Cash Flows (Unaudited)**  
**Year-to-date December 31, 2013**

**Cash Flows From Operating Activities:**

Cash Received from Customers	\$ 1,770,268
Cash Received from Bus Advertising and Other Ancillary	(2,073,681)
Cash Payments to Suppliers for Goods and Services	(14,439,791)
Cash Payments to Employees for Services	(8,329,312)
Cash Payments for Employee Benefits	(2,973,888)
Net Cash Used for Operating Activities	<u>(26,046,404)</u>

**Cash Flows from Non-Capital Financing Activities:**

Sales and Use Taxes Received	32,904,352
Grants and Other Reimbursements	1,416,959
Distributions to Region Entities	(2,002,858)
Net Cash Provided by Non-Capital Financing Activities	<u>32,318,453</u>

**Cash Flows from Capital and Related Financing Activities:**

Federal and Other Grant Assistance	3,952,552
Proceeds from Sale of Capital Assets	228
Purchase and Construction of Capital Assets	(10,231,060)
Net Cash Used for Capital and Related Financing Activities	<u>(6,278,280)</u>

**Cash Flows from Investing Activities:**

Investment Income	231,345
Purchases of Investments	(21,796,805)
Maturities and Redemptions of Investments	14,432,340
Net Cash Used for Non-Capital Financing Activities	<u>(7,133,120)</u>

**Net Increase in Cash and Cash Equivalents** (7,139,351)

**Cash and Cash Equivalents, January 1** 14,941,878

**Cash and Cash Equivalents, Ending** \$ 7,802,527

**Reconciliation to Statement of Net Assets:**

Operating cash and cash equivalents	\$ 7,802,527
Reserved cash and cash equivalents	0
Cash and Cash Equivalents, Ending	<u><u>\$ 7,802,527</u></u>

## Corpus Christi Regional Transportation Authority Sales Tax History

Highest comparable months are shaded

### Sales tax history reported by month generated in the community.

(Accrual Method of Accounting - Reported in month RTA earns the income.)

	2013	% Change	2012	2011	2010	2009
<b>January</b>	\$ 2,395,030	10.7%	\$ 2,164,316	\$ 1,603,597	\$ 1,707,787	\$ 1,731,089
<b>February</b>	2,464,001	10.7%	2,226,506	1,789,411	1,690,511	1,780,559
<b>March</b>	3,000,087	10.1%	2,724,073	2,473,035	1,936,991	2,027,122
<b>April</b>	2,462,052	9.8%	2,242,029	1,954,495	1,688,314	1,638,161
<b>May</b>	2,645,394	11.5%	2,373,521	1,990,917	1,803,150	1,634,741
<b>June</b>	2,906,916	5.0%	2,769,015	2,508,953	2,195,580	1,733,918
<b>July</b>	2,135,526	-16.1%	2,545,257	2,114,283	1,804,051	1,625,860
<b>August</b>	2,630,543	0.6%	2,615,213	2,343,583	1,769,527	1,567,976
<b>September</b>	2,901,648	11.4%	2,605,068	2,500,035	2,080,698	1,720,734
<b>October</b>	2,522,066	2.3%	2,465,748	1,755,397	1,772,941	1,583,354
<b>November</b>	2,575,435	-12.5%	2,944,798	2,192,807	1,865,505	1,542,919
<b>December</b>	3,620,126	-7.1%	3,896,289	3,009,013	2,576,657	2,235,142
<b>Total</b>	\$ 32,258,826	2.2%	\$ 31,571,834	\$ 26,235,525	\$ 22,891,712	\$ 20,821,573

Note: The last month of the current year is estimated until the amount becomes known.

